
Press Release

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SCAG lauds passage of state legislation that will strengthen Southern California's trade corridors

Los Angeles, Calif. – The Southern California Association of Governments (SCAG) today urged Gov. Jerry Brown to sign Assembly Bill 2170, which guarantees freight-related funding to the six-county SCAG region and will help fortify America's most vital trade corridor.

The bill, adopted two weeks ago, uses the state's Trade Corridor Improvement Fund (TCIF) to allocate freight funds authorized under the Fixing America's Surface Transportation (FAST) Act of 2015. The FAST Act, which was signed into law by President Obama last December, is the first federal surface transportation authorization bill to prioritize freight funding.

Both the FAST Act and AB 2170 are significant for Southern California, home to the largest container port complex in the United States (the South Bay Ports), robust ports of entry along the U.S.-Mexico border, and one of the fastest-growing logistics industries in the world. Today, goods movement-related industries represent one-third of all jobs and economic activity in the six counties.

"Freight and goods movement are key to the future of Southern California, but it is going to take serious investment in infrastructure to ensure that we continue to move in the right direction," said Michele Martinez, a Santa Ana City Council member and President of SCAG. "Passage of the Assembly bill is a great step forward."

"We appreciate the commitment of our lawmakers in Sacramento in approving AB 2170. Our region would be devastated – economically and otherwise – if we were to lose even a small percentage of goods movement market share due to inadequate infrastructure," said Hasan Ikhata, Executive Director of SCAG. "The nation, too, depends on us. More than 40 percent of all container imports pass through our ports, and more than \$2 trillion worth of goods are transported each year along our roads and rail lines."

Margaret Finlay, a Duarte City Council member and Vice President of SCAG, said everyone benefits from an efficient freight network. She noted that SCAG's recently adopted 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) identified \$70.7 billion in goods movement strategies over the next 25 years.

"This is not just about the smooth movement of trucks and trains. It's the impact that this has on the region as a whole, in the form of reduced congestion, improved air quality, business opportunities and job creation," Finlay said.

Passage of the Assembly bill comes weeks after Southern California was largely shut out of the first round of funding under a federal freight program included in the FAST Act. Signage will ensure that the region receives a fair share of additional freight-dedicated dollars included in the Act by using the highly successful TCIF funding platform. Among the TCIF priorities:

- Highway capacity improvements to more efficiently accommodate the movement of freight. ☐
- Freight rail system improvements to enhance the ability to move goods from seaports, land ports of entry, and airports to warehousing and distribution centers throughout California.
- Truck corridor improvements, including dedicated truck facilities or truck toll facilities.
- Border access improvements that enhance goods movement between California and Mexico and that maximize the state's ability to access coordinated border infrastructure funds made available under federal law. ☐

"The Alameda Corridor-East Construction Authority (ACE) joins with regional transportation agencies in urging Governor Brown to sign Assembly Bill 2170 into law. Our region was shut out of the national freight grants announced two months ago, despite accommodating more than 40 percent of the nation's containerized trade. AB 2170 will ensure that the federal freight funds to be distributed by formula are invested in improving California's nationally significant trade gateways and corridors and with allocations commensurate with goods movement volumes," said Montebello City Councilman Jack Hadjinian, Chairman of ACE.

"Freight and goods movement are indispensable to our economic future and quality of life," said Alan Wapner, an Ontario City Council member and Second Vice President of SCAG. "It takes money. Passage of the Assembly bill is a good start, but it's not the end game. We need to – and will – continue to push for funding."

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About SCAG

SCAG is the nation's largest metropolitan planning organization, representing six counties, 191 cities and more than 18 million residents. SCAG undertakes a variety of planning and policy initiatives to plan for a livable and sustainable Southern California now and in the future. For more information about SCAG, please visit: www.scag.ca.gov.