

REP. CALVERT AND REP. JACKSON INTRODUCE BILL TO EASE CONGESTION IN AREAS IMPACTED BY GOODS MOVEMENT

WASHINGTON, DC. January 23, 2008 – Today, Congressman Ken Calvert (R-CA) and Congressman Jesse Jackson Jr. (D-IL) introduced the ON TIME Act, Our Nation's Trade Infrastructure, Mobility and Efficiency Act.

“Anyone stuck behind a rail crossing or crawling along our jammed freeways knows commuters in southern California are severely impacted by the overwhelming volume of goods that pass through the Ports of Los Angeles and Long Beach,” stated Rep. Calvert. “The same transportation problems we see in southern California are happening at key trade gateways across the country. This bill serves a dual purpose by expediting the movement of goods to increase the efficiency of trade corridors and by providing transportation funding to those local communities most impacted by trade. I look forward to working with my esteemed colleague, Representative Jackson, to move this legislation to the floor and provide our local communities with much needed transportation relief.”

"I am pleased to join with my distinguished colleague, Representative Ken Calvert, in offering a timely, sensible and viable solution to alleviating congestion at our ports, while also increasing their capacity and efficiency," said Rep. Jackson. "By improving mobility in and out of our seaports, this legislation helps to meet the growing demands of international trade, bolsters our aging infrastructure, and strengthens our nation's economy."

The ON TIME ACT:

- Creates a freight fee based on the value of goods moved and dedicates 100% of funds from a port to the local National Trade Gateway Corridors surrounding the port.
- Targets funding to specific transportation improvement projects in areas around the more than 300 points of entry across the United States, including ports, airports and border crossings. The targeted areas will be called National Trade Gateway Corridors (NTGC) and be defined by the Department of Transportation in consultation with the Department of Commerce. The corridors will include routes up to 300 miles from points of entry.
- Is good for businesses such as freight forwarders, importers, exporters, retailers and any business that benefits from trade because it targets transportation choke points and provides funds to relieve bottlenecks and ultimately allows for more efficient ways to move goods.
- Is good for communities because it would alleviate traffic congestion and air quality issues specifically created by the increase trade moving through our nation's busiest trade corridors.

Projects eligible to receive funding include, but are not limited to, freeway expansion, grade separations, dedicated truck lanes, and publicly-owned intermodal freight transfer facilities. Eligible projects must be located within a National Trade Gateway Corridor in order to receive funds under the ON TIME Act. Under the legislation, each state's transportation agency is required to consult with local governments, transportation agencies and freight stakeholders to rate, prioritize, and select which goods movement projects receive funding.

Funding for corridors will come from a .075% fee (capped at \$500) on the declared value of the goods. The fee will be paid by the shipper of the goods moving through the point of entry using an existing line item on current customs forms. One-hundred percent of the fees collected will be invested in specific and prioritized transportation improvement projects within the same corridor. For example, if the Port of Los Angeles brings in \$200 million worth of revenue in fees, the \$200 million will go into transportation projects in the NTGC proceeding from the port of Los Angeles. The funds will be distributed to projects in the corridors on an 80/20 matching basis. Eighty percent of the funds coming from the revenue generated by the ON TIME Act and the twenty percent coming from other sources, such as state and local transportation funds. The 80/20 matching basis shares the burden of these transportation projects between the shippers paying the fee and the citizens who also travel on these roads.

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