

Freight Legislation: A Trucking Perspective

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ATRI

Industry's NFP research organization

- **Safety and Human Factors**
- **Technology**
- **Environmental Factors**
- **Economic Analysis**
- **Transportation Security**

Awards: ITE, ITSA, TIDA, TLA

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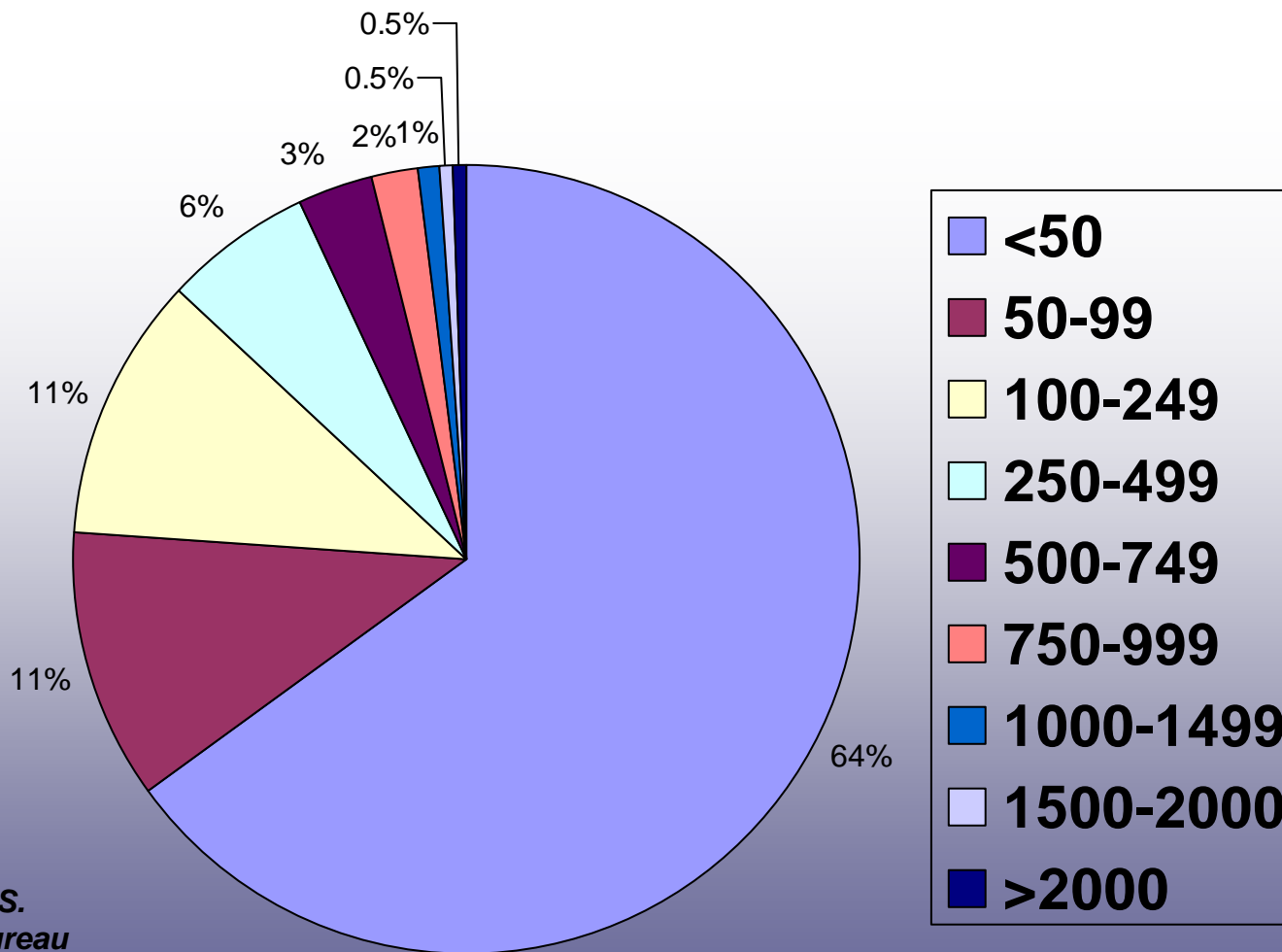


Understanding “Freight”

- **Modal Splits / Intermodal**
- **Funding the Trust Fund**
- **Who Doesn't Pay**
- **Who Doesn't Pay Enough**
- **Who Should Pay**
- **How To Pay**
- **Comments on Freight Legislation....**

