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PANEL MEMBERS URGED TO TAKE A 'MULTI-MODAL' APPROACH TO ADDRESSING STATE'S BURGEONING FREIGHT TRAFFIC

Trains, planes, ships, and trucks were the subject of a legislative task force hearing this week, with several witnesses testifying on the necessity of integrating transportation modes to handle a projected boom in freight.

With Ohio's freight traffic expected to grow 45-54% by 2020, state officials and other witnesses told members of the Ohio Transportation Task Force that a "multi-modal" approach would help avoid further overburdening the highway system by diverting trucks.

"Given the predicted doubling of freight in the next 20 years, the current congestion on our state highway system, the disappearance of excess rail capacity, and our under-utilized water-transport opportunities, this discussion is timely," Department of Transportation Director James Beasley said in testimony.

He advocated "an integrated system of all modes of transportation" and pointed to the limitations of relying on the fuel tax for funding transportation projects. "The revenue from the state gas tax is limited to highway projects. As a state, we need to broaden our horizons when considering funding."

ODOT Chief of Staff Steve Campbell said policymakers should focus on improving intermodal connectors at facilities such as the Rickenbacker Intermodal Terminal, rail-truck hubs, waterway port facilities, and airports. "The intersections of these multiple modes of transportation provide an opportunity for the state to partner with existing private sector interests to identify and potentially address impediments."

Of the more than 950 million tons of freight that currently moves through Ohio, 60% is transported via truck, he said in testimony. Rail accounts for 28% and waterway shipping makes up the remaining 12-13%.

Art Arnold, president of the Ohio Railroad Association, said intermodal facilities increase local truck traffic, but reduce long-haul wear and tear on highways.

"In the past the public benefits of using the private rails system to move freight off of the public highway system has never been a variable in either the shipper's or the public's equation," he said in testimony. "These decisions should be examined and their public impacts measured in light of the costs they impose or the benefits they provide."

Mr. Arnold recommended incentives for shippers that would reflect public benefit for using a particular mode of transportation. In addition to saving highway maintenance costs, shipping via rail is more fuel-efficient and releases less carbon dioxide than trucking, he added.

Doug Sibilica, chairman of the Ohio Trucking Association's Legislative Committee, said the state's geographic location offers promise for the growth of the freight industry. "But without a comprehensive plan that incorporates all modes of transportation working together, this golden opportunity will be lost.

"The state needs to create a balanced mode of transportation services," he said in testimony. "The trucking industry on its own cannot solve the transportation needs of the state."

Matt Dietrich, executive director of the Ohio Rail Development Commission, said there is a substantial funding gap between the cost of rail infrastructure necessary to meet projected growth and the financial capacity of railroads. However, policymakers should consider costs in traffic congestion and air quality that railroads relieve, he said.

Public/private partnerships between the state and railroads have resulted in innovative ways to increase rail capacity, he said. "In each case, the payoff for the state is enormous, in terms of building an infrastructure that serves the 21st century needs of the state."

Kimberly Gibson, special assistant to the lieutenant governor for energy, transportation & regional collaboration, said Ohio has the seventh largest highway system, the fourth largest interstate system, ranks fourth in both rail miles and economic output, and fifth in waterborne domestic tonnage.

Technological innovations are changing the relationship between shippers, customers, and the transportation sector, she said in testimony. For example, e-commerce, which allows small companies to participate in global markets, places a heavy burden on shippers. "If these trends continue, it is possible that the industry could expect to see more frequent, yet smaller shipment sizes."

Brian Newbacher, director of public affairs for AAA East Central, reviewed the organization's motorist bill of rights on transportation funding. He said public/private partnerships should ensure that motorist fees are fair and prevent revenue from being diverted to non-transportation purposes.

In addition, transportation facilities should only be sold or leased to private interests if the agreements require high quality maintenance and remain under public oversight. Revenues from the sale should be used for transportation purposes and compensate the public.

Daniel Van Epps, a doctoral candidate at West Virginia University, said lawmakers should adopt a new policy that would enable the Ohio Turnpike Commission to acquire and restore certain railway lines. The notion offers an alternative to directly subsidizing private rail companies.

"I believe there is no technical reason why OTC could not additionally engage in a public railway provision as it does public highway turnpike provision," he said. He listed the Panhandle Rail Line, Youngstown-Cleveland, and the Ft. Wayne Line as rail segments that could be ripe for acquisition by the turnpike.

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