

**RAILROAD-SHIPPER TRANSPORTATION ADVISORY COUNCIL**  
Washington D.C.

**Surface Transportation Reauthorization Policy Statement**  
April 10, 2003

The statutory purpose of the Railroad-Shipper Transportation Advisory Council (RSTAC) is to advise Congress, the U.S. Department of Transportation and the Surface Transportation Board (STB) on rail transportation policy with a focus on issues affecting small shippers and small railroads in accordance with the 1995 ICC Termination Act. RSTAC has presented three White Papers for consideration addressing policy issues such as the inadequacy of rail infrastructure, the absence of a coordinated national transportation policy and the public interest in preserving the economic viability of the rail gathering network.

**RSTAC urges Congress to adopt language in the surface transportation reauthorization to fully permit Metropolitan Planning Organizations and State Departments of Transportation to finance freight projects, including rail, and to permit broader use of CMAQ funding for rail freight improvements.**

**Policy Statement:** The United States transportation network of ports, railroads, highways and airlines requires significant investment of transportation funding. Pending surface transportation reauthorization provides Congress with the opportunity to invest transportation resources to best improve the flow of freight and reduce bottlenecks in an interdependent freight system. The current lack of investment flexibility jeopardizes the long-term viability of our nation's freight transportation network.

**Policy Principles:**

- It is imperative Congress continues to seek the most productive return for our transportation infrastructure dollars in alignment with national transportation needs and based on objective standards.
- State Departments of Transportation (DOT's) and Metropolitan Planning Organizations (MPO's) should be free to flex funds to all types of transportation-related projects, including rail freight initiatives.
- U.S. rail and rail-related infrastructure investment is necessary to be competitive in domestic and world markets.
- The national rail network is important for Homeland Security and National Defense.

**Policy Implementation:**

- Invest in the entire freight transportation network. A recent American Association of State Highway and Transportation Officials (AASHTO) report entitled "*Transportation: Invest in America*," finds that relatively small public investments in the nation's freight railroads can be leveraged into relatively large public benefits for the nation's highway infrastructure, highway users and freight shippers.
- Revise statutory language to fully permit MPO's and State DOT's to finance freight transportation projects, including rail freight projects. AASHTO estimates that by 2020, the highway system must carry an additional 6,600 million tons of freight (an increase of 62%), and the freight rail system must carry an additional 888 million tons (an increase of 44%). Transportation capacity must be added to the entire freight network, including rail.
- Broaden the definition of qualified Congestion Mitigation and Air Quality (CMAQ) areas to permit funding to be used by state and local governments in transportation projects, including rail freight improvements that improve air quality. Enhance CMAQ flexibility to include attainment areas adjacent or secondary to CMAQ areas.
- In surface transportation and tax policy reauthorization, Congress should provide the broadest possible range of mechanisms for funding transportation infrastructure investments.
- We urge Congress to adopt objective standards (reference the Transportation Research Board's Special Report 271 "*Freight Capacity for the 21<sup>st</sup> Century*") to ensure fair consideration of freight transportation network projects, including rail freight projects, in the State DOT and MPO planning processes. Standards should include, but are not limited to, safety, environment, congestion mitigation, domestic and world market competitiveness, and job growth.

**Policy Benefits:**

- A competitive U.S. transportation network in a global marketplace.
- More productive utilization of resources, including investment capital, energy and labor.
- Public benefits include, but are not limited to, reduced congestion, greater economic development, improved air quality, better fuel efficiency, a safer transportation system, and preservation of competitive rail service for small shippers and small railroads in rural areas.