

## **Assembly Joint Resolution No. 53**

### RESOLUTION CHAPTER 167

Assembly Joint Resolution No. 53—Relative to the National Freight Network Trust Fund Act of 2014.

[Filed with Secretary of State September 9, 2014.]

#### LEGISLATIVE COUNSEL'S DIGEST

AJR 53, Rendon. National Freight Network Trust Fund Act of 2014.

This measure would memorialize the Congress and President of the United States to enact HR 5101, the National Freight Network Trust Fund Act of 2014.

WHEREAS, An estimated 1.15 billion tons of cargo, valued at almost \$2,000,000,000,000, moves through California annually, providing the goods and services needed to sustain regional and national industries and consumers on a daily basis; and

WHEREAS, The national supply chain, national economy, and international standing of the United States benefit from and depend on goods movement; and

WHEREAS, Given the fact that the goods movement economic sector is experiencing increased competition both nationally and internationally, it is important that infrastructure improvements be made to remove bottlenecks and move freight efficiently and safely with minimal environmental impacts; and

WHEREAS, The federal government has begun to establish a comprehensive national freight policy to facilitate the measured and planned growth of interstate and international trade among and between the states, our foreign neighbors, and from our international airports and international seaports to domestic points of destination, but the federal government does not have a plan in place to fund those policies; and

WHEREAS, The traditional source of transportation funding is revenue collected from the federal fuel tax (26 U.S.C. Sec. 4081), and other sources, but this main source of funds has been stagnant since 1993 and has struggled to keep pace with infrastructure expenses in recent years as cars have become more fuel efficient; and

WHEREAS, The transportation funding gap is projected to be \$16,000,000,000 per year and the insolvency of the federal Highway Trust Fund is projected to be imminent if immediate action is not taken; and

WHEREAS, Given the large economic generator that goods movement represents, freight movement should be funded from a dedicated revenue stream; and

WHEREAS, A lack of significant investment in interstate and international trade infrastructure in California has significant costs, most notably the additional impacts of traffic congestion on our local roads, highways, and railways and the emissions from heavy-duty equipment, trains, trucks, and ships on air quality and public health and the public financing burdens associated with building and maintaining the transportation infrastructure necessary to grow and facilitate interstate and international trade; and

WHEREAS, California taxpayers have recently committed \$3,100,000,000 of taxpayer funds to improve goods movement infrastructure and reduce air pollution from goods movement in California; and

WHEREAS, The significant costs, both direct and indirect, of facilitating interstate and international trade should not rest primarily with the state, its local governments, or its citizens; and

WHEREAS, If the United States wishes to remain globally competitive, the movement of goods should be prioritized with the creation of a dedicated funding stream for a multimodal national freight system that will create efficiencies in the movement of goods between our cities, ports, and markets, both here and abroad; and

WHEREAS, On July 6, 2012, the President signed Public Law 112-141 which, as a two-year federal transportation reauthorization, established the Moving Ahead for Progress in the 21st Century surface transportation program (MAP-21), which recognized the importance of a strong freight network to ensure competitiveness in the global economy; and

WHEREAS, The overarching themes of MAP-21 include strengthening America's highways and public transportation systems, creating jobs, supporting economic growth, accelerating project delivery, and establishing performance-based federal programming; and

WHEREAS, MAP-21 included a variety of freight-related provisions, including establishing a national freight policy, plan, and network, providing incentive funding for freight improvements, encouraging states to form freight advisory committees, requiring states to develop freight performance measures, requiring the federal Department of Transportation to develop a Freight Strategic Plan by October 2014, and maintaining the Projects of National and Regional Significance Program funding for large freight-oriented projects that provide long-term congestion relief and safety improvements; and

WHEREAS, United States Customs and Border Protection collects an estimated \$38,000,000,000 annually; and

WHEREAS, The transfer of 5 percent of all import duties collected by United States Customs and Border Protection would generate nearly \$1,900,000,000 annually; and

WHEREAS, It is necessary to create a dedicated funding source to better serve our roads and railways that connect the freight network to the ports of entry into this country; and

WHEREAS, A dedicated freight network trust fund would help fund critical infrastructure projects, such as dedicated truck lanes on highways,

better bridges, and on-dock rail that would speed goods movement, improve air quality, and reduce congestion on our nation's roadways; and

WHEREAS, A dedicated freight network trust fund, as proposed to be created by HR 5101, would infuse nearly \$2,000,000,000 back into the economy every year and create well-paying jobs here in the United States while keeping our ports strong and globally competitive; and

WHEREAS, All levels of government serve a vital role in freight movement and a dedicated funding source is needed to facilitate goods movement-related projects that will provide economic, environmental, and quality of life benefits both nationally and locally; now, therefore, be it

*Resolved by the Assembly and the Senate of the State of California, jointly,* That the Legislature memorializes the Congress and President of the United States to enact HR 5101, the National Freight Network Trust Fund Act of 2014, as introduced by Representative Janice Hahn, to improve performance of the national freight network; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, the Majority Leader of the Senate, and to each Senator and Representative representing California in the Congress of the United States.