

**MEMORANDUM**

**DATE:** March 2, 2023  
**TO:** Miami-Dade Board of County Commissioners  
**FROM:** Alcalde & Fay  
**SUBJECT:** Federal Government Relations Report

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The Congressional leadership has completed the committee assignments for all U.S. Representatives and Senators for the 118<sup>th</sup> Congress. As anticipated, Congressman Diaz-Balart will assume the Chairmanship of the Appropriations Subcommittee on State-Foreign Operations and retain a seat on the Transportation (THUD) appropriations subcommittee. Congressman Gimenez will move to the Armed Services Committee, relinquishing his seat on the Transportation and Infrastructure Committee.

Congresswoman Wilson retains her seat on the Transportation and Infrastructure Committee and Congresswoman Salazar, on the Foreign Affairs Committee. Senators Rubio and Scott retain their seats, respectively, on the Appropriations and Homeland Security Committees.

Notably, Congressman Daniel Webster, who represents the 11<sup>th</sup> District of Florida, is the new Chair of the Coast Guard and Maritime Transportation Subcommittee which has jurisdiction over maritime safety, security and law enforcement and merchant marine matters, including ocean shipping and cruise ships.

Please see below, an update on key issues of interest to PortMiami.

**2024 Appropriations****Programmatic and Community Project Funding**

The House Appropriations Committee has released the *Community Project Funding* (CPF) guidance for the FY 2024 appropriations cycle. All requests will require a “federal nexus” whereby only projects tied to a federal authorization law will receive funding. The total CPF funding for 2024 is reduced to .5% of total discretionary funding (vs 1% in previous years). Each member will be allowed 15 total CPF requests.

Notably, for the first time, the *Port Infrastructure Development Grant Program* (PIDP) is eligible for Community Project funding. We are currently working with the Port to match the Port’s priorities with CPF program eligibility by the PIDP and other CPF eligible accounts and to identify the Port’s programmatic and language priorities for 2024. As in previous years, Senators Rubio and Scott will submit only Programmatic/Language requests.

**Net Zero Resilient Supply Chain Program**

We have recommended meetings early this year with the Miami - Dade delegation and Senators Rubio and Scott to seek their continued support for the *NetZero Resilient Supply Chain Program*, as the Port prepares to apply for the 2023 Mega grant cycle.

DOT has indicated that the 2023 NOFO (Notice of Funding Opportunity) for the Mega program will be released in the “spring.” We suggest meeting with Florida members statewide over the spring and summer months, to include Florida Members on the *Transportation and Infrastructure* (T&I) and *Appropriations* committees, including Representatives Daniel Webster and Brian Mast, members of the T&I Committee and Debbie Wasserman -Schultz and Lois Frankel, members of the Appropriations Committee.

We also recommend that all future congressional support letters highlight the Mega congressional prioritization language provided by the 2023 *Omnibus* which states:

*Mega grants – When awarding advance appropriations funds for the mega grants program, the agreement 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. (Explanatory Statement, Division L, Omnibus Appropriations Act, 2023).*

This language was initially included in the *Explanatory Statement* accompanying the Senate 2023 THUD appropriations bill and then repeated in the final 2023 Omnibus. With much appreciation to Senators Rubio and Scott for requesting the original language and to Congressman Diaz-Balart (R-FL) who was fully supportive in the House/Senate conference.

We have offered to schedule a briefing by DOT on the Port’s 2022 Mega application early in the year. In addition, by the end of March, DOT will post the ratings of all Mega applications which were reviewed by the Secretary’s office.

We will also monitor for oversight or budget hearings before the House T&I and Appropriations Committee at which FL committee members would have an opportunity to speak to DOT officials about the Mega legislative prioritization language and PortMiami’s Net Zero program.

### **Miami Harbor O&M Funding**

The FY 2023 *Omnibus* includes the budgeted amount of \$50,000 for Miami Harbor maintenance needs. Miami Harbor’s 2024 budgeted amount will be included in the USACE budget, to be released on March 9<sup>th</sup>.

### **Donor and Energy Transfer Ports Program** (“Ports Program”)

The FY 2023 *Omnibus* increases funding for the *Donor and Energy Transfer* (D&ET) *Ports Program* from \$56 to \$58 million, in compliance with Section 104 of the 2020 *Water Resources Development Act*. Hence, there will be a modest increase in PortMiami’s 2023 allocation (which is traditionally \$2,371,000).

The 2023 Omnibus does not allocate 8% of available HMT to the Ports Program, as authorized by Section 102 of WRDA 2020. We will continue to pursue this HMT funding on behalf of PortMiami during the upcoming 2024 appropriations cycle. We recommend coordinating with the *American Association of Port Authorities* (AAPA) and other donor ports.

