

# Coalition for America's Gateways and Trade Corridors

## CAGTC Recommendations Surface Transportation Reauthorization

### About CAGTC

The Coalition for America's Gateways and Trade Corridors (CAGTC) is a diverse coalition of more than 60 public and private organizations dedicated to increasing federal investment in America's multimodal freight infrastructure. In contrast to single mode interests, CAGTC's main mission is to promote a seamless goods movement transportation system across all modes to enhance capacity, supply chain efficiency, and economic growth.

Freight infrastructure projects are often large in scale, complex, and span multiple transportation modes and jurisdictional borders, making them difficult, if not impossible, to fund through traditional distribution methods such as formula programs. For these reasons, competitive grant programs have been a longstanding policy priority for CAGTC as these programs are critical in advancing projects that improve freight network fluidity and strengthen our nation's economy and competitiveness.

For more information on CAGTC, please visit [www.tradecorridors.org](http://www.tradecorridors.org).

### Key Priorities

- Increase funding for programs investing in freight infrastructure.
- Improve and streamline the federal grant process.
- Elevate and advance freight policies and programs within the U.S. Department of Transportation.

### Administration Recommendations

#### Grant NOFOs

- **Recommendation:** Establish merit-based criteria that identify and prioritize investments with a demonstrable contribution to national freight efficiency (e.g., improves intermodal and/or multimodal freight mobility, improves freight reliability and efficiency).
  - **Rationale:** Metrics requested in NOFOs and grant agreements can be heavily geared towards passenger traffic and difficult to satisfy for freight project applicants.
- **Recommendation:** Establish a page limit for NOFOs.
  - **Rationale:** USDOT's NOFOs have grown significantly longer, more complex, and redundant. For example, the 2022 PIDP NOFO was 28 pages longer than the 2021 PIDP NOFO. Increasing the length and complexity of NOFOs jeopardizes the ability of small agencies to apply for funds and shuts out agencies lacking personnel resources.

*The Northwest  
Seaport Alliance*

*Nossaman LLP*

*Orange County  
Transportation  
Authority*

*Pacific NorthWest  
Economic Region*

*Port Authority of  
New York & New  
Jersey*

*Port Houston*

*Port Newark Container  
Terminal*

*Port of Hueneme*

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*Port of Oakland*

*Port of San Diego*

*Port Tampa Bay*

*Port of Vancouver  
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Chesapeake*

*Prime Focus, LLC*

*Puget Sound Regional  
Council*

*San Diego Association  
of Governments*

*San Gabriel Valley  
Council of  
Governments*

*Southern California  
Association of  
Governments*

*Strong Port Strategies*

*Tennessee  
Department of  
Transportation*

*Washington State  
Department of  
Transportation*

*Will County Center for  
Economic  
Development*

*WSP*

## Grant NOFOs Cont.

- **Recommendation:** To reduce delays and administrative burdens, we recommend the following changes to NOFOs and grant agreements: standardized narrative and BCA templates; standardized grant agreement template released in conjunction with NOFO publication; standardized NOFO response windows; standardized data tools used to respond to NOFO requirements.
  - **Rationale:** Standardized narrative and BCA templates have been implemented for the Bridge Investment Program and are helpful for applicants to identify exactly what information USDOT is seeking. Standardizing the functions included in this recommendation would reduce administrative burdens and likely result in improved funding delivery speeds.
- **Recommendation:** In the instance of previously unsuccessful applications seeking funds from the same program in future rounds, we recommend USDOT designate these applications as prior submissions and allow applicants to submit abridged grant applications addressing factors such as: responses to changes in the NOFO, updated project information, and updated BCAs.
  - **Rationale:** Reduced administrative burden for both applicants and USDOT review team.
- **Recommendation:** Implement structured annual grant cycles.
  - **Rationale:** BUILD (formerly RAISE) and the Bridge Investment Program have implemented this, but confusion remains among applicants about when grant programs will be active, and for how long. The confirmation of annual due dates is helpful in planning application cycles.
- **Recommendation:** Establish a fast-track approval process for components of projects that require extensive lead time to produce or procure. For example, structural components and equipment.
  - **Rationale:** An expedited process would reduce project delays as well as impacts of inflationary cost increases.

## Funding Delivery

- **Recommendation:** Standardize reimbursement systems across grant programs and modal agencies.
  - **Rationale:** This would reduce inefficiencies and administrative burdens, as well as reduce the use of outdated technology.
- **Recommendation:** Examine EPA's post-award process and potentially adopt similar procedures where possible.
  - **Rationale:** EPA has been more streamlined and efficient in grant funding delivery than USDOT and could be used as an example.

## Transparency

- **Recommendation:** Publish an evaluation chart with project ratings for all grant programs and applicants.
  - **Rationale:** Project rating information is useful to applicants and is currently only required to be reported for the Mega program.
- **Recommendation:** Publish dashboard for NOFO timelines, award announcements, and grant agreement completion.
  - **Rationale:** Allow agencies to better plan and allocate resources. DOE has done this well and could be used as an example.

## Office of Multimodal Freight Infrastructure and Policy

- **Recommendation:** Protect freight system needs in land use planning, particularly in industrial zones. This could be addressed in the forthcoming designation of the National Multimodal Freight Network, among other policy materials.
  - **Rationale:** Reduce land use competition and better align local planning activities with nationally significant goods movement demand.
- **Recommendation:** Encourage the Freight Office to provide a comprehensive analysis of state-level investment of Freight Formula funds.
  - **Rationale:** Expenditures under the Freight Formula program are opaque. More information on how states are using these resources would increase understanding of whether formula funds are meeting state needs.