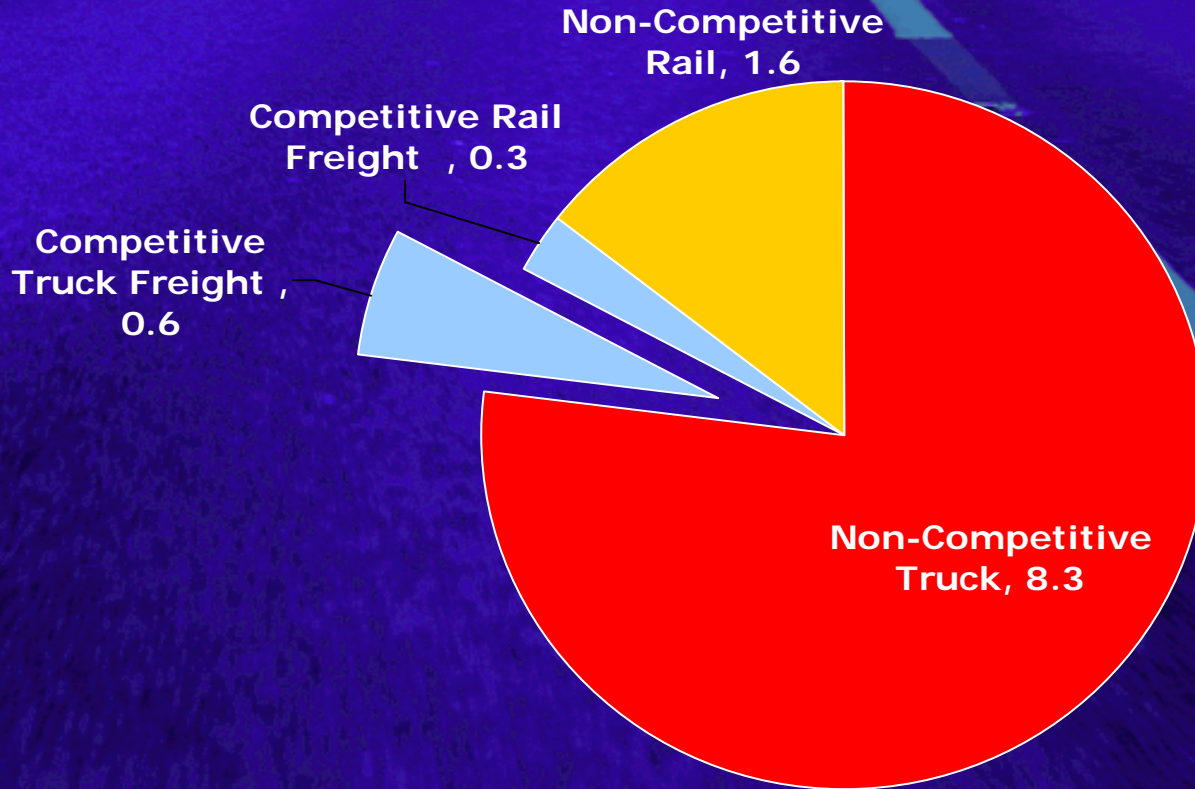


Truck Tonnage by Distance Shipped



Source: U.S. Census Bureau

Intermodal Competition

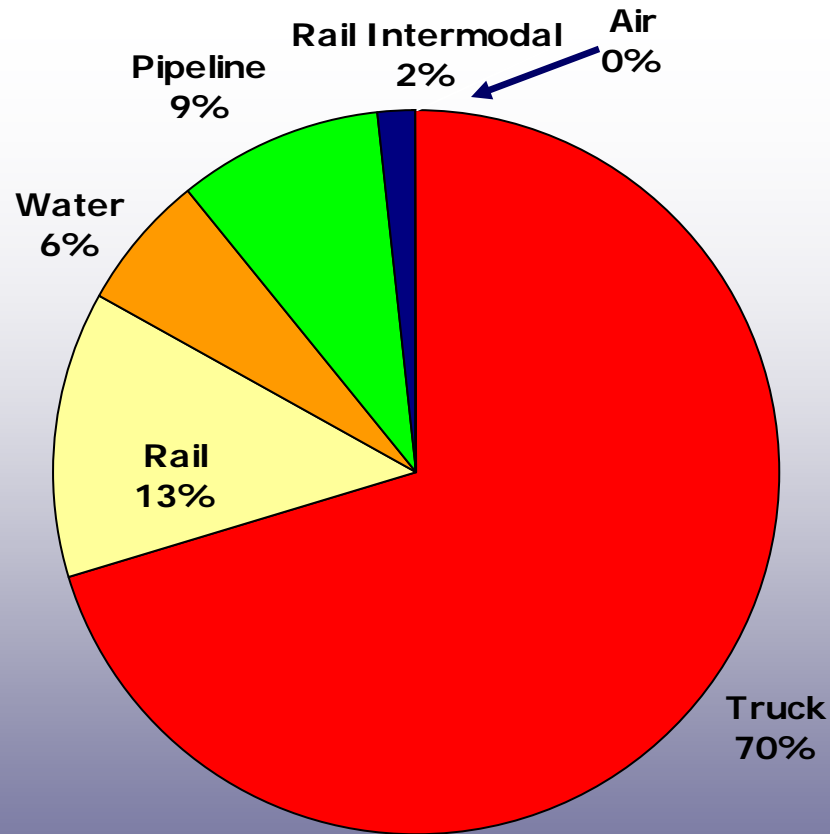


Note: Maximum competitive freight is less than 1 billion tons in a total market (truck and rail only) of 11 billion tons, or less than 10%. Competitive freight includes all freight traveling at least 500 miles, but excludes coal tonnage.

