



Statement of

Chris Spear
President & Chief Executive Officer
American Trucking Associations

Before the

Committee on Ways and Means
Subcommittee on Trade
United States House of Representatives

Hearing on

Trade Infrastructure For Global Competitiveness

February 6, 2020

Chairman Blumenauer, Ranking Member Buchanan, and members of the subcommittee, thank you for providing the American Trucking Associations (ATA)¹ with the opportunity to testify. ATA is an 87-year old federation that represents every sector of the trucking industry, with affiliates in all 50 states. Our federation has members in every Congressional district and every community. More than 80 percent of U.S. communities rely exclusively on trucks for their freight transportation needs. Trucking is the glue that connects all modes in support of the American economy.

The trucking industry is particularly critical to trade. Since NAFTA took effect in 1995, trade with Canada and Mexico has surged, with truck traffic between the countries increasing by 191%, including a 178% gain in U.S. exports to both countries. The value of this truck transported trade totaled over \$772 billion in 2018. It took over 12 million truck crossings in that year to move this important freight², which supports many supply chains, including U.S. factory production. Seventy-six percent of the surface trade moves via truck.³

Trucks hauled nearly \$350 billion worth of goods across our northern border in 2018, an 87% increase since 1995. Exports to Canada via truck have increased even more since 1995, gaining 98%.⁴ It took 5.8 million truck entries across the U.S.-Canadian border to haul those goods.⁵

Growth at the southern border since NAFTA was enacted is even greater. In 2018, trucks hauled \$424 billion worth of goods across the Mexican border, an astounding 437% increase over 1995 levels.⁶ Trucking accounted for 84% of the surface trade with Mexico in 2018 and it took 6.3 million truck entries to move that freight.⁷

Trade moved via truck between the three countries supports the livelihoods of 90,000 people employed in the U.S. trucking industry, including nearly 60,000 U.S. truck drivers (full-time equivalent).⁸ To move freight to and from our northern and southern borders, U.S. trucking companies paid U.S.-based drivers more than \$3.25 billion in wages, not including benefits, in 2018 alone.⁹ The average truck driver makes \$55,000 per year, plus benefits like health insurance, a retirement plan (e.g., 401(k)), and paid time off.¹⁰ Trade with our northern and southern neighbors also supports many thousands more jobs among suppliers and shippers. Retention of these jobs requires that port-of-entry (POE) infrastructure keeps up with the growth in trade. With the implementation of the United States-Mexico-Canada Agreement (USMCA),

¹ [American Trucking Associations](#) is the largest national trade association for the trucking industry. Through a federation of 50 affiliated state trucking associations and industry-related conferences and councils, ATA is the voice of the industry America depends on most to move our nation's freight. Follow ATA on [Twitter](#) or on [Facebook](#). [Trucking Moves America Forward](#).

² [Trade Moves North America Forward](#) (2019); American Trucking Associations.

³ Bureau of Transportation Statistics. U.S. Department of Transportation. www.bts.gov/content/border-crossingentry-data

⁴ *Ibid.*

⁵ *Ibid.*

⁶ *Ibid.*

⁷ *Ibid.*

⁸ [Trade Moves North America Forward](#) (2019); American Trucking Associations.

⁹ *Ibid.*

¹⁰ [ATA Driver Compensation Study](#) (2017); American Trucking Associations.

<https://www.atabusinesssolutions.com/ATA-Store/ProductDetails/productid/3852684>

North American trade will continue to grow significantly. According to the International Trade Commission, relative to the 2017 NAFTA baseline, USMCA will increase economic growth by another \$68.1 billion, with trade with Mexico and Canada increasing about 5%.¹¹ This will result in 175,700 additional U.S. jobs,¹² including in the trucking industry.

