

The Importance of Highways to U.S. Agriculture

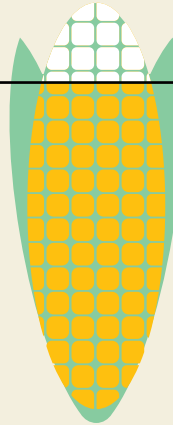
Agricultural products are the single largest category of freight transported on U.S. highways by volume. The Volpe Center collaborated with the **U.S. DOT Office of the Assistant Secretary for Policy** and the **USDA Agricultural Marketing Service** to study the economic impacts of the agriculture industry and the associated costs from transportation.

17%

OF U.S. HIGHWAYS CARRY ...

The Volpe team's research highlighted the following key findings:

- Most agricultural freight shipments begin or end with a truck trip.
- Transportation makes up 3 to 4 percent of the total cost of agricultural goods. This is significant because agriculture industry margins are very tight.
- Maintaining low transportation costs is critical for long-term competitiveness of the U.S. agriculture industry.
- Agricultural freight volumes are projected to increase faster than the rate of population growth.



80%
OF ALL U.S. AGRICULTURAL FREIGHT.

ESTIMATED IMPACT OF STATE FREIGHT PLAN PROJECTS (2016 – 2020)

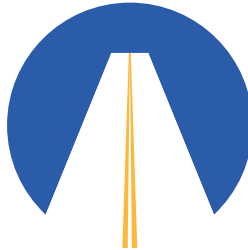
\$17B

Funding programmed in State Freight Plan Projects from **National Highway Freight Program**



24%

Projects located on highways that are part of the **High-Volume Domestic Agriculture Highways**



\$540M

Estimated **annual** truck operating **cost savings**



- Looking to the future, the Volpe team also analyzed planned freight-oriented **highway investments**. Projects in each of the 51 State Freight Plans, as of December 2019, were systematically catalogued and geocoded.
- These projects represent approximately **\$17 billion in investment** from the National Highway Freight Program for fiscal years 2016 to 2020, plus additional projects funded from other sources.
- Roughly one-fourth (24 percent) of these projects are on the **High-Volume Domestic Agriculture Highways**. Using the Highway Economic Requirements System (HERS) model, the Volpe team estimated that this planned investment level would generate **\$540 million** per year in truck operating cost savings.