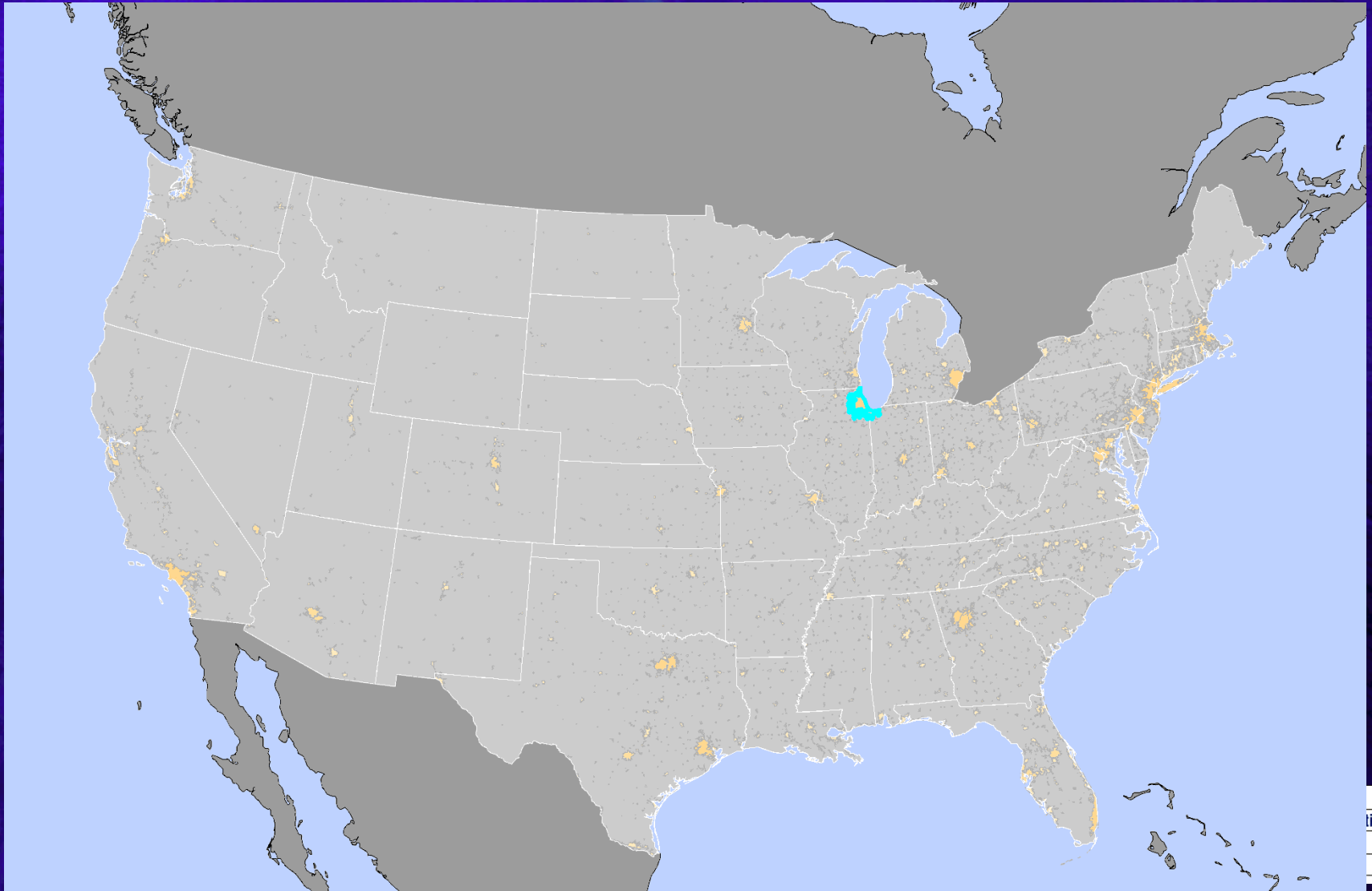


Distribution of Tonnage by Mode: 2018

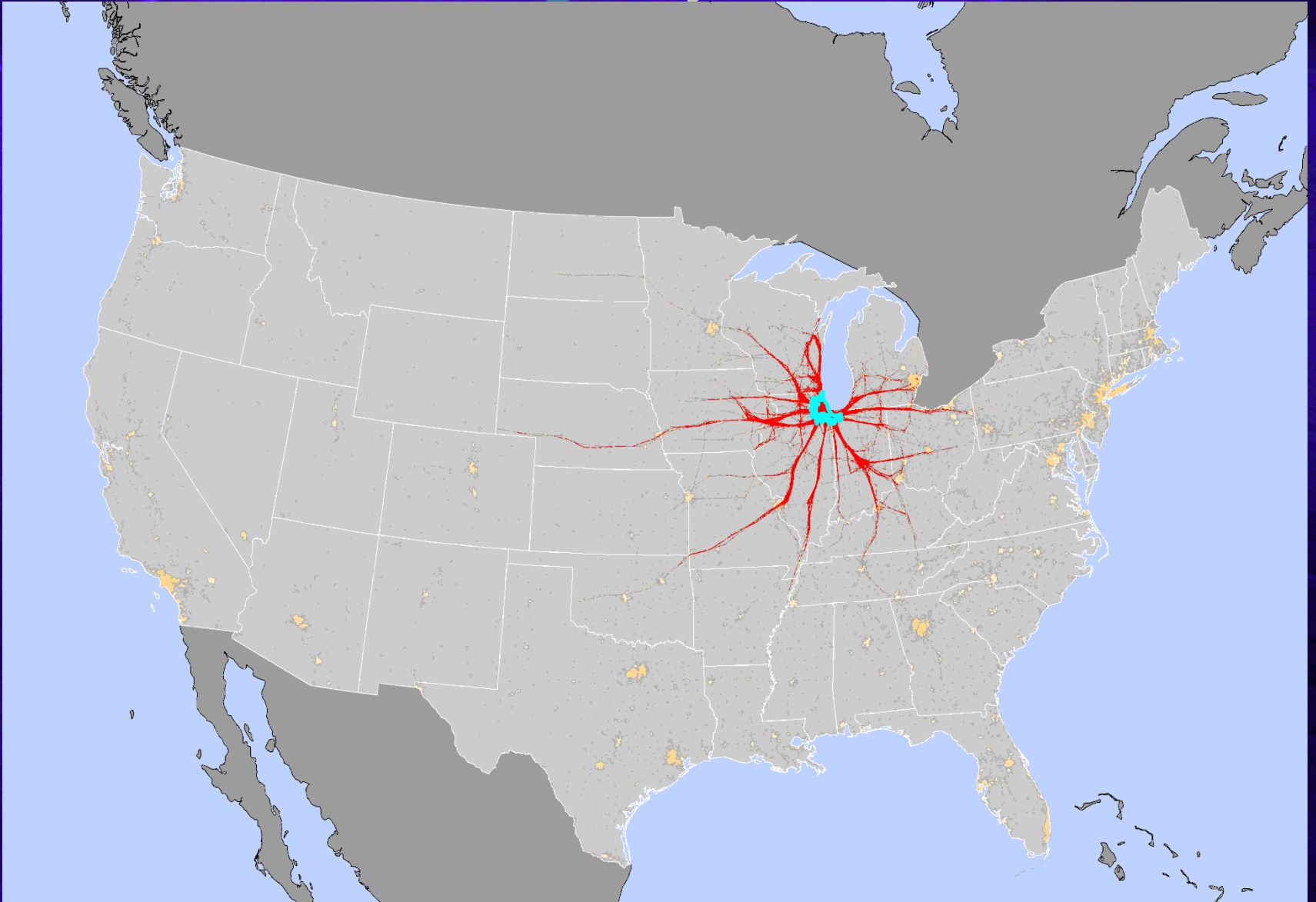
(Baseline Forecast)