Customs and Border Protection (CBP) estimates that approximately 11 million containers arrive by truck into the US annually.¹³ On an average day, over 350,000 vehicles, 135,000 pedestrians and 30,000 trucks pass through U.S. border crossings at 110 land POEs.¹⁴ As the U.S. faces an increase in border trade and traffic, not only must we continue to develop and utilize new and more effective technology, but enough personnel must be available to effectively manage the flow.

Mr. Chairman, trade transportation must also be considered within the overall context of the broader transportation system, since international freight often journeys hundreds of miles before crossing a border or reaching a port. Overall, the trucking industry will move 70 percent of the nation's freight tonnage, and over the next decade will be tasked with moving three billion more tons of freight than it does today, while continuing to deliver the vast majority of goods.¹⁵ Trucks will continue to be the dominant freight transportation mode for the foreseeable future. The highway system is the trucking industry's workplace, and a failure to adequately fund highway and border infrastructure will inevitably increase the cost of living for all Americans and make U.S. businesses less competitive.

¹¹ [U.S.-Mexico-Canada Trade Agreement: Likely impact on the U.S. Economy and on Specific Industry Sectors](#). U.S. International Trade Commission. April 2019.

¹² *Ibid.*

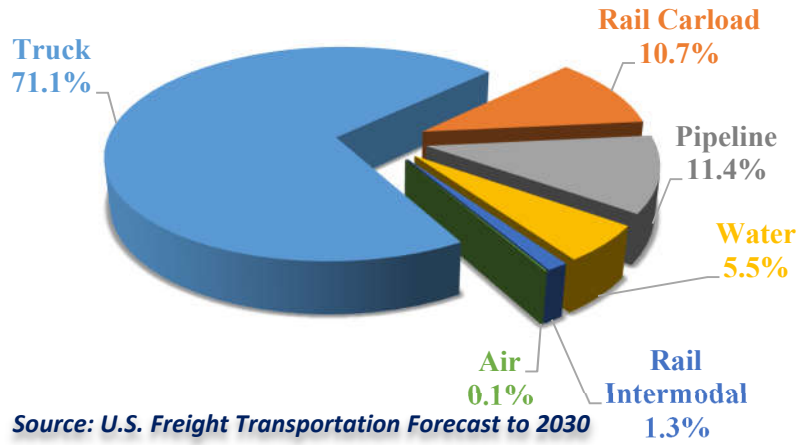
¹³ Opening statement of Rep. Dan Crenshaw (R-TX), Port of Entry Field Hearing, Dec. 2, 2019. <https://republicans-homeland.house.gov/crenshaw-opening-statement-at-port-of-entry-field-hearing-in-new-mexico/>

¹⁴ *Ibid.*

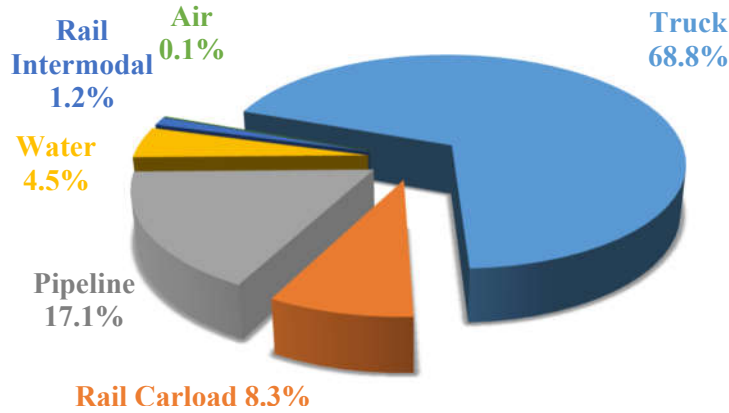
¹⁵ *Freight Transportation Forecast 2018 to 2029*. American Trucking Associations, 2018.

