



SOY TRANSPORTATION COALITION WASHINGTON REPORT



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Legislation

Freight transportation leaders testify before Congress. The Committee on Transportation and Infrastructure's Panel on 21st Century Freight Transportation, chaired by Rep. John J. Duncan, Jr. (R-TN), held its first hearing on April 24 to highlight the importance of freight transportation to the U.S. economy and what challenges there are to improving the efficiency and safety of transporting goods throughout the country.

The panel heard from witnesses representing the spectrum of freight transportation – aviation, maritime transportation, highways, and rail – as well as labor. Leaders of FedEx, Norfolk Southern, Werner Enterprises, the South Carolina Ports Authority, and Transportation Trades Department testified.

Witnesses highlighted the importance of each mode of transportation to the movement of goods and the economy, as well as the need for greater efficiency in the freight transportation network.

“In the past, the conversation about freight transportation has focused on specific modes of transportation. However, given the multimodal nature of freight movement, it is important to examine the system as a whole,” said Rep. John Duncan Jr. (R-TN), chairman of the panel under the House Transportation and Infrastructure Committee. “Bottlenecks arising at any point on the system can seriously impede freight mobility and drive up the cost of the goods impacted.”

The panel was also told that the government should allow the trucking industry to expand its trailer size from the current 28-foot limit to 33 feet, allowing carriers to haul more goods, particularly the lightweight items increasingly bought online. Werner Enterprises President Derek Leathers said that the U.S. has the lowest truck weight limits in the developed world.

Opponents of higher truck weight limits say heavier loads would cause more wear and tear on highways and roads and increase the severity of accidents. The trucking industry says additional axles would negate extra wear and tear on highways.

In July of 2009, the Soy Transportation Coalition released a study, funded by the soybean checkoff, highlighting how allowing six axle semis loaded to 97,000 lbs would enhance efficiency while not negatively impacting motorist safety or infrastructure wear and tear. The report can be accessed at www.soytransportation.org.

Wick Moorman, Norfolk Southern chairman, president and CEO, said railroads aren't dependent on the federal government to upgrade the freight rail network, which he said was in the best shape in 50 years. But federal grants, such as those through the Projects of National and Regional Significance and TIGER programs, do help.

Moorman said regulation needs to better reflect the current state of the industry and technology, as the longer it takes to authorize a project the longer it takes for the economic impact to take root. He urged Congress "to resist any attempt to alter freight railroads' ability to earn adequate returns and invest in our companies."

The testimony heard Wednesday could spur Congress to order the Department of Transportation to take a more multimodal approach to the creation of a national freight plan, which will include rail and inland waterways.

Co-sponsors of the Mississippi River Navigation Sustainment Act drum up support. Representatives William Enyart and Rodney Davis and Sen. Richard Durbin are circulating a "Dear Colleague" letter in an effort to increase support for legislation designed to help protect the Mississippi River navigation stakeholders.

The legislation is intended to help protect commerce on the channels of the Mississippi River Basin during periods of extreme weather impacts through offering better water management options, improved stage and weather impact forecasting and to support the U.S. Army Corps of Engineers with more response flexibility.

"The Mississippi River is a jewel of the Midwest and a true economic engine for the entire country," said Davis. "Through the years we've seen what happens when we are faced with natural disasters and commerce stops on the river, it costs this area billions of dollars and thousands of jobs. I'm pleased to work with Congressman Enyart to pursue bipartisan solutions that will ensure we are better prepared in the future to minimize the impacts of droughts and floods and keep the Mississippi River open for business."

Sen. Durbin adds, "The Army Corps of Engineers should be commended for their efforts over the last few months, but it is clear that we need to be better prepared for these extreme weather events that are becoming more frequent and more severe. Our legislation will make government and businesses that rely on the Mississippi River more prepared for the next flood or drought."

The American Soybean Association, along with a host of other commodity groups and stakeholders, support the bill.

Administration

Anthony Fox nominated to be next U.S. Secretary of Transportation. On April 29, President Obama announced Charlotte, North Carolina mayor Anthony Foxx as his nominee for the next Secretary of Transportation. Foxx has served as mayor of Charlotte since 2009.

If approved by the Senate, Foxx will succeed Ray LaHood, who announced earlier this year that he would not remain in the post for a second Obama term.

In his recent blog post, LaHood applauded Foxx's nomination.

"From runway improvements at the Charlotte Douglas International Airport and the expanded LYNX light rail system, to freight and passenger-rail upgrades and redesigned intersections on Interstate 85, the city of Charlotte has been on the forefront of American transportation development," LaHood wrote. "Since 2009, the city made its largest-ever investments in transportation, including a new streetcar system."

In the nomination announcement, Obama credited Foxx for investing in transportation to help turn around Charlotte's economy.

"All of that (investment) has not only helped create new jobs, it's helped Charlotte become more attractive to

business," Obama said.

Obama also thanked LaHood for his dedication to public service.

"Over the past four years, thanks to Ray's leadership, we've built or improved more than 350,000 miles of road," said Obama. "We've upgraded more than 6,000 miles of rail — enough to go coast to coast and back. We've repaired or replaced more than 20,000 bridges and helped put tens of thousands of construction workers back on the job. He is a good man, and has been an outstanding public servant and a model for the kind of bipartisan approach to governance that I think we need so badly in this town."

U.S. Department of Transportation announces fifth round of TIGER grants. The U.S. Department of Transportation recently announced a fifth round of the Transportation Investment Generating Economic Recovery grant program (TIGER). Initiated in 2009, the TIGER grant program provides an opportunity for the U.S. Department of Transportation to invest in road, rail, transit and port projects that promise to achieve critical national objectives.

As with previous rounds of TIGER, funds for the fiscal year 2013 TIGER program are to be awarded on a competitive basis for projects that will have a significant impact on the nation, a metropolitan area or a region.

Through FY 2012, the TIGER program has provided more than \$3 billion in grants to fund nearly 200 capital projects nationwide and in Puerto Rico and 33 planning projects. Each project is multi-modal, multi-jurisdictional or otherwise challenging to fund through existing programs.

The TIGER program enables the DOT to use a rigorous process to select projects with exceptional benefits, explore ways to deliver projects faster and save on construction costs, and make investments in the nation's infrastructure that make communities more livable and sustainable.

President Obama announces nominees for USTR, Secretary of Commerce. President Obama has nominated Mike Froman as U.S. Trade Representative and Penny Pritzker as Secretary of the Department of Commerce.

Froman currently serves as White House chief international economic affairs advisor, a post he has held since Obama took office in 2009.

The former Citigroup executive will continue many of his current responsibilities as he moves out of the White House to the trade post, a White House official said.

Pritzker, tapped to become the U.S. Commerce secretary, is an heir to the Hyatt Hotel fortune. She runs her own real estate and investment companies, is ranked 271st on Forbes Magazine's list of the wealthiest Americans. Pritzker was national finance chair for Obama's first president campaign in 2008 and co-chair for his 2012 race.