



## Legislation Text

---

**File #:** 14-1072, **Version:** 1

---

Recommendation to direct City Manager to support House of Representatives Bill 5624, the "Economy in Motion: The National Multimodal and Sustainable Freight Infrastructure Act" by Congressman Alan Lowenthal.

H.R. 5624, the "Economy in Motion: The National Multimodal and Sustainable Freight Infrastructure Act" by Congressman Lowenthal, provides funding for goods movement infrastructure. This legislation will benefit Long Beach, as the City is home to the second busiest port in the nation.

The Long Beach Freeway (1-710) facilitates hundreds of thousands of trucks to the Port of Long Beach and the Port of Los Angeles each year. These trucks link the ports of Long Beach and Los Angeles to major Southern California distribution centers and intermodal rail facilities. As a result of population growth, increased cargo container volume at the ports of Long Beach and Los Angeles, increasing traffic volumes, and an aging infrastructure, the 1-710 Freeway experiences serious congestion. Congestion mitigation, greenhouse gas reduction, and other transportation efficiency projects are being developed to address these issues, but the City and Port of Long Beach need a funding source to implement freight specific solutions.

Legislation introduced by Congressman Alan Lowenthal provides funding for freight specific projects in States, cities and ports such as the City of Long Beach and Port of Long Beach. H.R. 5624, "Economy in Motion: The National Multimodal Freight Infrastructure Act" will provide a dedicated and sustainable revenue source to fund multi-modal, freight-specific formula grants to states and a multi-modal, freight-specific competitive grant program to local, regional and state governments.

Goals of the legislation include:

- Strengthening the contribution of the national freight network to the economic competitiveness of the United States;
- Improving the efficiency, reliability, cost and safety of freight transportation;
- Supporting the connectedness of all freight modalities and relieve the bottlenecks in the freight transportation system;
- Achieving and maintain the freight transportation system in a state of good repair; and

- Reducing the adverse community and environmental impacts of freight transportation, including greenhouse gas emissions, air and water pollution.

H.R. 5624 will establish a Freight Transportation Infrastructure Trust Fund that will provide funding to States, as well as grant funding to local and regional governments for projects such as a road, rail, air or water freight facility, an intermodal facility such as a seaport or port on the inland waterway system, an airport or a highway/rail-intermodal facility, and first and last mile connectors.

This legislation will generate approximately \$8 billion annually through a new 1 percent fee on goods movement, requiring the entity paying for the cargo to be shipped via ground transportation within the U.S. to pay a fee of 1 percent of total cost of that transportation. Revenue generated from H.R. 5624 would fund two grant programs:

- (1) The Multimodal Freight Funding Formula Program for states, and
- (2) The National Freight Infrastructure Competitive Grant Program for state, regional, and local governments.

Long Beach would qualify to apply for funding through The National Freight Infrastructure Competitive Grant Program for state, regional, and local governments. This amount may provide approximately \$4 billion each year for infrastructure projects that improve the performance of key economic corridors and gateways, reduce congestion, improve transportation safety, and enhance the national freight network.

H.R. 5624, the "Economy in Motion: The National Multimodal and Sustainable Freight Infrastructure Act" was referred to the Subcommittee on Water Resources and Environment within the House Transportation and Infrastructure Ways and Means Committee on September 19, 2014. Attached for information is the full text of H.R. 5624.

There is no fiscal impact from supporting this item. If adopted by Congress, there would be a positive fiscal impact to the City and the region since \$4 billion would become available as competitive grants and an additional \$4 billion through state formula grants to fund freight infrastructure projects.

Approve recommendation.

MAYOR ROBERT GARCIA