Distribution of Tonnage by Mode: 2019 vs 2030

2019

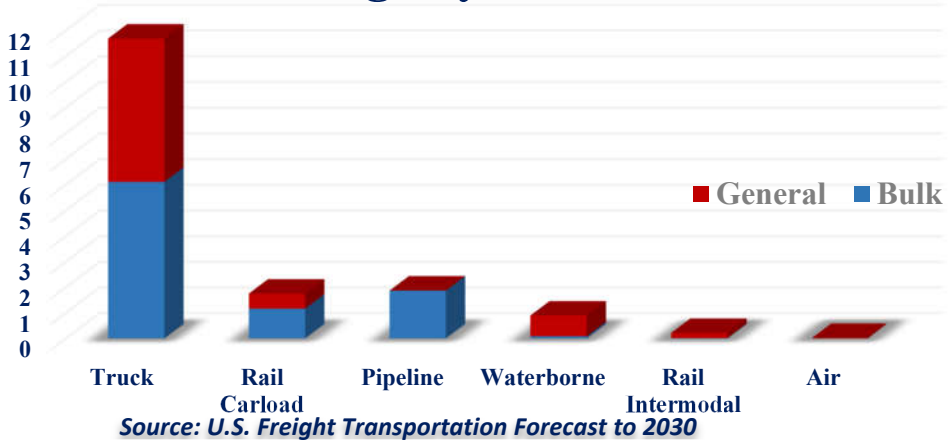


2030



Billions of Tons

Tonnage by Mode: 2019



THE COST OF INACTION

Ports-of-Entry

A series of studies over the last decade estimated that border delays are potentially costing the American economy billions of dollars—costs that are ultimately passed on to working families and businesses.¹⁶ POE staffing, infrastructure, and hours of operation are some of the key elements that affect the efficiency of goods movement. The global growth in goods volume affects the workload at all U.S. POEs, particularly at the southern border. The combination of higher volumes of goods crossing our POEs and enhanced post-September 11, 2001, security procedures have led to longer wait times.¹⁷ Long wait times lead to delays and travel time uncertainty, which can increase supply chain and transportation costs.

A report sponsored by the Department of Commerce detailed the economic impacts of border delays, finding that “border delays result in losses to output, wages, jobs, and tax revenue due to decreases in spending by companies, suppliers, and consumers.” The study detailed the causes, including increased transportation costs and higher inventory costs for businesses to buffer against wait time uncertainty. These delays create substantial costs to the American economy. While the subject and data varied by study, the report found that border delays cost the U.S. economy as much as \$5.8 billion annually.¹⁸

According to U.S. Customs and Border Protection (CBP), several of the nation’s 167 land border crossings were built more than 70 years ago and require improvement.¹⁹ Even land border crossings constructed as recently as 15 to 20 years ago may require significant capital investment to meet present day security standards and operational requirements.²⁰ These infrastructure enhancements are critical to the facilitation of increasing trade and travel at land border crossings.

General Services Administration (GSA) officials reported that funding lags between project design and construction can increase costs and extend construction timelines. Years of inadequate funding for POEs have left them with a \$5 billion funding deficit.²¹

GSA has requested separate appropriations for project design and construction using a model known as design-bid-build, which created the potential for funding lags to occur. According to CBP and GSA officials, the process from requesting an infrastructure project to completing the project lasts approximately seven years. The cost of labor and materials can escalate when funding lags occur between design and construction. For example, after completing design for

¹⁶ *Economic Impact of Understaffing U.S. Ports of Entry*, U.S. Congress Joint Economic Committee, April 2017.

¹⁷ *Ibid.*

¹⁸ [Economic Impact of Understaffing U.S. Ports of Entry](#), U.S. Congress Joint Economic Committee, April 2017.

¹⁹ *Border Infrastructure: Actions Needed to Improve Information on Facilities and Capital Planning at Land Border Crossings*. United States Government Accountability Office, July 2019.

²⁰ *Ibid.*

²¹ Testimony of Eugene Schied, Acting Executive Assistant Commissioner, Office of Enterprise Services, U.S. Customs and Border. Hearing before the Committee on Homeland Security, Subcommittee on Border and Maritime Security, April 19, 2016.