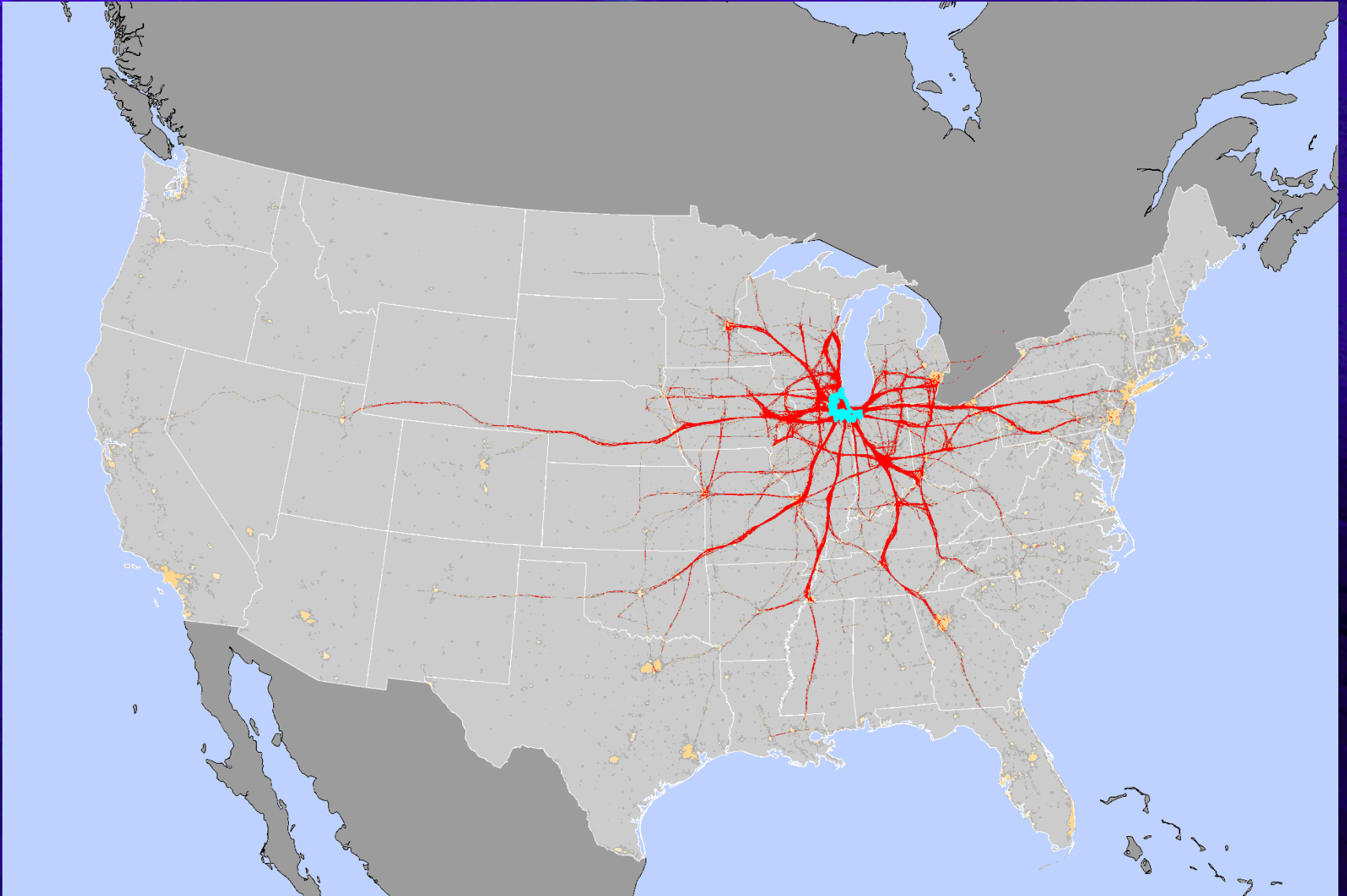
Chicago: 1,000 Truck