

## MEMORANDUM

**DATE:** February 8, 2023  
**TO:** Miami-Dade Board of County Commissioners  
**FROM:** Alcalde & Fay  
**SUBJECT:** Federal Government Relations Report

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The 118<sup>th</sup> Congress convened on January 3, 2023. Congressman Kevin McCarthy (R-CA) was elected as Speaker of the House and Senator Chuck Schumer (D-NY) as the Senate Majority Leader. Newly elected and re-elected Members of the House and Senate were sworn into office.

The full committee chairs for the new republican - controlled House of Representatives have been selected. The new Chair of the Transportation and Infrastructure Committee (T&I) is Congressman Sam Graves (R-Missouri); ranking democrat, Congressman Rick Larson (D-WA); the Chair of the Appropriations Committee is Congresswoman Kay Granger (R-TX); ranking democrat, Congresswoman Rosa DeLauro (D-CT).

Committee assignments and subcommittee chairs will be finalized shortly. Due to term limits governing the leadership of appropriations subcommittees, Congressman Diaz-Balart (R-FL) will be leaving as chair of the THUD subcommittee to lead another appropriations subcommittee. Congressman Daniel Webster, who represents Florida's 11<sup>th</sup> congressional district, is in line for a subcommittee chairmanship on the T&I Committee.

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

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

Members of Congress will shortly post guidelines for Programmatic and Community Project (CPF) funding for the 2024 appropriations cycle. The republican leadership is expected to make changes to the CPF criteria, otherwise known as congressionally directed spending. Once announced, we will work closely with the Port to match the Port's priorities with the CPF eligible accounts. Appropriations requests are generally due to Member offices by mid to late March/early April. Senators Rubio and Scott will submit only Programmatic/Language requests for 2024.

**2023 Mega Grant Application****Net Zero Resilient Supply Chain Program**

We recommend meetings early in the year with the Miami - Dade delegation and Senators Rubio and Scott to seek their continued support for the Port's 2023 Mega grant application for the Net Zero *Resilient Supply Chain Program*.

The 2023 NOFO (Notice of Funding Opportunity) for the Mega program will be posted 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 Congressmen Daniel Webster and Brian Mast, members of the T&I Committee and Congresswomen 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 reads:

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

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

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

The FY 2023 *Omnibus* includes the budgeted amount of \$50,000 for Miami Harbor maintenance needs. We will monitor for Miami Harbor’s 2024 budget allocation which will be included in the USACE budget submission to Congress, anticipated in early March.

### **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 new allocation will be reflected in the 2023 USACE workplan which will be released in late February, in advance of the USACE 2024 budget.

The Omnibus does not allocate a percentage of HMT available funds to the Ports Program, as authorized by Section 102 of WRDA 2020. We will continue to pursue this additional 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 WRDA conference agreement.

We are working with the Port and Corps to identify a process whereby the needed “corrections” to the entrance channel can be carried out in combination with the next dredging project, or, preferably, in advance of the 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. \$3 billion is available through 2027.

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 (PIDG) 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 has been the lead sponsor.

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

The 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. The POC for the Florida Forest Service is [William.Liner@FDACS.gov](mailto:William.Liner@FDACS.gov)

### **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 previously 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 (USTRANSCOM).

Please note that the recently enacted NDAA (2023) includes strategic seaports as eligible by DOD’s *Defense Community Infrastructure Program* (DCIP) discretionary grant program. 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 the 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 provides additional authority to the Federal Maritime Commission (FMC) to regulate the ocean transportation system and is intended to ease current supply chain challenges. Provisions include:

- 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.