Protection, U.S. Department of Homeland Security.

the Calexico West project, GSA requested construction funding in fiscal year 2010, but did not receive funding until five years later. As a result, estimated construction costs escalated from \$78.5 million to \$90.8 million. Furthermore, funding lags may result in outdated project designs that do not reflect newer CBP infrastructure requirements. In such instances, GSA must invest additional time and resources to update project designs and incorporate new CBP requirements, such as newer inspection technologies or facilities.

The implementation of USMCA should bring improvements that speed up the customs process between all three countries over the next several years. However, the lack of physical infrastructure will mitigate those improvements. For example, there are only 88 U.S. Customs lanes for trucks moving across the entire U.S.-Mexican border, which is seriously inadequate. In 2019 Mexico surpassed China as our largest trading partner,²² with the majority of that trade moving via truck.

With the expected increase in demand created by the passage of USMCA, resources must be made available for POE improvements. Trucking hauls the vast majority of surface trade between the three countries, and to clear trucks securely, safely, and efficiently will require investment in both physical and technological infrastructure.

Seaports: Wait Times and Traffic

The ability of North American marine terminals to handle truck traffic comes into greater focus as the shipping season begins to accelerate. As trade deals are completed and more containers are shipped across the ocean to America's ports, the ability of the ports to absorb the increase will largely be determined by how quickly trucks can get into and out of the port.

Wait times at ports are particularly problematic. For example, over the last year wait times at the Ports of Los Angeles and Long Beach have fluctuated, but have averaged close to 90 minutes for a truck to get into and out of the port facility. This is a result of tremendous volume growth. Other ports, including the Port of Portland, have experienced similar challenges as trade expands. The symbiotic nature of the relationship between the port and the trucking industry continues to be of utmost importance.

The underlying tenet of the relationship between ports and the trucking industry is: the faster the cargo and containers can be arranged for pickup by the motor carrier at the ports, the more efficient the ports and the trucking industry will be. If all of the moving parts are not working in unison, including labor, the operation of equipment at the ports, and the arrangement of the container for the truck to pick up, efficiencies will decrease.

When turn times at the ports decrease because of reduced efficiencies, the flow of goods and cargo out of the ports comes close to reaching peak capacity, especially as the shipping season accelerates. Longer turn times cause trucks to line up at the gates of the port, often spilling over to nearby roads and highways. This can dramatically decrease the port's efficiency and create congestion problems on surrounding arteries.

²² <https://www.census.gov/foreign-trade/data/index.html>

ATA is concerned about commercial activities around ports that impact American workers, companies, and the families and businesses supplied by global trade. Foreign shipping companies that move containers between foreign and U.S. ports operate with limited antitrust immunity to allow for the smooth flows of trade in a complex, multimodal operation. There are many examples of unreasonable commercial behavior by some of these foreign shipping companies, dictating equipment and non-negotiable pricing of equipment and activities to American trucking companies who haul containers from ports that employ thousands of workers. In some ports, there are reports of some foreign shipping companies forcing American trucking companies to use a designated chassis provider at a non-negotiable cost and non-negotiable interchange terms. The lack of a competitive market also reduces the incentive for chassis leasing companies to maintain the safest and most roadworthy equipment for the motor carriers that are forced to lease at a price they can't negotiate.

Congress recently ordered a General Accountability Office study of competitive conditions in ports and the fees charged to American trucking companies for chassis used to move foreign shipping company containers.²³ The study will include an analysis of the market for chassis, "street turns," per diem fees, and demurrage. ATA believes that the report will show a non-competitive market that not only arbitrarily raises supply chain costs with no offsetting benefits, but also reduces the incentive to equip the chassis with the latest safety technology, including radial tires, LED lights, and anti-lock brakes. We urge Congress to address these issues once the report is issued.