Sample



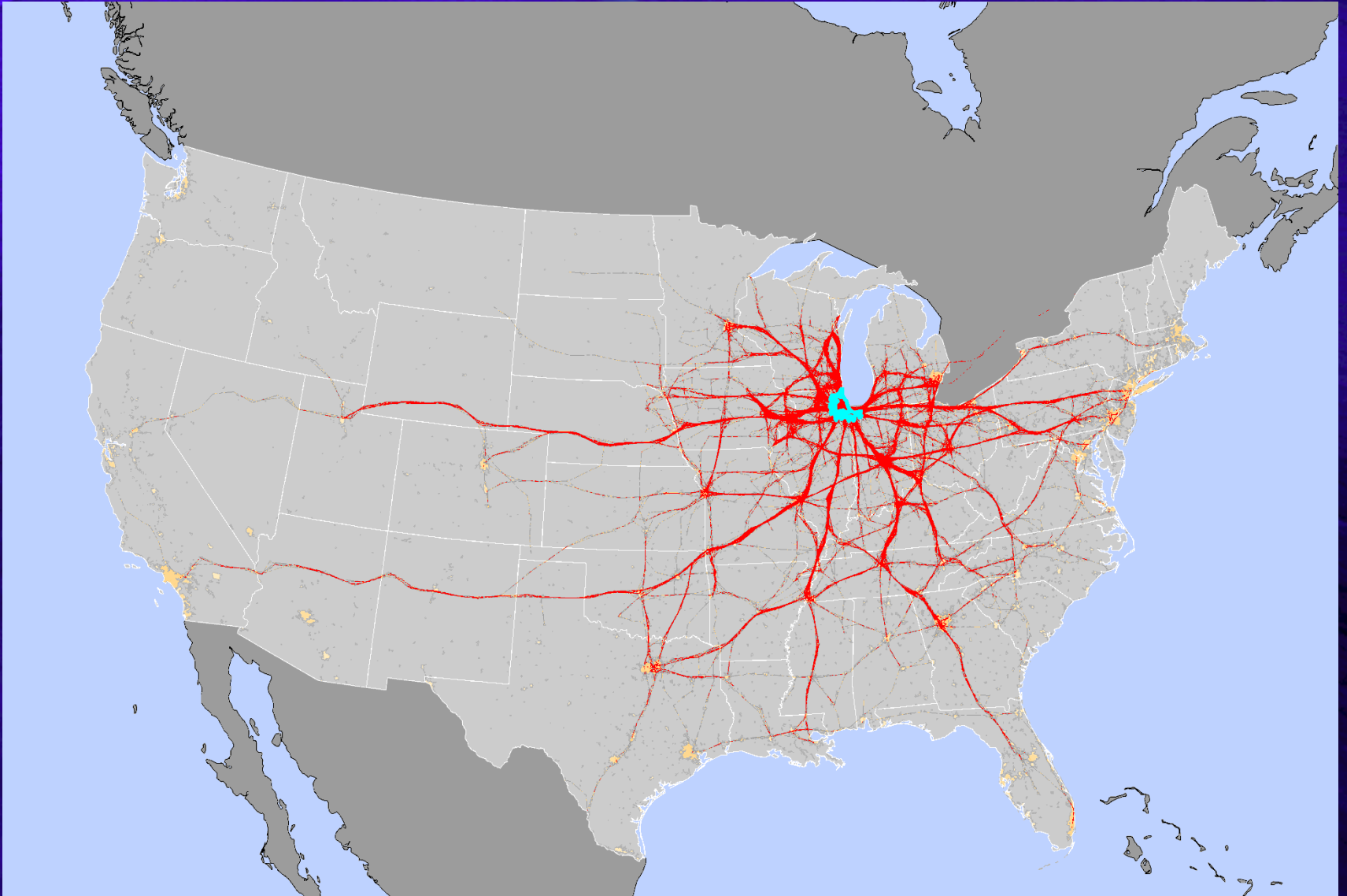
1 Day...



