

United States Senate

WASHINGTON, DC 20510

September 9, 2009

The Honorable Ray LaHood
Secretary
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, D.C. 20590

Dear Secretary LaHood:

We are writing today regarding the National Gateway TIGGER application that is being submitted on behalf of Maryland and five other states and the District of Columbia. At this critical juncture in our nation's history, federal, state and private sector leaders must work together to stimulate our economy and create jobs while making sound investments that build strong futures. USDOT's TIGGER program is an opportunity to invest in projects that cross state boundaries to maximize national and regional priorities while providing significant public benefit.

The National Gateway is a public-private partnership that consists of over \$800 million in rail infrastructure and intermodal terminal projects along three major corridors – I-95/I-81 between North Carolina and Maryland; I-70/I-76 between Washington, DC and Northwest Ohio; and the I-40/Carolina Corridor between Charlotte and Wilmington. When complete, the initiative will create a highly efficient freight transportation link between three Mid-Atlantic ports (Baltimore, Norfolk and Wilmington) and the Midwest by improving the flow of goods between these two regions and across the nation. This project will also improve the flow of intermodal container traffic from major ports on the West Coast to major consumption markets in the East by taking advantage of a major new terminal that CSX and its affiliates are constructing in Northwest Ohio. This state-of-the-art terminal will enable rail traffic to flow more efficiently through Chicago, reducing transit time by 24 to 48 hours, and complement other terminals being constructed or expanded as part of this initiative in Pennsylvania, Maryland, Virginia and North Carolina.

This project has nearly \$550 million in state and private sector funds committed to date. Requested TIGGER funds would provide the remaining 31 percent of the project funding, a modest request considering the fact that there will be no additional public funds required to maintain this rail infrastructure going forward and that it provides almost \$700 million in pavement maintenance cost savings alone. This funding would serve a critical purpose for which it was intended; creating jobs and stimulating the economy throughout the Midwest and Mid-Atlantic regions, including Maryland.

The National Gateway is a prime example of how the public and private sectors can work together to leverage scarce economic resources and address our nation's most pressing economic and freight transportation challenges. Using the criteria provided in USDOT's TIGGER application materials, it is estimated that this initiative will deliver nearly \$5 billion in public benefits - \$6 for every \$1 of public money invested - while enhancing our nation's ability to deal with the increased volume of containers set to land at east coast ports when the Panama Canal is widened in 2015. In Maryland alone, the National Gateway will improve the flow of freight by rail, enhancing the regional ability to handle goods going and coming from world markets. By completing double-stack clearances and locating a terminal in the Baltimore area south of the Howard Street tunnel, the National Gateway will provide more than \$600 million in public benefits, triple the market access potential for the Port of Baltimore, and create nearly 12,000 jobs.

Thank you for your continued leadership on the important transportation challenges we face today. We look forward to working with you and your staff to help make the National Gateway a reality.

Sincerely,



Barbara A. Mikulski
United States Senator



Benjamin L. Cardin
United States Senator