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California Department of Transportation

House Transportation and Infrastructure Committee

Panel on 21st Century Freight Transportation

“How Southern California Freight Transportation Challenges Impact the Nation”

May 30, 2013

Chairman Duncan, Congressman Miller, distinguished panel members, thank you for allowing me to testify about this important topic and to provide a State of California perspective about Southern California freight movement’s impact on the nation. With the Los Angeles region having the 16th largest economy in the world, just behind South Korea, Southern California freight transportation challenges are the nation’s freight challenges.

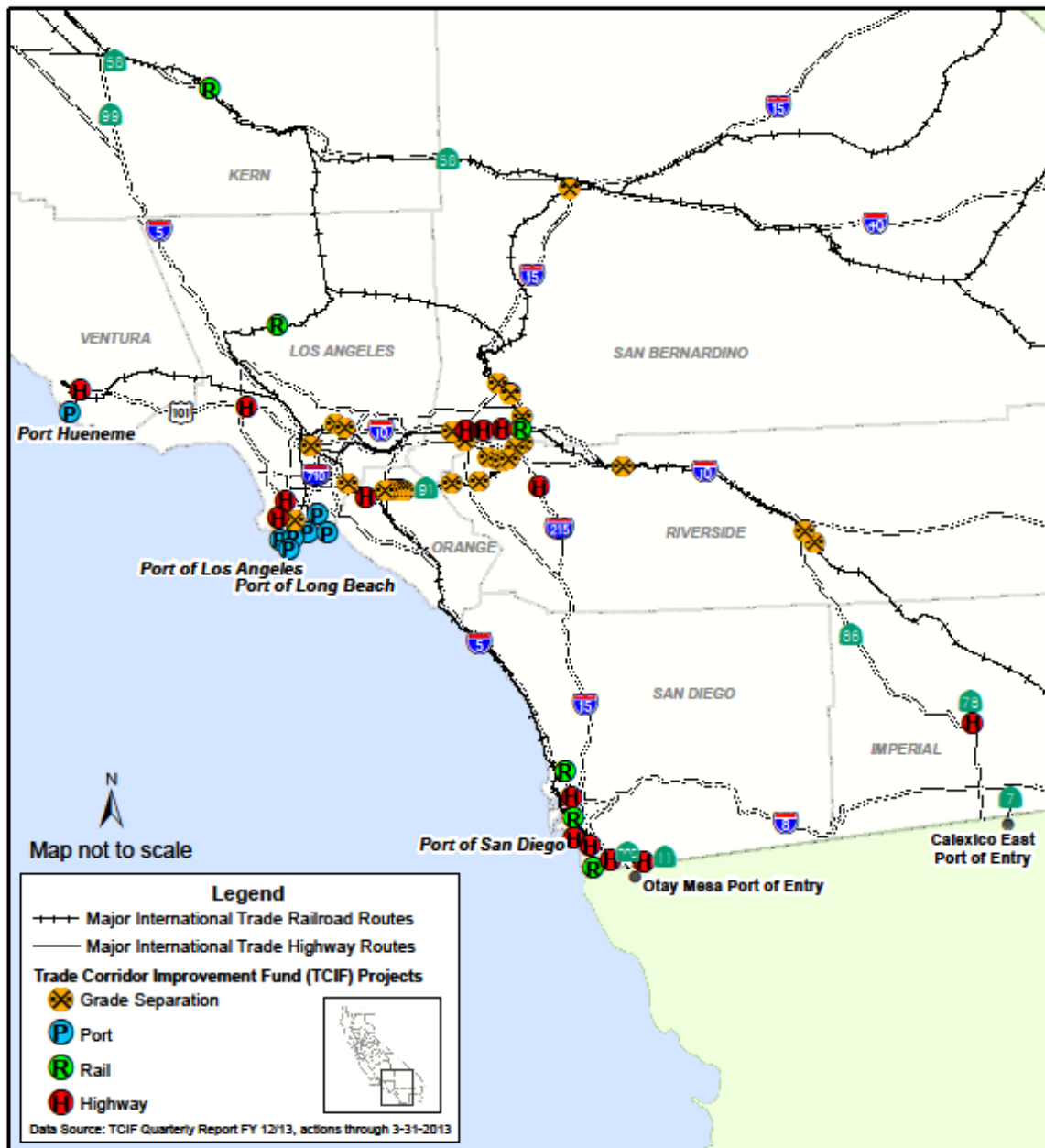
Fortunately, the Nation is exceptionally well served by the complex, continually improving Southern California freight system. The region’s seaports, airports, international border ports of entry, railroads, roadways, intermodal yards, transloading facilities, and warehouses support freight mobility that serves approximately 40 percent of the nation’s international container shipments as well as large volumes of bulk commodities. The system is comprised of a network of private, public, and partnership based facilities and equipment.

