

Highlights of GAO-23-106072, a report to congressional committees.

# Why GAO Did This Study

The COVID-19 pandemic led to cargo container congestion at maritime ports and warehouses. These challenges delayed the delivery of goods to consumers and led to fluctuating prices. In February 2021, the President issued Executive Order 14017, calling for improved resilience of U.S. supply chains.

The House Committee Report accompanying the Department of Homeland Security Appropriations Bill, 2022, includes a provision for GAO to review factors for establishing inland intermodal freight facilities. This report addresses how freight stakeholders use inland intermodal freight facilities and the extent to which FHWA has updated and communicated about its freight and land use handbook, among other objectives.

GAO reviewed DOT's strategic plans and guidance, interviewed officials; and analyzed DOT data on intermodal freight facilities as of July, 2022, the most recent data available during GAO's review. GAO interviewed a non-generalizable selection of 17 stakeholders from state, and local agencies, port authorities, private entities, and associations.

### What GAO Recommends

GAO is recommending that DOT (1) develop a plan with timelines to update its Freight and Land Use Handbook, and (2) develop a strategy to communicate the updated handbook to freight stakeholders. DOT concurred with both recommendations.

View GAO-23-106072. For more information, contact Heather MacLeod at 202-512-8777 or macleodh@gao.gov.

#### April 202

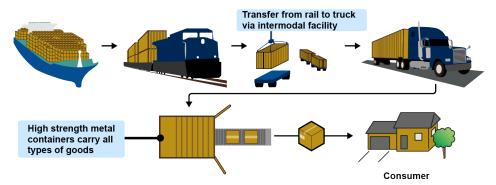
# **SUPPLY CHAIN**

# **Updated Freight Handbook Could Enhance Stakeholder Decision-Making**

## What GAO Found

Freight stakeholders (e.g., port authorities, railroads, industry associations, and state and local agencies) told GAO they develop inland facilities, which GAO refers to as inland intermodal freight facilities, to increase supply chain mobility, reduce marine terminal congestion, and process freight. Freight stakeholders use such facilities to transfer cargo containers between modes of transportation (e.g. ships, trains, trucks) to enable cargo to move through the supply chain.

# **Example of Container Transport through an Inland Intermodal Facility**



Source: GAO analysis of DOT documents and testimonial evidence. | GAO-23-106072

The Federal Highway Administration (FHWA) developed a Freight and Land Use Handbook in 2012 as a resource to better inform freight stakeholders about considerations for establishing land-based facilities for freight mobility. For example, the handbook provides information, case studies, and best practices on planning and establishing freight facilities. However, the handbook is outdated, does not reflect new emerging markets, such as e-commerce, and many stakeholders are not aware of it. For instance, 11 of 17 stakeholder groups told GAO they were not aware of the handbook. FHWA officials stated they intend to begin updating the handbook by the end of fiscal year 2023, but have no plan with project milestones to guide the effort.

FHWA officials told GAO they have not proactively communicated the 2012 handbook with freight stakeholders in recent years due to its age. According to DOT, FHWA conducted three regional workshops with stakeholders on 2012 on freight and land use. Moving forward, FHWA officials stated that they plan to involve freight stakeholders in updating the handbook. However, they have not developed a strategy for engaging the different groups of stakeholders or communicating the updated handbook more broadly. Developing a plan to update the handbook can ensure FHWA can better assist freight stakeholders with establishing inland intermodal freight facilities and addressing any associated challenges. Also, by developing a strategy that communicates FHWA's updated Freight and Land Use Handbook, FHWA can raise awareness and better ensure the tools and resources in the updated handbook are reaching relevant freight stakeholders.