

## Georgia Legislature Wants More Emphasis on Rail to Ease Congestion and Reliance Upon Motor Carriers

BY BLAIR CASH

The Georgia Commission on Freight and Logistics was established by the General Assembly in 2019 and tasked with evaluating the state's freight and logistics network, including interstates, roadways, and rail infrastructure. (See H.R. 37). Over the course of 2019, the Committee heard hours of testimony from state and industry leaders and other professionals to help Georgia plan for the future. What the Committee found, and what they have left to do, is of great import to the transportation and logistics industry.

In 2018, the Georgia Department of Transportation updated its freight and logistics plan to be compliant with the FAST (Fixing America's Surface Transportation) Act. Part of this plan included significant additions proposed by the Georgia Ports Authority (GPA). A point of pride, the American Trucking Research Institute found that Georgia had the second best plan in the entire country.

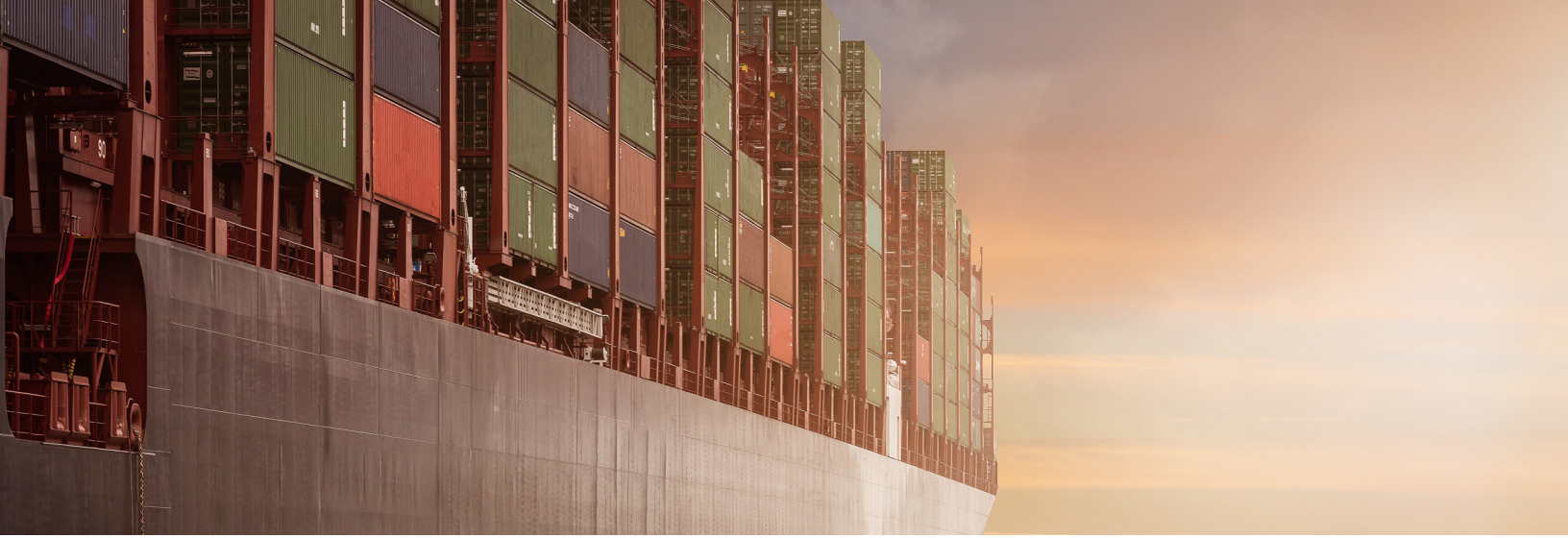
Later that same year, the Georgia Ports Authority (GPA) opened the Appalachian Regional Port in Northwest Georgia, located in Murray County less than one hour away from Chattanooga and less than two hours north of Atlanta. The Appalachian Regional Port has a capacity of 50,000 containers per year. The plan is for the Port's capacity to double in the next ten years.

