

Goods Movement Project Needs and Funding

Project needs

- The Multi-County Goods Movement Action Plan and SCAG Regional Goods Movement Study has identified over \$30 billion in goods movement project needs for Los Angeles County

Goods movement funding

- Goods movement projects in southern California have been funded through a variety of federal, state, and local sources.
 - Federal funding has included earmarks, TIFIA loans, TIGER grants, Projects of National and Regional Significance (PNRS), and CMAQ
 - State funding includes Proposition 1B bond funding which includes the Trade Corridors Improvement Fund and Goods Movement Emission Reduction Program
 - Local funding includes Prop C and Measure R local sales taxes and container fees levied by the Ports to pay for truck replacement programs
- While helpful, this funding is modest, fluctuates from year to year, and is not sufficient to meet our system needs
- For freight, “adequate and reliable” funding would mean the creation of a dedicated federal fund source for freight so that project sponsors do not have to rely on earmarks or grant programs that may or may not materialize.

Possible financing options for freight include:

- The Senate version of MAP-21 included a new \$2 billion National Freight Network program for funding freight projects. However, this program was not included in the final MAP-21 bill. The southern California National Freight Gateway Collaboration recommends that this fund source be included in MAP-21 reauthorization
- Given the County’s needs, the federal funding amounts considered but not included in MAP-21 would leave the bulk of our projects unfunded.
- Other possible freight funding options that have been suggested include:
 - Increased fuel taxes
 - VMT (vehicle miles traveled) fees
 - Increased Customs fees
 - Value added taxes on goods movement