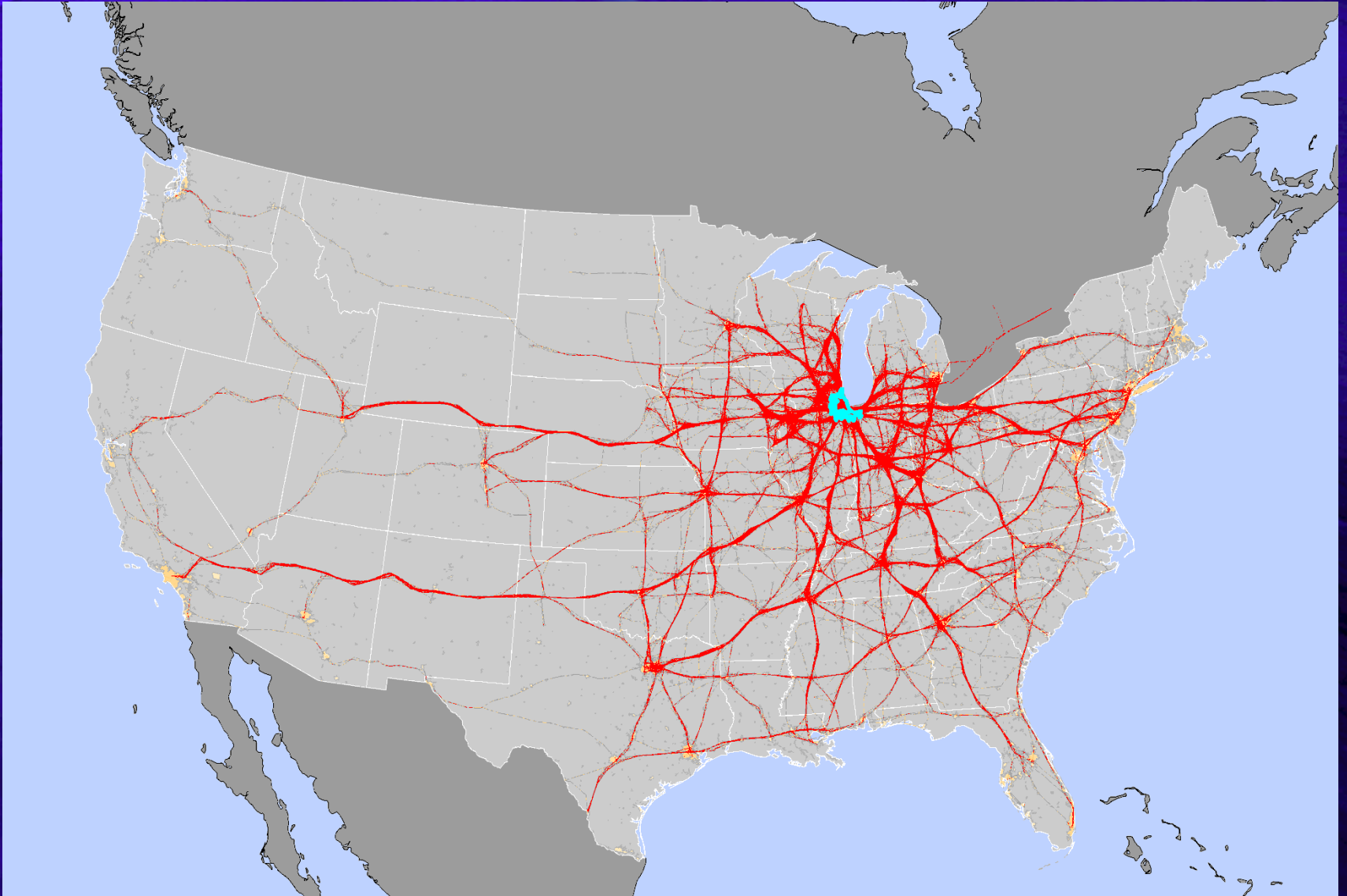
2 Days...