Also in 2018, the Georgia Ports Authority announced another inland port scheduled to open in Hall County in 2021. This Northeast Georgia Port is a joint project between the Georgia Ports Authority and CSX. The Northeast Georgia Port will have a capacity of 150,000 containers, three times as large as the Appalachian Regional Port. It will provide direct rail access to the GPA's Savannah Port. The Northeast Port will not open for at least another year, but improving Georgia's use of rail is only part of the Commission's task. The Committee has set a placeholder line in the 2020 budget for freight spending, but it remains to be seen what the budget will look like given the near-universal cuts in other areas.

The Commission has the unenviable task of addressing issues like traffic and congestion on Georgia roads, the truck driver shortage, truck parking difficulties, and a growing ecommerce sector. According to a study from the Georgia Department of Transportation (GDOT), only 16% of the total weight of freight traveling through Georgia travels by rail. (H.R. 37). The remainder travels by truck.

The question facing motor carriers is, "What impact, if any, will these inland ports have on motor carriers serving their customers through Georgia's ports, both inland and coastal?"





Shippers and freight forwarders may find the location of North Georgia's inland ports convenient to the largest and busiest airport in the country – Atlanta's Hartsfield-Jackson International Airport. The proximity of these ports to Hartsfield-Jackson will provide shippers and freight forwarders additional flexibility in transporting their international freight through Georgia and onto the final destination. Officials with Hartsfield-Jackson have publicly stated their intentions to increase the facility's air freight capabilities.

The presence and increased usage of Georgia's inland ports will undoubtedly change how Georgia's motor carriers service their customers. The Commission found that 30% of the freight tonnage traveling in Georgia is actually "through" tonnage—freight that merely passes through the state of Georgia on the way to its final destination. Georgia's strategic position as a link between the Southeast, Mid-Atlantic, and Midwest means that the volume of freight passing through Georgia's borders will only increase.

For motor carriers in South Georgia, the presence and increased usage of Georgia's inland ports could mean fewer containers and fewer loads transported in and out of the Savannah and Brunswick ports. However, the Commission makes note of the GPA's plans to dredge and deepen the Savannah harbor in the coming years, increasing the Savannah port's capacity to handle container ships from all over the world. To the extent that a driver shortage is a concern, these carriers can offer drivers living in Southeast Georgia the ability to service ports, make deliveries in Southeast Georgia along the I-16 and I-95 corridors, and be home most nights with their families. Increased quality of life for prospective drivers could lead to higher job satisfaction and retention rates.

For motor carriers located in North Georgia, they now have an opportunity to transport shipping container freight via the Chatsworth and Gainesville ports. Before these ports, these carriers would have to send drivers through Atlanta and Macon in order to transport shipping containers directly from Savannah. Interstates passing through Atlanta provide motor carriers with the opportunity to transport freight to states without easy access to deep water ports such as North Alabama, Tennessee, and Western North Carolina.

To the casual observer, the proposed increased reliance upon rail might harm Georgia's motor carriers. If shippers and freight forwarders moving freight through Georgia are finding new ways to do so without trucks, that hurts your average Georgia motor carrier who prides itself on servicing Georgia's two deep water ports in Savannah and Brunswick. It may ultimately require an increased focus on "end of chain" delivery and, by necessity, an increase in the number of local drivers.

The House Transportation Committee recently voted to extend the Commission's work into 2020 as they continue to examine solutions facing the freight and logistics industry in Georgia. Motor carriers are no strangers to the ever-changing demands placed upon them by the need to operate safely and comply with applicable state and federal regulations, all while meeting the dynamic needs of their customers. Georgia's proposal to increase reliance upon rail is no different and if history has taught us anything, Georgia's motor carriers will find a way to meet the needs of their customers by incorporating these inland ports into their logistical framework.