Freight Intermodal Connectors

Freight intermodal connectors – those roads that connect ports, rail yards, airports and other intermodal facilities to the National Highway System – are critical to trade. While they are an essential part of the freight distribution system, many are neglected and are not given the attention they deserve given their importance to the nation's economy. Just nine percent of connectors are in good or very good condition, 19% are in mediocre condition, and 37% are in poor condition.²⁴ Not only do poor roads damage both vehicles and the freight they carry, but the Federal Highway Administration (FHWA) found a correlation between poor roads and vehicle speed. Average speed on a connector in poor condition was 22% lower than on connectors in fair or better condition.²⁵ FHWA further found that congestion on freight intermodal connectors causes 1,059,238 hours of truck delay annually and 12,181,234 hours of automobile delay.²⁶ Congestion on freight intermodal connectors adds nearly \$71 million to freight transportation costs each year.²⁷

One possible reason connectors are neglected is that the vast majority of these roads – 70% – are under the jurisdiction of a local or county government.²⁸ Yet, these roads are serving critical

²³ Joint Explanatory Statement, H.R. 1865, 116th Congress

²⁴ *Freight Intermodal Connectors Study*. Federal Highway Administration, April 2017.

²⁵ *Ibid.*

²⁶ *Ibid.*

²⁷ *An Analysis of the Operational Costs of Trucking: 2018 Update*. American Transportation Research Institute, Oct. 2018. Estimates average truck operational cost of \$66.65 per hour.

²⁸ *Ibid.*

regional, national and international needs well beyond the geographic boundaries of the jurisdictions that have responsibility for them, and these broader benefits may not be factored into the local jurisdictions' spending decisions.

While intermodal connectors are eligible for federal funding, it is clear that this is simply not good enough. We urge Congress to set aside adequate funding for freight intermodal connectors to ensure that these critical arteries are given the attention and resources they deserve.

Highway Infrastructure

A well-maintained, reliable and efficient network of highways is crucial to the delivery of the nation's freight – both international and domestic – and vital to our country's economic and social well-being. However, the road system is rapidly deteriorating, and costs the average motorist nearly \$1,600 a year in higher maintenance and congestion expenses.²⁹ Highway congestion also adds nearly \$75 billion to the cost of freight transportation each year.³⁰ In 2016, truck drivers sat in traffic for nearly 1.2 billion hours, equivalent to more than 425,000 drivers sitting idle for a year.³¹ This caused the trucking industry to consume an additional 6.87 billion gallons of fuel in 2016, representing approximately 13% of the industry's fuel consumption, and resulting in 67.3 million metric tons of excess carbon dioxide (CO2) emissions.³² Mr. Chairman, the large investments the private sector trucking industry has made over the last three decades to significantly reduce emissions – to the point that today's trucks emit up to 60 times fewer emissions than trucks manufactured in the 1980s – have been decimated by a lack of public sector commitment to build the infrastructure capacity necessary to accommodate growing traffic.

Congestion serves as a brake on economic growth and job creation nationwide. Mr. Chairman, a first-world economy cannot survive a third-world infrastructure system. As such, the federal government has a Constitutional responsibility to ensure that the resources are available to address this self-imposed and completely solvable situation. The Commerce Clause does not represent an antiquated 18th century ideal; it is what binds us a nation. *E Pluribus Unum* – out of many, one.

A recently released report³³ by the Transportation Research Board (TRB) requested by Congress focused specifically on the current state and future needs of the Interstate Highway System. This critical network connects us together and reaps immeasurable economic and national security benefits for the United States. Most importantly, because interstates are far safer than surface roads, since 1967 its construction has prevented nearly a quarter million people from losing their lives in vehicular crashes.³⁴ The Interstate Highway System accounts for about one-quarter of all

²⁹ *Bumpy Road Ahead: America's Roughest Rides and Strategies to make our Roads Smoother*, The Road Information Program, Oct. 2018; *2015 Urban Mobility Scorecard*. Texas Transportation Institute, Aug. 2015.