### **Miami Harbor Feasibility Study and WRDA 2022**

The final conference agreement on WRDA 2022 (H.R. 7776, *Water Resources Development Act*) urges the Corps to prioritize and expedite completion of the ongoing Miami Harbor Feasibility Study. This language was initially added to the House report (#117-347) by the T&I Committee

during markup on May 18<sup>th</sup>, following the Port's meeting with T&I Committee Chairman DeFazio (D-OR) and then repeated as bill text in the final conference document.

We plan to work with the Corps to assure that the proposed "corrections" to the entrance channel can be carried out in combination with, or in advance of the next dredging project.

### **Grants to Reduce Air Pollution at Ports**

Established by the *Inflation Reduction Act* (IRA), this new program provides grants to ports for the purchase or installation of zero emissions equipment or technology and could be a critical source of funding for components of PortMiami's NetZero Program. PortMiami has joined AAPA in submitting comments and suggestions to the EPA as the agency prepares to develop the guidelines/eligibility. The EPA is expected to issue another RFI (request for information) in the near future, prior to finalizing guidance. A Notice of Funding Opportunity (NOFO) is some months away.

### **Shore Power Grant Eligibility**

#### **Port Infrastructure Development Grant (PIDP) Program**

The FY 2023 enacted *National Defense Authorization Act* (NDAA) extends the authority for grants for shore power connections to cruise berths (with limited application to ports which serve both cargo and passenger ships). This new grant source for shore power was originally requested by PortMiami in the 2022 NDAA and supported by the industry. Congressman Gimenez was the lead sponsor of the amendment.

### **Additional Funding to the Urban and Community Forestry (UCF) Program**

The *Inflation Reduction Act* (IRA) includes a significant boost in funding for the *Urban and Community Forestry* (UCF) Program, providing \$1.5 billion (up from \$30 to \$50 million annually) for multiyear competitive grants (through 2031) for tree planting and related activities. Eligible entities include state agencies, local governments and nonprofits. The USDA Forest Service is preparing guidance for the allocation of these additional funds.

### **Customs and Border Patrol (CBP) Facility Upgrades**

PortMiami has joined other ports in addressing its concerns with the escalating costs of CBP facility upgrades. Despite language in recent appropriations bills which address seaport concerns, the agency's practices continue. To remedy this situation, the American Association of Port Authorities (AAPA) has prepared legislation which enables customs processing fees to be used for facility upgrades and is seeking sponsors for the proposed legislation.

### **PortMiami as a Strategic Defense Port**

The Port has indicated an interest in designation as a *Strategic Defense Port* by the Department of Defense (DOD). We have provided the information on the process for consideration by the DOD. The first step is for PortMiami to provide an Expression of Interest to the Surface Deployment and Distribution Command (SDDC) which is the Army component of the U.S. Transportation Command.

Please note that NDAA 2023 includes strategic seaports as eligible for funding by DOD's *Defense Community Infrastructure Program* (DCIP). In addition, WRDA 2020 calls for allocations of HMT (Harbor Maintenance Trust) funds to the nation's strategic seaports, with allocations based on

the percentage of HMT dollars collected and the historic share of annual HMT funds provided to these ports.

MARAD administers the *Strategic Port Program* and is charged with facilitating the movement of deploying military forces through strategic ports while minimizing commercial disruptions. There are 23 Strategic Ports and 13 Alternate Ports.

### **H.R. 7579, the *Western Hemisphere Nearshoring Act***

We will monitor for reintroduction of the *Western Hemisphere Nearshoring Act*, H.R. 7579, sponsored by Congressman Mark Green (R-TX) which incentivizes producers to relocate to Latin America and the Caribbean, with the intent of reducing the U.S. supply chain dependence on China. Representatives Gimenez (R-FL) and Salazar (R-FL) signed on as cosponsors to the original legislation.

### **Ocean Shipping Reform**

We are monitoring implementing regulations to the *Ocean Shipping Reform Act*, signed into law in 2022, as a major overhaul of federal regulations relating to the shipping industry. The legislation is intended to ease current supply chain challenges and includes the following provisions:

- Require ocean carriers to certify that late fees —known in maritime parlance as "detention and demurrage" charges—comply with federal regulations or face penalties;
- Shift burden of proof regarding the reasonableness of "detention or demurrage" charges from the invoiced party to the ocean carrier;
- Require ocean common carriers to report to the FMC each calendar quarter on total import/export tonnage and 20-foot equivalent units (loaded/empty) per vessel that makes port in the United States;
- Authorize the FMC to self-initiate investigations of ocean common carrier's business practices and apply enforcement measures, as appropriate; and
- Establish a new authority for the FMC to register shipping exchanges.