



SOY TRANSPORTATION COALITION WASHINGTON REPORT



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Legislation

House passes legislation promoting inland waterways. On October 23, the House of Representatives passed the Water Resources Reform Development (WRRDA), H.R. 3080 by a bipartisan vote of 417 to 3. This past May, the Senate approved its version of the Water Resources Development Act (WRDA) by a vote of 83-14. The two versions must now be reconciled via a conference committee. Conference committee members and a timeline for meeting have yet to be announced.

Thoughts on WRRDA:

- In this era of distrust and acrimony in which Congress would have a hard time agreeing on the time of day or the color of the sky, it is encouraging to see such a strong bipartisan expression of support for the inland waterway system. Chairman Bill Shuster (R-PA), Ranking Member Nick Rahall (D-WV), Congressman Bob Gibbs (R-OH), and Congressman Tim Bishop (D-NY) are to be commended for crafting and promoting a bipartisan piece of legislation that achieved strong support in the House of Representatives.
- It is important to build on this expression of support to achieve the type of funding the inland waterways system requires. A Water Resources Development Act provides the initial strategy or blueprint for maintaining and improving our inland waterways system. This needs to be followed by actual funding allocations that will ensure that intentions become outcomes.
- We are hopeful that the efforts to ensure funding generated via the Harbor Maintenance Tax will be used for its intended purposes will be successful. The Harbor Maintenance Trust Fund (HMTF) was created by Congress in 1986 to provide funding for harbor and channel dredging. Funds generated by the Harbor Maintenance Tax (a 0.125% ad valorem tax on imports) are deposited into the HMTF. Annually, only half of the funds deposited into the HMTF are actually utilized for harbor and channel dredging. The rest is appropriated by Congress for other, unrelated expenditures. The House version of WRRDA stipulates that, by the year 2020, 80% of funds deposited into the HMTF will be used for port maintenance. The Senate version would direct 100% of funds for intended purposes by the year 2020. Both measures are dramatic improvements over the status quo. In order for these aspirations to become reality, however, it will require either new revenue to be identified or cost reductions elsewhere which would free up funding to be used for harbor and port maintenance. That new source of funding remains ill-defined.
- We applaud the measure to encourage greater exploration of public private partnerships for our inland waterway system. This is a topic that necessitates greater examination. The Soy Transportation Coalition has initiated a checkoff-funded study to explore where public private partnerships could work on the inland waterway system and where they would not work.
- We appreciate the provisions in WRRDA that are designed to provide a more expeditious review process for new navigation projects. All too often, projects can be significantly delayed due to a very elongated

review process by the Army Corps of Engineers. The Corps has taken it upon themselves to address this concern. The legislative language in WRRDA provides Congressional support for many of these measures.

House panel releases report on improving freight transportation. On October 29, the House Transportation and Infrastructure Committee's "Panel on 21st Century Freight Transportation" released its final report on the condition of freight transportation in the United States and recommendations for improving the system.

The panel, established in April of 2013 by Committee Chairman Bill Shuster (R-PA), was led by Congressmen John Duncan (R-TN) and Jerrold Nadler (D-NY). The remaining members of the panel included Republicans Gary Miller (CA), Rick Crawford (AR), Richard Hanna (NY), Daniel Webster (FL), and Markwayne Mullin (OK) and Democratic members Corrine Brown (FL), Daniel Lipinski (IL), Albio Sires (NJ), and Janice Hahn (CA).

"Chairman Duncan, Ranking Member Nadler, and the members of the Freight Panel did an excellent job of identifying the challenges to U.S. freight transportation efficiency, and they have made important recommendations the Committee will consider in our work to improve the Nation's infrastructure," Shuster said. "Moving goods and people effectively depends on all modes of transportation, which made the work and insight of this special panel so necessary to the Committee's legislative priorities."

"Thank you, Chairman Shuster and Ranking Member Rahall, for establishing the Panel on 21st Century Freight Transportation. I also want to thank Panel Chairman Jimmy Duncan and all of the Members of the Panel for their hard work on developing the Panel's findings and recommendations," said Nadler. "Over the past six months, we have had an opportunity to focus on how best to strengthen the freight network – across all modes of transportation – to meet current and future goods movement demands, whether it be grain shipments on the Mississippi or two-day Amazon.com deliveries to a New York apartment. I fully support this bipartisan report, signed by every Member of the Panel, and believe we have made a great start."

