

SoCal ports warning truck plan will cost truckers more

The funding goals of \$1.8 billion trucking reregulation plan proposed by the ports of Long Beach and Los Angeles continue to fall by the wayside, according to internal port documents *California Connection* obtained.

The plan, slated to start Jan. 1, would ban access to the ports' terminals by truckers not obtaining a license from the ports. Trucking companies agreeing to port-defined criteria covering financial, labor and environmental status would be allowed to buy a license from the ports and continue operating. Port-licensed pre-2007 model year trucks would pay a "truck impact fee" for each gate entry at the terminals. This money would go toward replacing or retrofitting port-licensed trucks to bring them up to the 2007 standard. The ports would also contribute money and potential bond revenue funds from the state were integral in the plan's funding development.

For the first time in a plan document, however, the ports are admitting there is a possibility that no state bond money would be obtained for the plan. The documents, which are set to be distributed to port customers and industry representatives later this month, indicate that without these Prop. 1b funds, fees for access to the ports could be more than double the minimum amount first estimated by the ports.

When first proposed in April, the plan listed the truck impact fee as a range of \$34 to \$54 per truck move. Critics of the plan, and outside economic experts, have said the ports are not likely to receive any of these funds. Since April, the ports have maintained that the funds would be available for the plan, with port officials often speaking as though the bond money were a fait accompli.

The internal port documents, which detail how the ports plan to fund nearly \$8 billion in harbor-area infrastructure development, refer to the bond money availability as "a major assumption."

The new estimates factor in the possibility that no bond money would be available to the plan and provide a new range of \$45 to \$72 per inbound gate move.

The new documents re-emphasize the ports' intention to only charge inbound gate moves.

When initially presented, the truck fee seemingly applied to both inbound and outbound truck moves. Between April and June, this changed to specifically include only inbound containers.

Industry insiders say the outbound trucks were exempted from the proposed fees because most outbound containers are headed to the ports' near-dock rail yards. Since these containers generate revenue for the Alameda Corridor once on a rail car, there was a fear that the fee would seriously interfere with the corridor's revenue stream. Opened in 2002, the Alameda Corridor is a 20-mile-long high-speed rail expressway, taking containers from the port to the transcontinental rail yards south of downtown Los Angeles. Adding the impact fee to the containers headed for the corridor, insiders said, could possibly even threaten the corridor's ability to pay its heavy debt service.

The ports' governing commissions are likely to see a final version of the plan in mid-September and vote to approve it several weeks later.