While providing numerous business opportunities, jobs, and tax revenues for the region and for communities across the nation, this unparalleled freight volume does indeed present challenges to the region that impact the nation. Fortunately, the State of California and the Southern California region have been proactive in addressing many of the challenges, resulting in reduced regional impacts and sustained benefits to the nation. Though Southern California has an exceptionally strong collaborative freight leadership team comprised of public agencies and the freight industry, there is also a need for a stronger federal presence and a need

for a greater level of federal fiscal involvement in addressing Southern California freight issues. A dedicated source of freight funding is needed that does not siphon funding from other transportation needs.

As the 9th largest economy in the world, just ahead of Russia, California has long recognized the need to support the freight industry so that our economy continues to be a global leader. In 2007, the State issued a comprehensive state freight plan called the Goods Movement Action Plan. The Plan included the identification of critical freight corridors, listing of high priority projects, and highlighted the need to address issues such as air quality and homeland security as part of a freight program. In many respects, the Goods Movement Action Plan can be seen as helping to set the stage for the development of the MAP-21 Freight Policy.

California's adoption of the Goods Movement Action Plan had a companion fiscal element that brought new State revenue through voter approved bonds. The 2006 Proposition 1B Bond Program devoted \$2 billion to the Trade Corridor Improvement Fund. That's \$2 billion in new State revenue devoted to freight movement improvement projects, with many of those projects serving national needs. The Bond funds attracted a wide range of additional private, local, regional, and federal funds, resulting in a current program of 69 freight projects valued at \$6.5 billion, with a majority of the projects located in Southern California.



Trade Corridor Improvement Fund (TCIF) Southern California Projects

- Seaports: 7 projects - \$1.345 billion
- Railroads: 6 projects - \$455 million
- Railroad Grade Separations: 28 projects - \$2.143 billion
- Highways: 15 projects - \$1.379 billion

Two of the Bond projects are particularly noteworthy in regards to their national impacts: the Gerald Desmond Bridge Replacement and the Colton Crossing Railroad Grade Separation.



