



National Association of Regional Councils

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May 2, 2007

The Honorable Max Baucus
Chairman
Transportation and Infrastructure Subcommittee
456 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Baucus,

The National Association of Regional Councils (NARC), representing local elected officials and units of government, including regional councils, councils of governments and metropolitan planning organizations nationwide, strongly supports the passage of the Freight Rail Infrastructure Capacity Expansion Act (S. 1125), which intends to provide incentives to expand rail infrastructure and help ease highway congestion. It will also assist in meeting the ever-growing 67 percent spike in freight traffic predicted by the Department of Transportation by the year 2020.

As you know, freight and goods movement is at the heart of the American economy. The nation's \$1.75 trillion transportation infrastructure makes it possible to move \$6 trillion worth of freight each year. Transportation services make up a substantial portion of the economy – about 11 percent of the gross domestic product – with over 13 million people working directly or indirectly in transportation services.

Despite the importance of freight to the economy, investment in the system has lagged behind amounts needed to accommodate growth. Nearly \$34 billion in additional funding is required to simply maintain the nation's already crowded transportation system at current level of service. Even more money is needed to actually improve road conditions for motorists and truckers. Railroads will need to invest up to \$175 billion over the next 20 years, principally through private financing sources. The Freight Rail Infrastructure Capacity Expansion Act is an essential step towards a larger solution.

Promoting heavy rail as a way to move both goods and passengers continues to be a priority for NARC's multi-modal transportation program. NARC also continues to support and work with Class I, II, and III railroads as a means to ease cross country and intercity container congestion. Utilizing our massive rail infrastructure and infusing new capital into maintenance and new track is a needed component of a national freight policy.

In addition to our support, NARC offers its assistance for this or any transportation issue. We welcome your thoughts and look forward to working with you throughout the 110th Congress. Feel free to contact me at any time at 202.986.1032, x.213 or cmoore@narc.org. Thank you.

Sincerely,

A handwritten signature in black ink that reads "Cameron Moore". The signature is fluid and cursive, with the first name being more prominent.

Cameron Moore
Executive Director