³⁰ *Cost of Congestion to the Trucking Industry: 2018 Update*. American Transportation Research Institute, Oct. 2018.

³¹ *Ibid.*

³² *Fixing the 12% Case Study: Atlanta, GA*. American Transportation Research Institute, Feb. 2019.

³³ *Renewing the National Commitment to the Interstate Highway System: A Foundation for the Future (2018)*. Transportation Research Board, National Academy of Sciences.

³⁴ *Ibid.*, p. 2-18

miles traveled by light-duty vehicles and 40 percent of miles traveled by trucks.³⁵ The TRB report estimates that conservatively, the state and federal investment necessary to address the Interstate system's maintenance and capacity needs will have to double or triple over today's expenditures in the next 20 years.³⁶

THE BUILD AMERICA FUND: A PATHWAY TO NATIONWIDE HIGHWAY IMPROVEMENTS

The Congressional Budget Office recently released its projections for Highway Trust Fund (HTF) solvency, and the picture is bleak. The HTF, the primary source of federal revenue for highway projects, safety programs and transit investments, is projected to run short of the funds necessary to maintain current spending levels by FY2021.³⁷ While an average of approximately \$43 billion per year is expected to be collected from highway users over the next decade, nearly \$62 billion will be required annually to prevent significant reductions in federal aid for critical projects and programs.³⁸ It should be noted that a \$62 billion annual average federal investment *still* falls well short of the resources necessary to provide the federal share of the expenditure needed to address the nation's surface transportation safety, maintenance and capacity needs.³⁹ According to the American Society of Civil Engineers, the U.S. spends less than half of what is necessary to address these needs. As the investment gap continues to grow, so too will the number of deficient bridges, miles of roads in poor condition, number of highway bottlenecks and, most critically, the number of crashes and fatalities attributable to inadequate roadways. We hope you will act with the urgency and expediency that this moment requires.

ATA's proposed solution to the highway funding crisis is the Build America Fund. The BAF would be supported with a new 20 cent per gallon fee built into the price of transportation fuels collected at the terminal rack, to be phased in over four years. The fee will be indexed to both inflation and improvements in fuel efficiency, with a five percent annual cap. We estimate that the fee will generate nearly \$340 billion over the first 10 years. It will cost the average passenger vehicle driver just over \$100 per year once fully phased in.⁴⁰

We also support a new fee on hybrid and electric vehicles, which underpay for their use of the highway system or do not contribute at all. We look forward to working with the committee to identify the best approach to achieve that goal.

The fuel tax is the most immediate, cost-efficient and conservative mechanism currently available for funding surface transportation projects and programs. Collection costs are less than one percent of revenue.⁴¹ There is a perception that the fuel tax is no longer a viable revenue source due to the availability of electric vehicles and improvements in vehicle fuel efficiency.

³⁵ *Ibid*, p. 2-10.

³⁶ *Ibid*, p. 5-5

³⁷ The Budget and Economic Outlook 2020-2030, *January 2020* Congressional Budget Office.

³⁸ *Ibid*.

³⁹ *2015 Status of the Nation's Highways, Bridges, and Transit: Conditions & Performance*. USDOT, Dec. 2016; see also *2017 Infrastructure Report Card*. American Society of Civil Engineers, 2017.

⁴⁰ Federal Highway Administration, *Highway Statistics 2017*, Table VM-1. Average light-duty vehicle consumed 516 gallons of fuel.

⁴¹ *Ibid*.

This notion is belied by the facts. According to the Congressional Budget Office's latest estimates, revenue from fuel taxes will drop five percent over the next decade, or about \$2 billion.⁴² A modest increase in the fuel tax, or a new fee on alternative fuel vehicles, can easily recover these lost revenues.