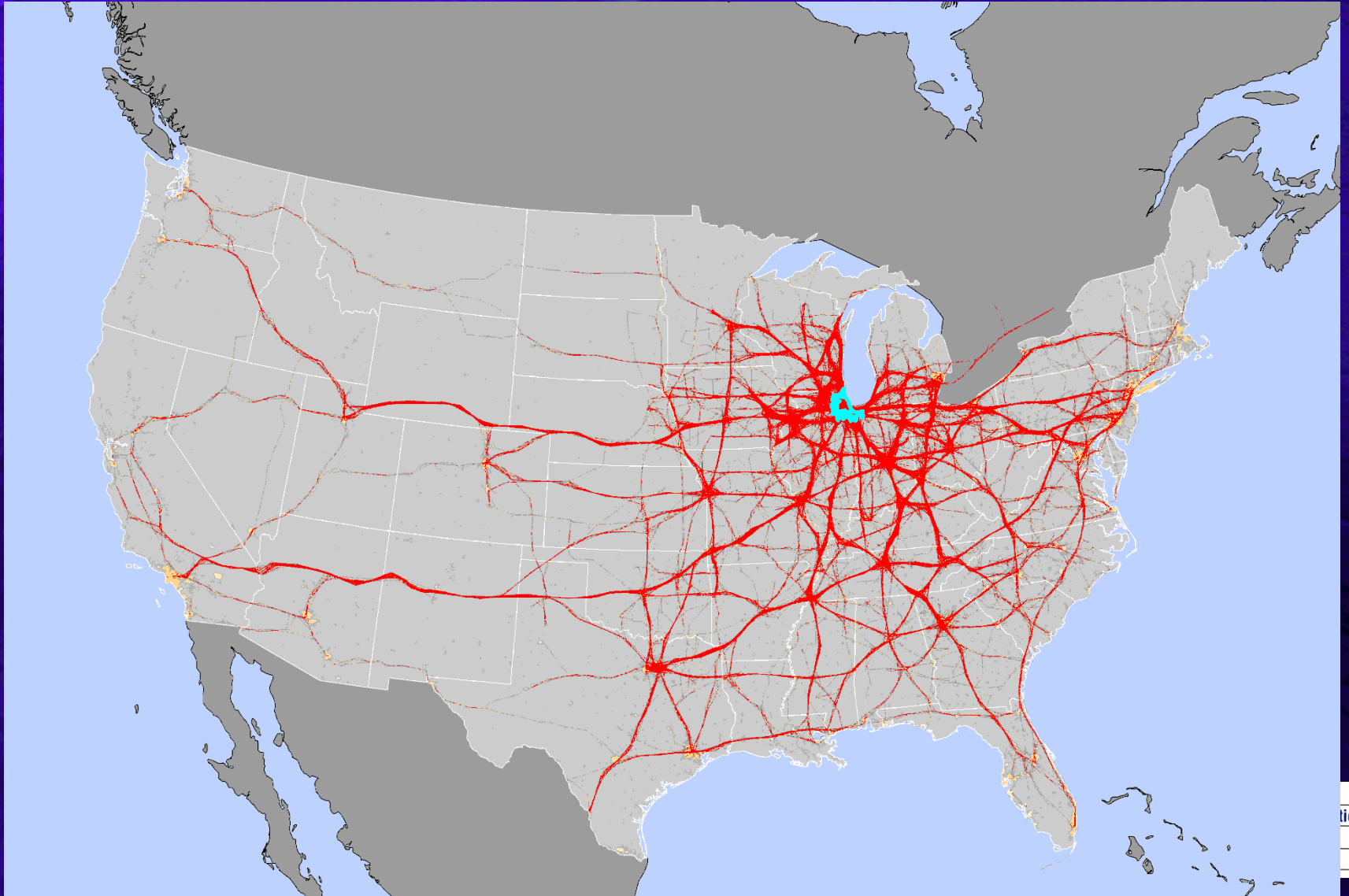
3 Days...



5 Days...



7 Days...



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Modal Productivity Comparisons



16,000 TEUs
Post Panamax

Percent change in
operating volume \approx 300%

4,000 TEUs
(1980)



580,000 Cu. Ft.
(2010)

