

MEMORANDUM

DATE: November 30, 2022
TO: Miami-Dade Board of County Commissioners
FROM: Alcalde & Fay
SUBJECT: Federal Government Relations Update

The House and Senate reconvened on November 14th to begin the final weeks of the 117th Congress. With the current *Continuing Resolution* (CR) deadline approaching on December 16, it is anticipated that all twelve (FY 2023) appropriations bills will be combined into one *Omnibus* spending package or several minibuses.

Below is an overview of legislation pending action in the “lame duck” session and new grant opportunities which have specific relevance to Miami Harbor and the “Net Zero” program.

I. LEGISLATION

H.R. 7776, WATER RESOURCES DEVELOPMENT ACT (WRDA) 2022

Miami Harbor Feasibility Study -

The House-passed *Water Resources Development Act of 2022* (WRDA), H.R. 7776, **urges the Corps to prioritize and expedite completion of the Miami Harbor feasibility study** (House committee report #117-347). This report language was approved by the Transportation and Infrastructure (T&I) Committee following our May 17th meeting with Committee Chairman DeFazio (R-OR) at which time Port officials (Andy Hecker and Debra Owens) addressed the Miami Harbor navigation needs and the “Net Zero” program. WRDA 2022 may be rolled into the final 2023 Omnibus measure(s).

The feasibility study will identify the modifications needed to the federal project, to enable the new state-of-the-art (14,000) TEU container vessels to traverse directly to the U.S. and avoid cargo diversion to nearby non-U.S. transshipment ports (such as Panama, Freeport, Bahamas, and Jamaica). Earlier in the year, the U.S. Army Corps of Engineers (USACE) announced an allocation of **\$2,245,000** to fully fund the remaining federal share of the feasibility study.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS, 2023

Miami Harbor Maintenance -

The House and Senate FY 2023 *Energy and Water Development (E&W) Appropriations* bills include the budgeted amount of \$50,000 for Miami Harbor maintenance needs.

PortMiami as a Donor Port -

The House and Senate FY 2023 E&W appropriations bills increase the cap on the *Donor and Energy Transfer (D&ET)* program from \$50 million to \$56 million; hence, on enactment, there will be a modest increase in PortMiami's FY 2023 allocation (which is currently \$2,371,000).

*The Committees chose not to address other WRDA 2020 program changes, including the allocation of 12% of total HMT (Harbor Maintenance) revenues to the D&ET program. We are prepared to work on behalf of PortMiami and with other impacted ports and the *American Association of Port Authorities*, to advocate for inclusion within the 2024 E&W bill. Upon implementation, PortMiami would receive as much as \$18 million annually.

TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT (THUD) APPROPRIATIONS, 2023

MEGA Grant Prioritization/Senate THUD Appropriations -

The Senate THUD Appropriations bill includes the following Mega grant prioritization language, as requested by PortMiami, within the *Explanatory Statement* for the 2023 *Departments of Transportation, Housing and Urban Development (THUD) Appropriations* bill

Committee Recommendation -

Mega Grants. —The Committee recognizes that inland ports are an important element in the international supply chain, increasing intermodal capacity and efficiencies in the movement of global commerce from ships to major transportation networks for distribution. Benefits include reduced congestion at the marine terminal and on the Nation's highways, lower costs of moving cargo, environmental and safety benefits, economic development in underserved or rural areas as well as consolidation of import/export centers. Within the advance appropriations for this program, the Committee encourages the Secretary to consider Mega grant applications that include the development of coastal and inland ports in order to facilitate an efficient supply chain.

Prioritization for Grants that include Investments in Clean Electricity/House THUD Appropriations -

The committee report accompanying the House-passed THUD appropriations bill provides \$300 million for PIDP grants in FY 2023 and encourages MARAD to prioritize PIDP applications that demonstrate efficacy in reducing port air emissions

through investments in clean electricity and demonstrate consultation with nearby communities traditionally affected by port air emissions.

NATIONAL DEFENSE AUTHORIZATION ACT (NDAA), 2023

The FY 2023 House-passed *National Defense Authorization Act* (NDAA) extends the authority provided by the 2022 NDAA to enable PIDP grants for the installation of shore power technology at cruise berths. A one-year extension is pending approval by the NDAA House/Senate conference. The initial 2022 provision was sponsored by Congressman Gimenez on behalf of PortMiami.

H.R. 7579, WESTERN HEMISPHERE NEARSHORING ACT

We are monitoring for developments on the *Western Hemisphere Nearshoring Act*, H.R. 7579, sponsored by Congressman Mark Green (R-TX). The legislation incentivizes producers to relocate to Latin America and the Caribbean, with the intent of reducing the U.S. supply chain dependence on China. The bill has joint referral to the Committees on Ways and Means and Foreign Affairs. Representatives Gimenez and Salazar have each joined as cosponsors. It is anticipated that this legislation will be reintroduced in the new Congress which convenes on January 3.

II NEW GRANT OPPORTUNITIES

The *Inflation Reduction Act* (IRA), enacted August 23, 2022, includes \$3 billion for a new program to reduce emissions at ports and additional funding for ongoing grant programs of interest to PortMiami, the *Diesel Emissions Reduction* (DERA) and *Urban and Community Forestry* (UCF) programs. Please see descriptions, below.

Grants to Reduce Air Pollution at Ports

This new program, which provides grants for the purchase or installation of zero emissions port equipment or technology, could be a critical source of funding for components of PortMiami's "Net Zero" program. \$3 billion is available through FY 2027.

We recommend that the Port work with the EPA as it prepares the implementation guidance for this new program and have notified the Port of EPA's public outreach Listening Sessions to receive stakeholder comments (the next is scheduled for December 6). We have also offered to schedule one-on one meetings with EPA officials as a follow up to Deputy Director Hecker's May (2022) presentation to the EPA's *Ports Initiative* team.

Diesel Emissions Reduction (DERA) Grants

The IRA provides an additional \$60 million for DERA grants, with a focus on improving the quality of life of underserved communities. This program is also administered by the EPA.

Urban and Community Forestry (UCF) Program

The IRA significantly boosts funding for the UCF program, including \$1.5 billion in multi-year grants, up from approximately \$30 to \$50 million annually, to provide grants for tree planting and other activities. Priority is provided to projects that benefit underserved populations. The UCF program is administered by State Forestry Agencies; in Florida, by the Department of Agriculture and Consumer Services/Florida Forest Service: contact William.Liner@FDACS.gov.

Healthy Streets Program

The House FY 2023 THUD appropriations bill includes \$55 million for the *Healthy Streets Program*, authorized by the *Infrastructure Investment and Jobs Act*, for grants to state and local units of government, tribes and nonprofit organizations for the purpose of deploying cool pavements and porous pavements and to expand tree cover. The goals are to mitigate urban heat islands; improve air quality and reduce the extent of impervious surfaces, stormwater runoff and flood risks to infrastructure and road users.