FUTURE REVENUE SOURCES

While ATA considers an increase in the fuel tax to be the best and most immediate means for improving our nation's roads and bridges, we also recognize that due to improvements in fuel efficiency and the development of new technologies that avoid the need to purchase fossil fuel altogether, the fuel tax is likely to be a diminishing source of revenue for surface transportation improvements over the long term. We, therefore, encourage Congress, in consultation with the Executive Branch, state and local partners and the private sector, to continue to work toward identifying future revenue sources.

ATA encourages Congress to include in a future infrastructure package or surface transportation reauthorization bill a plan to bolster and, if necessary, ultimately replace current highway funding mechanisms with new, more sustainable revenue sources. We recommend a ten-year strategy that could include creation of a blue-ribbon commission to explore the results of pilot programs already completed or underway, with recommendations for Congress to consider as it eventually transitions away from the fuel tax.

While a Vehicle Miles Traveled (VMT) fee might ultimately be the favored approach, as many have suggested, full implementation faces significant hurdles. Such a tax would have to be collected from millions of taxpayers – all those driving vehicles in the taxing jurisdiction. Indeed, there are nearly 270 million registered vehicles in the United States, and all would need an account under a VMT fee system.⁴³

VMT fee proponents claim that modern technology can address many of these challenges. On-board recorders, now required on all commercial trucks, can compile mileage accurately, and broadcast it automatically to the taxing authorities for assessment. Cars can be fitted with GPS tracking units, so their operators leave a trail of their travels, for later audit. The prospect of requiring black boxes in private cars raises serious questions about the efficiency and intrusiveness of a VMT fee. How much would the chosen technology cost? Would drivers require training to use it? Would it be accurate and reliable? Could it be cheated readily? If the tax were imposed at the state level, what about drivers coming in from other states?

The traditional fuel tax is an inexpensive tax to administer; a VMT fee, in comparison, would not be. As for the recorders now outfitted on commercial trucks, federal regulatory requirements for these devices are designed to ensure an accurate record of hours driven, not the number of miles driven. Nor do the requirements provide an ability to broadcast data to taxing authorities. They are not, as currently configured, adaptable for taxing purposes.

⁴² Congressional Budget Office, *Budget and Economic Outlook: 2020-2030*, January 2020.

⁴³ Federal Highway Administration, *Highway Statistics 2017*, Table VM-1.

How about equity? Although it appears on the surface that a VMT fee would treat alike all those traveling a given distance, the prospect of widespread evasion of the tax means that those who choose to pay it or can't avoid it, are penalized with having to pay the share of those who don't. Moreover, while under a fuel tax regime low-mileage vehicles that emit relatively more greenhouse gases are taxed more heavily, under a VMT fee, gas-guzzlers and low- or zero-emission vehicles are taxed alike. Furthermore, rural drivers, who pay less in fuel tax per mile compared with urban drivers due to less congestion, will pay the same rate per mile under a VMT fee, even though the relative costs they impose on the system are lower. While it is possible to charge different rates for different vehicle types, or vehicles operating in different locations, this adds cost, complexity and more opportunity for fraud.

These are just some of the challenges we have identified; there are many more hurdles to implementation that are known and likely many others that are currently unknown. This is why rushing into a VMT fee system is unwise. We would be especially opposed to a truck-only VMT fee, or other scheme that unfairly targets only the trucking industry. ATA would oppose any reauthorization legislation that attempts to extract revenue only from trucks.

ATA supports a robust research and testing regime for VMT fees. It should also be noted that most experts – and even ardent advocates – of VMT fees believe that they are at least a decade away from full implementation.⁴⁴ Failing to provide interim funding for surface transportation while these solutions are developed would be highly irresponsible. However, a fuel tax increase could be paired with a plan to transition to a new revenue source, perhaps with the assistance of a blue-ribbon commission that reports its findings to the committee prior to the expiration of the next surface transportation bill.

