

ASSEMBLY TRANSPORTATION COMMITTEE
Informational Hearing
Monday, February 11, 2013
State Capitol, Room 4202
1:30 p.m.

Development of California's Freight Plan

Last summer, Congress passed, and the President signed, federal transportation reauthorization legislation, The Moving Ahead for Progress in the 21st Century Act (MAP-21). MAP-21 directs the US DOT to develop a new national freight program that will provide a basis for federal investment in trade-facilitating infrastructure development. As a part of this new federal initiative, MAP-21 essentially does three things:

- It encourages states to develop comprehensive plans for immediate and long-range freight-related planning and investments, including a discussion of the state's strategic goals for freight transportation. To inform the development of these plans, MAP-21 specifically encourages states to establish freight advisory committees. State freight plans will be used to inform development of the national freight plan;
- It requires US DOT to establish a national freight network to assist states in strategically directing resources toward improved movement of freight on highways. Criteria to be examined in designating the highway routes to be included in the freight network include the following: tonnage or value of commodities carried, truck traffic volume, access to significant ports of entry/exit for international trade, access to energy areas, access to population centers, and multimodal connectivity accessibility (such as rail lines running parallel to highways and waterways that carry bulk cargo). The national highway network is required to be adopted by July, 2013; and,
- It requires the establishment of freight project performance measures.

The focus of today's hearing is on development of a state freight plan. The purpose of this informational hearing is twofold: (1) to learn from freight movement stakeholders what they believe should be the strategic goals of a state freight plan; and (2) to better understand planning efforts already underway within the state and how these efforts can ultimately lead us to an integrated, comprehensive state freight plan.

Background. California is one of the 10 largest economies in the world with a gross state product of more than \$1.9 trillion, and our state's goods movement system is the bedrock of the state's economy. According to an international trade and investment study produced by the California Business, Transportation and Housing (BT&H) Agency, "International trade and investment is a major economic engine for the state of California that broadly benefits businesses, communities, consumers and state government."

Our state's investment in goods movement has not kept pace with the demands of modern, trade-driven supply chains. Growing volumes of freight that move along our roads, rails, and waterways are increasingly choked by a lack of adequate capacity. Simultaneously, communities alongside these corridors choke on the resultant emissions. Without improvements to key freight transportation corridors, our ability to compete in the global marketplace will be hampered. Our goods movement infrastructure must remain at the highest competitive level, using cutting-edge, transformational technologies that are timely, cost-effective, and appropriate. This is necessary if the state is going to attract and sustain the trade business that will allow us to grow and prosper.

California is now faced with the challenge of developing a state freight plan that meets the needs of an aging and congested infrastructure while at the same time complies with federal and state clean air mandates and addresses related public health issues. Prioritizing the investment needs attributed to these separate demands will require tough choices and complex strategies critical to building and maintaining an efficient, equitable, and sustainable goods movement system for California.

As a precursor in the development of any plan, the vision, goals, and objectives of the plan need to be clearly established. Accordingly, the US DOT MAP-21 *Interim Guidance* document advises that a state freight plan should include a discussion of the state's strategic goals for freight transportation. Further, the guidance document indicates that the plan must include a description of how the plan will improve the ability of the state to meet the national freight goals listed below:

- 1) Improving the contribution of the freight transportation system to economic efficiency, productivity, and competitiveness;
- 2) Reducing congestion on the freight transportation system;
- 3) Improving the safety, security, and resilience of the freight transportation system;
- 4) Improving the state of good repair of the freight transportation system;
- 5) Using advanced technology, performance management, innovation, competition, and accountability in operating and maintaining the freight transportation system; and,
- 6) Reducing adverse environmental and community impacts of the freight transportation system.

Existing efforts. A number of efforts are already underway at state, regional, and local levels to address goods movement needs in California. For example, the California Department of Transportation (Caltrans) has embarked on the development of the California Freight Mobility Plan. Caltrans has entered into a contract with California State University, Long Beach, to develop a scoping plan for an update to state's 2007 Goods Movement Action Plan (GMAP). The contract requires the university to recommend a possible approach and timing for developing a vision of goods movement, development of goals and policies, and identification of potential infrastructure improvements. Also, the contract requires a recommendation on a process to include stakeholder outreach, analysis of key goods movement issues and trends, and development of an action plan. Also as a part of the Caltrans effort, a freight advisory committee has been established to help guide the development of the freight mobility plan. The initial list includes over 50 stakeholders, many in attendance at the hearing today.

On a parallel track, the Air Resources Board (ARB) is currently developing their long-term vision for freight transport in California, referred to as the "2050 vision" for freight transport. ARB intends to identify a vision for freight transport looking to 2050 that will:

- 1) Put the state on a trajectory to help stabilize global climate;
- 2) Is environmentally sustainable;
- 3) Ensures continued economic strength and quality of life; and,
- 4) Supports reliable and efficient freight transport.

Tentatively, ARB expects to have preliminary concepts for the freight strategy in late 2013. Further implementation steps will be determined by ARB, but the effort is expected to be reflected in the Update to the Scoping Plan and State Implementation Plan revisions.

Another major consideration in the adoption of the plan's goals are the regional transportation plans adopted by metropolitan planning organizations that ensure compliance with greenhouse gas reduction regional targets as established by ARB, pursuant SB 375 (Steinberg) Chapter 728, Statutes of 2008. The sustainable communities strategies (SCS) are a new element of the metropolitan planning organizations' regional transportation plans that demonstrate how development patterns and transportation policies and programs can work together to achieve a region's greenhouse gas emission reduction targets from cars and light trucks. Integrating the SCS plans of the separate regions into the state freight plan would also lend support to the regional agencies in achieving their greenhouse gas emission reductions and environmental sustainability objectives. With the few regional transportation plans approved by ARB or nearing completion, these will ensure that we are making transportation investments consistent with community wishes along with achieving emission reductions.

The coordination and harmonization of the regional transportation plans, infrastructure needs, and air quality implications of freight movement creates a significant goal-setting task at hand and, if appropriately adopted, will serve as the foundation for sustainable infrastructure improvements that will have a profound impact on California's economy.