In addition to Duncan and Nadler, the Panel on 21st Century Freight Transportation included Republican members Gary Miller (CA), Rick Crawford (AR), Richard Hanna (NY), Daniel Webster (FL), and Markwayne Mullin (OK); and Democratic members Corrine Brown (FL), Daniel Lipinski (IL), Albio Sires (NJ), and Janice Hahn (CA).

The panel was specifically charged with investigating: 1.) the role freight transportation plays in the U.S. economy; 2.) ways to increase the efficiency, safety, and overall condition and performance of the Nation's freight network; 3.) how technology assists in the movement of freight; and 4.) financing options for transportation projects that improve freight mobility.

Over the past six months, the panel held six public hearings, three roundtable discussions, toured freight facilities in Southern California, the Memphis region, the New York City/Northern New Jersey region, and Norfolk, Virginia, and held numerous briefings with freight industry professionals and other interested parties. Mike Steenhoek, executive director of the Soy Transportation Coalition was interviewed by committee staff and provided information related to the movement of soybeans via the inland waterways system, which was included in the final report.

To meet the nation's needs of freight movement in the 21st century, the panel recommends that Congress should:

- Direct the Secretary of Transportation, in coordination with the Secretary of the Army and the Commandant of the U.S. Coast Guard, to establish a comprehensive national freight transportation policy and designate a national, multimodal freight network;

- Ensure robust public investment in all modes of transportation on which freight movement relies, and incentivize additional private investment in freight transportation facilities, to maintain and improve the condition and performance of the freight transportation network;
- Promote and expedite the development and delivery of projects and activities that improve and facilitate the efficient movement of goods;
- Authorize dedicated, sustainable funding for multimodal freight Projects of National and Regional Significance through a grant process and establish clear benchmarks for project selection. Projects eligible for such funding would have a regional or national impact on the overall performance of the multimodal freight network identified by the Secretary of Transportation;
- Direct the Secretary of Transportation, in coordination with the Secretary of the Treasury and the Secretary of the Army, to identify and recommend sustainable sources of revenue across all modes of transportation that would provide the necessary investment in the Nation’s multimodal freight network and align contributions with use of, and expected benefit of increased investment in, such network; and
- Review, working through the Committee on Transportation and Infrastructure and the Committee on Ways and Means, the Secretary’s freight funding and revenue recommendations and develop specific funding and revenue options for freight transportation projects prior to Congress’ consideration of the surface transportation reauthorization bill in 2014.

The complete report of the Panel on 21st Century Freight Transportation can be accessed at <http://transportation.house.gov>

House members introduce legislation to block truck hours of service rules. Yesterday, Congressmen Richard Hanna (R-NY), Tom Rice (R-SC), and Mike Michaud (D-ME) introduced legislation to delay newly imposed regulations on the number of hours commercial truck drivers can spend on the road.

According to the American Transportation Research Institute, the regulations, enacted by the Federal Motor Carrier Safety Administration (FMCSA) on July 1, impose an annual cost of \$376 million to the trucking industry. Moreover, trucking companies have warned that the new regulations will cause more congestion during peak morning travel and will result in truck drivers being more aggressive during the hours spent on the road.

Hanna, Rice, and Michaud’s legislation, “The TRUE Safety Act,” would delay the regulations until an independent evaluation of them has been completed. Highlights of the legislation include:

- Truckers would adhere to the 34 hour restart rules in place prior to July 1, 2013.
- The Government Accountability Office (GAO) would be required to assess the methodology the FMCSA utilized when establishing the new 34 hour restart rule.
- The new FMCSA regulations would not go into effect until six months after the Government Accountability Office submits its assessment to Congress.

“It is wrongheaded for the federal government to impose an arbitrary and capricious regulation that impacts almost every sector of the American economy without first finishing a study on its effectiveness,” says Hanna. “Federal agencies should have an obligation to prove that new rules and regulations do not cause more harm than good - in terms of both safety and costs.

“There are legitimate concerns that this new rule makes our roads less safe and hurts small business. The TRUE Safety Act is a bipartisan effort to press the ‘pause button’ on this new rule while an independent assessment is completed to ensure the rule makes sense and will not actually harm the travelling public and American economy.”