- **Recommendation:** Encourage State Freight Advisory Committee leadership to solicit participation by representatives of significant industries served by the freight network of each state and the various agencies responsible for planning and developing corresponding freight infrastructure. Determine best practices from states with active State Freight Advisory Committees.
  - **Rationale:** Currently, not all State Freight Advisory Committees include representation by the many entities responsible for planning, developing freight infrastructure, and moving goods.
- **Recommendation:** Publish the congressionally mandated biennial Conditions and Performance Report, which is required to include an assessment of the highway network for freight movement.
  - **Rationale:** An analysis of existing freight assets will aid federal, state, and local infrastructure planning efforts by identifying system vulnerabilities and future investment needs.

## USDOT Workforce

- **Recommendation:** Reduce delays by taking the following measures: establish accountability measures for USDOT grant administration staff to increase efficiency and transparency; improve staff resources and ensure positions are backfilled when grant administrators leave USDOT, whether through full-time employees or by retaining consultants.
  - **Rationale:** Currently, the same staff are often responsible for completing audits, grant application reviews, and grant agreement administration. Other agencies, such as HUD and NOAA, successfully hired outside consultants to review grant applications and assist with grant agreements.

## Congressional Recommendations

### Freight Investment

- **Recommendation:** Increase funding for all investment programs available to freight and goods movement infrastructure by a minimum of 50 percent.
  - **Rationale:** Since 2021, federal funding has eroded by more than 50 percent due to inflation.

### Programmatic Changes

- **Recommendation:** Eliminate the funding cap on non-highway projects within the Freight Formula and INFRA programs.
  - **Rationale:** This ensures that states and localities have the flexibility to address their most pressing freight infrastructure needs, regardless of mode.
- **Recommendation:** Amend INFRA grant criteria such that only freight projects qualify.
  - **Rationale:** Freight projects are complex and multijurisdictional and frequently do not compete well against projects serving other mobility needs, despite the outsized role these projects serve supporting national and regional economies.

### Grant NOFOs

- **Recommendation:** Limit NOFO selection criteria to those in statute.
  - **Rationale:** Promote consistency across administrations, ensure that congressional intent is followed, and bolster congressional support for program longevity.
- **Recommendation:** Establish a page limit for NOFOs.
  - **Rationale:** USDOT's NOFOs have grown significantly longer and more complex. For example, the 2022 PIDP NOFO was 28 pages longer than the 2021 PIDP NOFO. Increasing the length and complexity of NOFOs jeopardizes the ability of small agencies to apply for funds and shuts out agencies with personnel resources.

### Funding Delivery

- **Recommendation:** Standardize environmental approval processes across USDOT modal agencies as well as other federal agencies responsible for developing freight infrastructure, such as the U.S. Army Corps of Engineers.
  - **Rationale:** Freight projects are often multimodal, presenting unique project delivery challenges as they may require project sponsors to navigate varying environmental approval processes across multiple modal

administrations or federal agencies. For example, modal agencies have differing categorical exclusions, creating inconsistencies, confusion, and ultimately, delays.

- **Recommendation:** Provide pre-award spending authority for advance construction and pre-construction activities across funding programs available to freight infrastructure projects. Call on USDOT to provide clear and consistent guidance to grant recipients.
  - **Rationale:** Mitigate inflationary impacts by allowing projects to advance in the time between announcement and obligation. USDOT's Federal Transit Administration (FTA) "Letter of No Prejudice" may provide a model for this improvement. Per FTA, advancing activities that are on the project schedule critical path and that may require an extended period of time to complete may lead to significant cost savings and may reduce the potential for schedule delays later in the project.
- **Recommendation:** Establish a pilot program that expedites the competitive grant award process.
  - **Rationale:** Explore and test innovative opportunities to reduce delivery timelines and mitigate inflationary impacts.
- **Recommendation:** Provide each successful grantee with a target date for grant agreement completion. Responsibility for meeting a target date would be shared by USDOT and the grantee.
  - **Rationale:** Allow agencies to better plan and allocate resources.

## Transparency

- **Recommendation:** Require USDOT to publish an evaluation chart with project ratings for all grant programs and applicants.
  - **Rationale:** Project rating information is useful to applicants and is currently only required to be reported for the Mega program.

## Office of Multimodal Freight Infrastructure and Policy

- **Recommendation:** Elevate the role of the Freight Office to ensure it oversees grant administration and award decisions for freight grant programs.
  - **Rationale:** The Freight Office has a unique understanding of freight projects and a purview that encourages investments supporting systemwide improvements. Although the IJA directed the Freight Office to administer and oversee multimodal freight grant programs, this responsibility has largely remained within other USDOT offices.
- **Recommendation:** Encourage State Freight Advisory Committee leadership to solicit participation by representatives of significant industries served by the freight network of each state and the various agencies responsible for planning and developing corresponding freight infrastructure. Determine best practices from states with active State Freight Advisory Committees.
  - **Rationale:** Currently, not all State Freight Advisory Committees include representation by the many entities responsible for planning, developing freight infrastructure, and moving goods.
- **Recommendation:** Encourage the Freight Office to provide a comprehensive analysis of state-level investment of Freight Formula funds.
  - **Rationale:** Expenditures under the Freight Formula program are opaque. More information on how states are using these resources would increase understanding of whether formula funds are meeting state needs.
- **Recommendation:** Provide robust funding for the Freight Office.
  - **Rationale:** Provide the resources necessary to carry out the office's responsibilities as tasked by Congress and the Administration.