

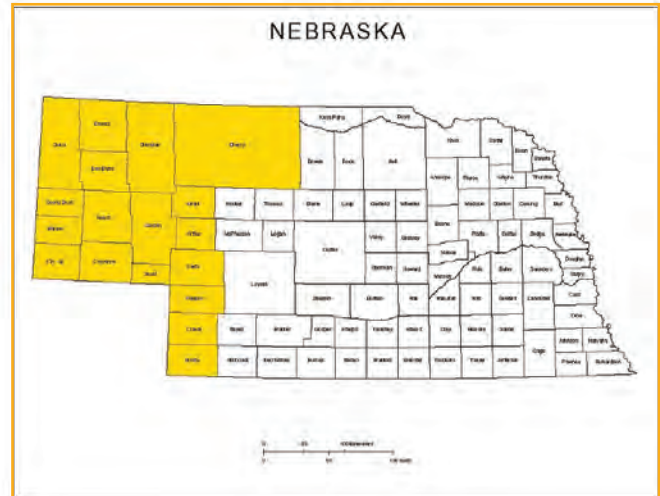
THE HEARTLAND EXPRESSWAY CORRIDOR (HE)

WHAT DRIVES NEBRASKA'S ECONOMY?

Agriculture and food processing activities anchor western Nebraska's economy. Soybeans, corn, dry beans, sugar beets, and animals are mainstays of the region's farm economy and exports. Travelers and Roadside Services also impact the local economies.

In terms of agriculture¹, the corridor counties produced \$1.03 billion of crops sales and \$1.81 billion of livestock, poultry, and products sales.

Travelers², in terms of spending and employment, has a significant impact to the region. In 2019, the region saw \$252 million in Direct Tourism Spending, and 3,505 in Direct Tourism Employment earning \$56 million in Direct Tourism Earnings in the counties on or within 100 miles of the Ports-to-Plains Corridor. The Heartland Expressway Corridor benefits from tourists visiting along the corridor in Nebraska as well as travel south including the Denver Metro region and north including the Black Hills of South Dakota and sites in North Dakota and Canada.



WHAT IS THE VALUE OF THE HE CORRIDOR TO NEBRASKA?



The portion of the HE in Nebraska provides a key role in the Ports to Plains Alliance Corridor (P2P). P2P runs south connecting Nebraska to Colorado, Oklahoma, New Mexico, and Texas as well as the key land ports connecting Colorado goods to Mexico. HE runs north connecting Nebraska goods with Wyoming, South Dakota, North Dakota, and Montana as well as land ports connecting to Canada.

The 2,300-mile Ports-to-Plains Alliance Corridor runs from Mexico to Canada through nine rural states and serves several major international border crossings, including Laredo, Texas. The Corridor includes three congressionally designated High Priority Corridors on the National Highway System (NHS): • Ports-to-Plains Trade Corridor #38 • Heartland Expressway #14 • Theodore Roosevelt Expressway #5.

Approximately 1,100 of the 2,300-mile corridor or 47% is now upgraded to four-lane or better. In Nebraska, four-lane divided highway is developed from I-80 at Kimball to Scottsbluff, US 26 from Scottsbluff to Minatare, US 385 from Junction L62A to Alliance. With the segment between Minatare and Junction L62A now being planned, when constructed there will be 100 miles of four-lane divided highway along the HE and a reliever route completed at Scottsbluff-Gering.

USDOT's Freight Analysis Framework 5 showed that Nebraska exported by truck \$9.4 billion in goods to the other eight states along the Corridor in 2020. By 2050, those exports by truck will grow to \$16.2 billion, an increase of \$6.8 billion exported from Nebraska to the additional eight states for a 73.1% increase. Meat/Seafood exported by

truck to these states at \$2.5 billion in 2020, growing to \$3.1 billion in 2050 is the number one commodity exported from Nebraska to the other eight states along the corridor. Add to that an additional \$164.4 million in 2020 growing to \$367 million in 2050 in Meat/Seafood Exports to Canada, as well as an additional \$135.6 million in 2020 growing to \$282.3 million in 2050 in Meat/Seafood exports to Mexico.

The corridor is an important connection between the beef production, feedlots, and processing facilities from Canada to Mexico, but especially with South Dakota, Colorado and Texas.

WHY SHOULD NEBRASKA INVEST IN THE HE CORRIDOR?

The development of the HE provides many benefits³ to both the Corridor Counties and the state of Nebraska. These benefits come in the form of travel time savings, safety, roadside services, and competitiveness impacts.

Daily Travel Time Savings in Nebraska, based on the completion of the entire P2P Alliance Corridor, including the Heartland Expressway, is 2,451 hours including 761 truck hours. Value of Travel Time Savings between 2016 and 2054 would be \$100.3 million for autos, \$40.5 million for trucks for Total Value of Travel Time Savings of \$140.8 million.

Safety is measured by the reductions in accidents including fatalities, injuries, and property damage from the development of four-lane divided highways. Data shows that the completion of HE and completion of the other P2P corridors will reduce accidents with a Value of Accident Reduction Savings between 2016 and 2054 is \$94.8 million.

Road improvements that reduce travel times and improve reliability for truck freight improve the productivity of the logistics chain through the ability to use truck fleets more efficiently, resulting in a reduction of inventory cost and organize production more efficiently. If shipments are more reliable, then distribution facilities can be more centralized and enjoy greater scale economies in many cases. Collectively, this allows the economy to be more competitive. The efficiency of the four-lane divided highway benefits business in Nebraska by providing Economic Inventory Savings totaling \$215.4 million.

Traffic along the Nebraska portion of the Heartland Expressway Corridor is expected to increase by at least 3.6% with the completion of the transportation improvements due to the attraction of new users and diversions from parallel routes with slower travel times. This increase in traffic translates into increases in spending on Roadside Services, including lodging, food, gasoline, diesel, and other retail items by travelers along Nebraska's portion of the Heartland Corridor.

For the Nebraska Heartland Expressway region, the effects of the roadside services expenditures associated with the Heartland Expressway travel scenario would result in \$370.8 million in earnings (\$2012) and 16,079 person-year jobs for the 2016-2054 analysis period.

All of these benefits, compared to the cost of four-lane divided highway construction in Nebraska, result in a benefit cost ratio of 1.91 to 1.00.

The Heartland Expressway Corridor has an advantageous cost of doing business⁴ that allows it to leverage highway improvements. Nebraska's cost of doing business in 2022 ranks 16th in the U.S. By contrast, Colorado ranks 36th, yielding a significant savings to those firms that can locate on the corridor and still access the Denver market as needed.

The P2P Alliance urges the continued four-lane construction in Nebraska. We hope that our federal delegation will support the efforts of NDOT in building this corridor with federal funding including discretionary grant funding and annual appropriations opportunities. Completing the Expressway in Nebraska is good for the state and good for business.

¹ State and County Profiles – Nebraska, 2017 Agriculture Census,

https://www.nass.usda.gov/Publications/AgCensus/2017/Online_Resources/County_Profiles/Nebraska/

² Nebraska Travelstats, Dean Runyan Associates (2019), <https://www.travelstats.com/dashboard/nebraska>

³ 2014 Heartland Expressway Corridor Development and Management Plan

⁴ America's Top States for Business 2022, CNBC, <https://www.cnbc.com/2022/07/13/americas-top-states-for-business-2022-the-full-rankings.html>