Tab 19

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: August 17-18, 2016

Reference No.: 4.5
Action

From: SUSAN BRANSEN
Executive Director

Subject: **COMMISSION COMMENT LETTER ON THE INTERIM NATIONAL MULTIMODAL FREIGHT NETWORK**

YELLOW SUPPLEMENTAL ITEM

ISSUE:

Should the Commission approve staff comments to the U.S. Department of Transportation (U.S. DOT) on the Federal Register Notice (Docket Number OST– 2016–0053) regarding the establishment of an Interim National Multimodal Freight Network (NMFN)?

RECOMMENDATION:

Staff recommends the Commission approve the attached letter for transmittal in response to the Federal Register Notice regarding the interim NMFN. The comment period deadline is September 6, 2016. Items addressed in the attached draft Commission comment letter include the following:

1. States should have flexibility to designate freight facilities and corridors.
2. Seasonal agricultural truck traffic volumes should be incorporated into the NMFN.
3. Additional allowances should be made for international gateway states.

BACKGROUND:

The Fixing America's Surface Transportation (FAST) Act required the U.S. DOT to establish a NMFN that will assist states to direct resources to improve freight movement; inform freight transportation planning; assist in prioritization of federal investment; and support federal investments to achieve national freight policy goals. The federal government will replace the highway focused Primary Freight Network (PFN) established in 2012 under Moving Ahead for Progress in the 21st Century Act (MAP-21), with a multimodal freight system as specified under the FAST Act.

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ASSEMBLY MEMBER JIM FRAZIER, Ex Officio

SUSAN BRANSEN, Executive Director

STATE OF CALIFORNIA

EDMUND G. BROWN Jr., Governor

CALIFORNIA TRANSPORTATION COMMISSION

1120 N STREET, MS-52
SACRAMENTO, CA 95814
P. O. BOX 942873
SACRAMENTO, CA 94273-0001
(916) 654-4245
FAX (916) 653-2134
http://www.catc.ca.gov

DRAFT
YELLOW SUPPLEMENTAL ITEM

August 17, 2016

Docket Management Facility
U.S. Department of Transportation
1200 New Jersey Ave. SE., W12-140
Washington, DC 20590-0001

RE: Establishment of Interim National Multimodal Freight Network
Docket No. DOT-OST-2016-0053

The California Transportation Commission (Commission) appreciates the opportunity to comment on the establishment of an Interim National Multimodal Freight Network (NMFN) and commends Congress for their efforts in recognizing the importance of freight infrastructure to the Nation's economic well-being.

The Commission supports the federal leadership efforts underway to replace the highway focused Primary Freight Network (PFN) established under the Moving Ahead for Progress in the 21st Century Act (MAP-21), with a multimodal freight system as specified under the Fixing America's Surface Transportation (FAST) Act. Provisions of the FAST Act requiring the U.S. Department of Transportation (U.S. DOT) to establish a NMFN are critical to align resources to improve freight movement; inform freight transportation planning; assist in prioritization of federal investment; and support federal investments to achieve national freight policy goals.

California is the nation's largest gateway for international trade with annual freight shipments valued at more than $1.5 trillion dollars. Further, the freight industry employs approximately 650,000 people in California. Therefore, an efficient freight structure is of high economic importance to our state. It is with this perspective that the Commission offers the following comments in response to the Interim NMFN.

1. **Ensure NMFN is Comprehensive and Allows States Flexibility to Designate Freight Facilities and Corridors** - The draft Multimodal Freight Network (MFN) released in 2015 identified a total of 4,501 miles of freight routes and connectors in California. However, the

June 2016 Interim NMFN identified only 3,480 miles of freight routes and connectors; **this is a reduction of over 1,000 miles of critical California freight routes.**

Prior to finalizing the NMFN, the U.S. DOT should recognize the importance and volume of freight utilizing California's freight infrastructure by comprehensively including California's critical freight routes. In addition, states should be allowed to designate additional freight routes, rail lines, ports and airports and to identify and address gaps in the freight network. U.S. DOT should also specify how the NMFN relates to FAST Act federal freight funding.

2. **Seasonal Agricultural Truck Traffic Volumes Should be Incorporated into the NMFN** - The NMFN should incorporate routes that incur high seasonal truck volumes as a result of agricultural production. California's agricultural industry includes more than 400 commodities worth approximately $229 billion in value annually. Over a third of the country's vegetables and two-thirds of the country's fruits and nuts are grown in our state. Truck volumes particularly in the California's San Joaquin Valley and Central Coast increase dramatically during harvest season. Rather than annual volumes, states should be given the flexibility to incorporate routes into the NMFN that receive high seasonal truck traffic.

3. **Acknowledge International Gateway States** - The U.S. DOT should ensure key freight infrastructure in international gateway states is included in the NMFN. California serves as the nation's primary gateway to the Pacific Rim, linking our State to the national and global economies. States such as California that serve as international gateways and receive a high percentage of international cargo should be assured that key freight routes, rail lines, intermodal terminals, etc., are included in the NMFN.

This comment letter is intended to address several high-level issues of concern to California and also complement more specific comments submitted by the California Department of Transportation as well as California's regional and local transportation agencies. The Commission urges U.S. DOT to address these collective comments prior to finalizing the Interim NMFN.

We appreciate the opportunity to provide these comments. Please contact Garth Hopkins, Commission Deputy Director, at (916) 653-3148 if you have any questions.

Sincerely,

BOB ALVARADO
Chair

c: Commissioners, California Transportation Commission
Susan Bransen, Executive Director, California Transportation Commission
Brian P. Kelly, Secretary, California State Transportation Agency
Malcolm Dougherty, Director, California Department of Transportation

YELLOW SUPPLEMENTAL ITEM