Percentage change in
operating volume \approx 200%

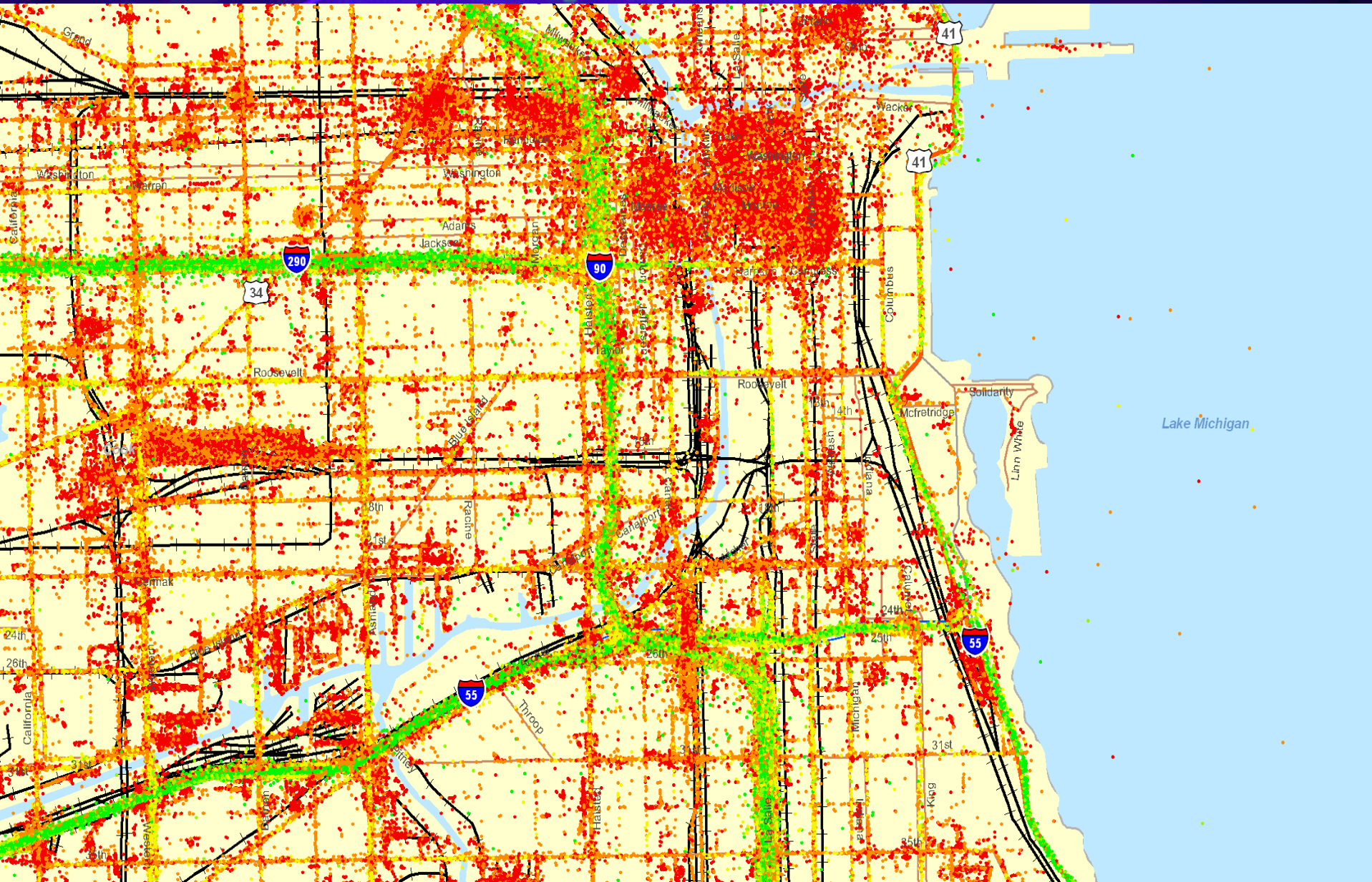
200,000 Cu. Ft.
(1980)



4,055 Cu. Ft.
(2010)

Percentage change in
operating volume \approx 14%
Weight capacity \approx 9%

3,500 Cu. Ft.
(1980)



Funding the Trust Fund

Trucks = 30% - 35% of...



\$286B SAFETY LU



\$500B?



\$1 Trillion?

Who Doesn't Pay?

- **Government Fleets !**
- **Transit**
- **Charities**
- **Driver Education Vehicles**
- **Other Modes**

Who Doesn't Pay Enough?

- HCA Says TRUCKS...
- ATRI's HFA Says 10 – 15 Cent Tax

How To Pay...

- **TAXES !**
 - ◆ **Federal Tax Admin Costs = .2%**
 - ◆ **State = 2%-3%**
 - ◆ **Tolling = 11% - 40% +**
 - ◆ **PPP?**

Who Should Pay?

- **“User Pays” / Fully Allocated Costing**
- **Public Good = All Beneficiaries?**
 - ◆ **MN/DOT Value Capture**
- **Shippers, but How?**

Freight Legislation

- **More Flexing of Inadequate Dollars A La CMAQ...**
- **Sen. Lautenberg Bill**
 - ◆ No Funding Sources
 - ◆ No Spending Targets
 - ◆ Pure Reallocation to Other Modes?
- **Cong. Richardson's Freight Focus**

Bottom Line...

- **Road Users Need More Road Funds**
- **Rail Users Need More Rail Funds**
- **Ports...**
- **Aviation?**
- **(Cut earmarks; transportation-only expenditures; direct cost-benefit assessments; eliminate exemptions; raise user taxes!)**