

ATTACHMENT A

BILL: HOUSE RESOLUTION BILL 3001

AUTHOR: CONGRESSMAN ALAN LOWENTHAL (D-LONG BEACH)

SUBJECT: ECONOMY IN MOTION: THE NATIONAL MULTIMODAL AND SUSTAINABLE FREIGHT INFRASTRUCTURE ACT

STATUS: HOUSE - TRANSPORTATION AND INFRASTRUCTURE; WAYS AND MEANS COMMITTEES

ACTION: SUPPORT

RECOMMENDATION

Staff recommends that the Board of Directors adopt a SUPPORT position on House Resolution Bill 3001 (Lowenthal) - Economy in Motion: The National Multimodal and Sustainable Freight Infrastructure Act.

ISSUE

H.R. 3001(Lowenthal) - Would establish a Freight Transportation Infrastructure Trust Fund and create a freight specific formula and competitive grant program for multimodal projects. Specifically, H.R. 3001 offers a dedicated revenue source by implementing a proposed national 1% waybill fee. The entity paying for the cargo to be shipped via ground transportation within the United States would be required to pay a fee of 1% of the total cost of transportation.

DISCUSSION

In 2015, Congress passed the bipartisan Fixing America's Surface Transportation (FAST) Act, which for the first time outlined a national freight policy and set up both formula and competitive programs to invest in these systems. The FAST Act funded both of these programs through 2021, but because the Highway Trust Fund is not able to provide the amount of funding necessary to keep up with the nation's infrastructure needs, it is important to identify and support sustainable funding sources that will be dedicated to specific uses that will improve infrastructure.

Goods movement is a significant economic engine in Los Angeles County, with the Ports of Los Angeles and Long Beach handling over 40% of all cargo shipped into the United States. Communities that surround Los Angeles County's ports experience a high level of congestion and environmental impacts as a result of the large amount of cargo exiting the County's two ports as it is transported to rail yards and storage facilities across Los Angeles County and surrounding counties. Through the creation of a program aimed at improving the movement of goods, residents, commuters and businesses will benefit from less congestion and improved air quality.

Consistent with Metro's 2017 Board-approved Federal Legislative Program in support of creating a fully funded federal freight program; H.R. 3001 (Lowenthal), Economy in Motion: The National Multimodal and Sustainable Freight Infrastructure Act, establishes a Freight Transportation Infrastructure Trust Fund, a formula and competitive multimodal grant program for States, Regional and Local Governments, and incorporates these programs into existing FAST Act freight programs. The program would generate funding through the collection of fees for transporting cargo nationally.

The estimated \$8 billion in annual funds collected from this proposed fee would be deposited into a Freight Transportation Infrastructure Trust Fund and then be distributed equally between the existing National Multimodal Freight Funding Formula Program and the National Freight Infrastructure Multimodal Competitive Grant Program created in the FAST Act. Qualifying projects could include capital freight projects on roads, rail, intermodal connectors, including first and last mile connectors, rail grade separations, on-dock rail and landside infrastructure on ports and airports included in a State Freight Plan.

Staff believes that H.R. 3001 could be adopted in any infrastructure package offered by the President and considered by Congress. Staff recommends that the Board adopt a SUPPORT position on H.R. 3001 (Lowenthal).

DETERMINATION OF SAFETY IMPACT

There is no determined safety impact due to the enactment of the proposed legislation.

FINANCIAL IMPACT

This bill could have a positive financial impact on our agency as it provides additional funding that Metro could utilize.

ALTERNATIVES CONSIDERED

Staff has considered adopting an oppose position on the bill. Adopting an oppose position on the bill would be counter to the advocacy efforts as outlined in the Board-approved 2017 Federal Legislative Program.

NEXT STEPS

Should the Board adopt a SUPPORT position on this measure, staff will communicate the Board's position to the author and work with Congress to ensure its adoption into law. Staff will continue to keep the Board informed as this issue is addressed throughout the legislative session.