SUSTAINABILITY

The trucking industry's commitment to sustainability is well-known and on-going. Before 1985, there was no such thing as a federal emission standard for trucks. The historical progress made since then is nothing short of phenomenal. Since the mid-1980's, newly-manufactured trucks have reduced emissions of both nitrogen oxide (NOx), associated with smog and ozone formation, and particulate matter (PM), or "soot," by over 98%. Put another way, one old truck emitted the equivalent NOx and PM emissions of 60 new trucks.

Trucking has also virtually phased-out sulfur in the diesel fuel we burn. This fuel, more commonly referred to as ultra-low sulfur diesel fuel or "ULSD," practically eliminated sulfur oxide (SOx) emissions and further reduced overall fine particulate matter emissions from trucks. In 2011 and 2016, our industry supported two separate EPA/NHTSA regulations establishing first-ever standards for truck engine, vehicle, and trailer greenhouse gas emissions and fuel consumption standards (known as Phase 1 and Phase 2, respectively) to promote a new generation of cleaner, more fuel-efficient trucks and trailers.

The Phase 1 standards, implemented between 2014 and 2018, were projected to reduce carbon dioxide (CO₂) emissions by 270 million metric tons, save vehicle owners and operators an

⁴⁴ For example, this was universally acknowledged by witnesses during a March 7, 2018 House Transportation & Infrastructure hearing on long-term surface transportation funding.

estimated \$50 billion in fuel costs, and eliminate the consumption of 530 million barrels of oil over the lifetime of new vehicles purchased under the program. The Phase 2 standards, to be implemented between 2018 and 2027, are expected to further lower CO₂ emissions by 1.1 billion metric tons, save vehicle owners fuel costs of about \$170 billion, and reduce oil consumption by up to 2 billion barrels over the lifetime of the vehicles sold under the program.

Our industry is currently focused on further NO_x emission reductions under EPA's *Cleaner Trucks Initiative* (CTI). ATA is working closely with EPA and other stakeholders to help develop the next round of NO_x engine emission standards for trucks to continue our positive record of environmental progress.

Finally, the award-winning, voluntary EPA SmartWay Transport Partnership program was developed to reduce freight fuel use and greenhouse gas emissions, and improve transportation efficiency. Since 2004, this groundbreaking public-private partnership, developed between EPA and Charter Partners such as ATA, has saved fleets over \$37.5 billion in fuel costs, reduced consumption of over 280 million barrels of oil, and eliminated over 134 million tons of air pollutants.⁴⁵ SmartWay and its more than 3,700 partners continues to stand out as a stellar example of how the federal government can work side-by-side with industry to achieve real results outside of regulatory frameworks.

CONCLUSION

Mr. Chairman, over the next decade, freight tonnage is projected to grow by more than 23 percent.⁴⁶ The trucking industry is expected to carry two-thirds of the nation's freight in 2030 and it will be tasked with hauling 2.4 billion *more* tons of freight than it moved this year.⁴⁷ Without federal support and cooperation, the industry will find it extremely difficult to meet these demands at the price and service levels that its customers – American businesses – need to compete globally. Growth in trade in particular will strain freight transportation providers' ability to meet their customers' demands. It is imperative to our nation's economy and security that Congress, working in concert with the Administration, invest in critical highway freight and POE infrastructure, and make the reforms necessary to create an improved regulatory environment that fosters greater safety and efficiency in our supply chain.

Thank you once again for the opportunity to testify on this important subject. We look forward to working with the subcommittee to advance legislation that enables the trucking industry to continue to provide safe and efficient freight transportation services to the American people.

⁴⁵ SmartWay Program Highlights for 2019, U.S. EPA, <https://www.epa.gov/sites/production/files/2019-10/documents/420f19067.pdf>.

⁴⁶ *Freight Transportation Forecast 2019-2030*. IHS Global Insight, 2019.

⁴⁷ *Ibid.*

