Freight Legislation: A Trucking Perspective

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Industry’s NFP research organization
- Safety and Human Factors
- Technology
- Environmental Factors
- Economic Analysis
- Transportation Security

Awards: ITE, ITSA, TIDA, TLA
Board of Directors
Research Advisory Committee
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

- Non-Competitive Rail, 1.6
- Competitive Rail Freight, 0.3
- Competitive Truck Freight, 0.6
- Non-Competitive Truck, 8.3

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)

- Truck: 70%
- Rail: 13%
- Water: 6%
- Pipeline: 9%
- Rail Intermodal: 2%
- Air: 0%

Source: U.S. Freight Transportation Forecast to...2018
Chicago:
1,000 Truck Sample
5 Days...
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Percent change in operating volume ~ 300%

16,000 TEUs
Post Panamax

4,000 TEUs (1980)

Percentage change in operating volume ~ 200%

580,000 Cu. Ft. (2010)

200,000 Cu. Ft. (1980)

Percentage change in operating volume ~ 14%


Weight capacity ~ 9%

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**
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!