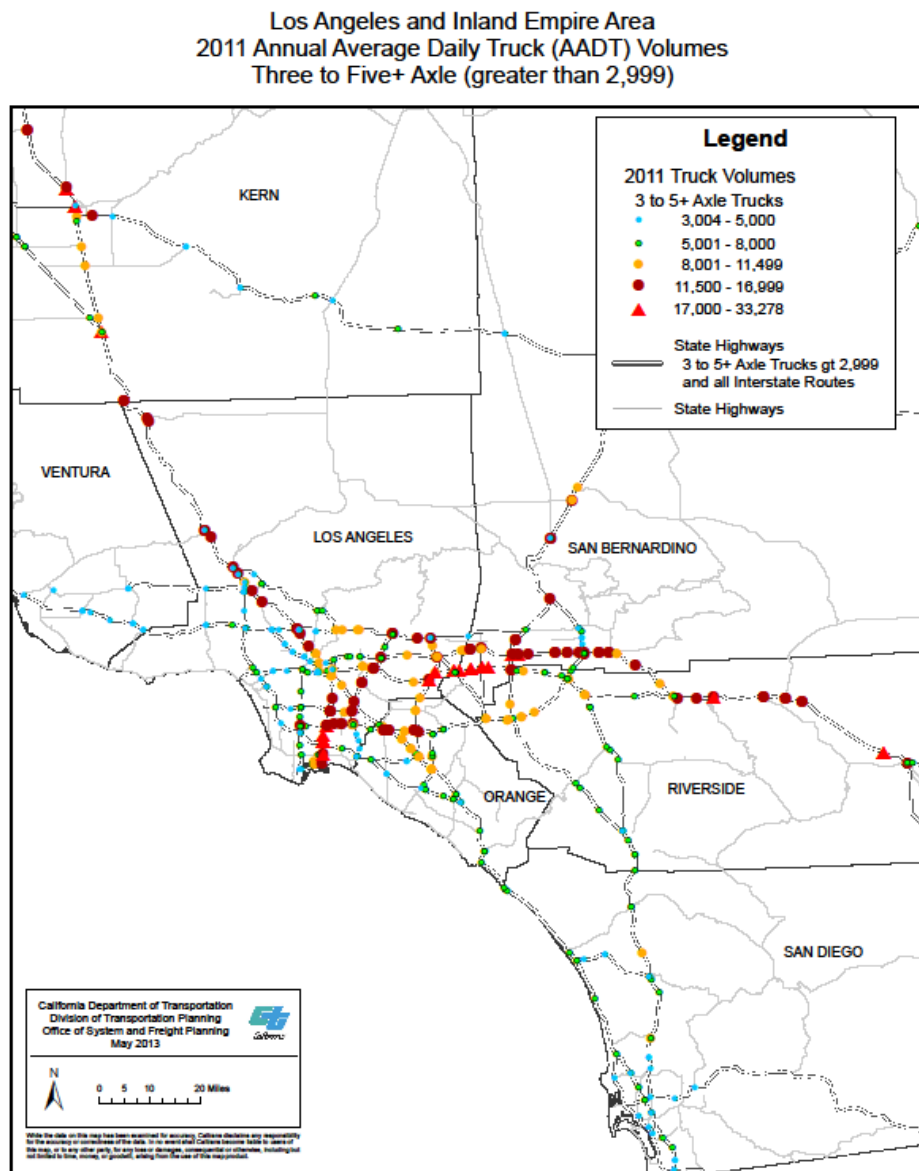
The Gerald Desmond Bridge Replacement project, located in the Port of Long Beach, is a \$960 million partnership between the State and the city of Long Beach. The project includes \$318 million in federal funds. Remarkably, 15 percent of the nation's international container cargo crosses this now obsolete bridge on trucks. The new bridge will have higher clearances to accommodate larger ships and will have more travel lanes and better approach grades to improve truck traffic. The project is just beginning the construction phase.



The Colton Crossing Railroad Grade Separation, located in San Bernardino County, is a \$152 million project that elevates the Union Pacific transcontinental rail line over the BNSF transcontinental rail line so that the at-grade crossing of the two Class 1 rail lines is eliminated. These are the two rail lines that connect to the Ports of Long Beach and Los Angeles, providing swift and reliable shipment of goods across the country. The project includes approximately \$34 million in ARRA-TIGER funding. The project eliminates long freight delays as trains will no longer have to wait for each other to clear the crossing. Rail operations costs are reduced. Community impacts from idling trains are also reduced. The project is well into the construction phase.

MAP-21 includes the designation of a National Priority Freight Network that will consist of no more than 30,000 centerline highway miles. Selection of routes will be determined by the U.S. Department of Transportation using a variety of truck volume and weight data. My Department, and some of our regional partners, have analyzed the California highway system to identify which routes carry the highest truck volumes. Not surprisingly, Southern California has very high truck

volumes on many of its highways. A challenge for Southern California is that some of the most critical high truck volume routes are not Interstate Highways. They are State Highways that may not be designated as part of the National Priority Freight Network because data regarding those routes are not collected by the Federal Highway Administration. Of particular concern in Southern California are State Routes 57, 58, 60, and 91.



In a related matter, the vast majority of the containerized cargo that comes into and leaves the ports are packed in standard 20 or 40 foot marine containers. Many of the containers arriving at the ports are loaded directly onto trains at the port and are hauled to locations throughout the country. Many more of the containers are transported by truck to various transloading facilities where they are unloaded and repacked into 53-foot tractor trailer rigs, to then be trucked to distant locations. The truck trip between the port and the transloading facility is inappropriately counted as a local trip due to its short length, while the reality is that the freight being hauled in the truck is often being moved a great distance to other states after being repacked into a 53-foot trailer. Southern California needs these shorter truck trips to be counted as a longer freight trip so that the impacted highways can be recognized as serving national needs, not just local needs.



Per MAP-21 guidelines, California has formed a State Freight Advisory Committee to assist in the development of our new State Freight Plan and to provide advice on other freight matters. Our 60-member committee represents a broad spectrum of the freight industry, government agencies and stakeholders. We

appreciate the assistance that the Federal Highway Administration's California office has provided to us during the committee formation process.