

Memorandum

Date: July 9, 2024
To: Miami-Dade Board of County Commissioners
From: Alcalde & Fay
Subject: Federal Government Relations Report

During the month of June, the House Appropriations Committee began marking up the FY 2025 appropriations bills, with Senate markups to begin in July. Due to the congressional adjournments scheduled for the months of August and October, final negotiations on the 12 spending bills are not likely until much later in the year, possibly November or December. This will necessitate a Continuing Resolution (CR) to keep the government operating after September 30th (the end of the fiscal year).

Notable for PortMiami is the **\$5 million** for PortMiami's *Reefer Yard Electrification and Expansion Project* provided by the House subcommittee - approved THUD (Transportation, Housing and Urban Development) appropriations bill.

This follows the announcement in May of a **\$24 million** allocation to Miami Harbor for expanded uses and maintenance activities by the 2024 USACE workplan.

Please see below, an update on these developments and other issues of interest to PortMiami.

I. APPROPRIATIONS

(i) PortMiami Community Project Funding (CPF) Requests (2025)

The following is the status of PortMiami's 2025 CPF funding requests to the House Appropriations Committee:

--**\$5 million** for the *Reefer Yard Electrification and Expansion*:

Funded by the 2025 THUD subcommittee - approved bill, as an Economic Development Initiative (EDI) within the Department of Housing and Urban Development (HUD), sponsored by Congresswoman Salazar.

--**\$3 million** for a *New Start reimbursement as an initial downpayment for advancing the federal cost share of the completed Phase III dredging project* :

Not funded. The appropriations committee provides "0" funding for Army Corps new starts in 2025; the committee will prioritize 2025 resource allocations towards finishing ongoing projects.

--**\$5 million** for the *On-port improvements to the Truck Gate and Port Roadways*:

Not funded. Likely due to the reduced funding available for CPFs by the Port Infrastructure Development Grant Program: 22 million in the 2025 bill; vs. \$70 million in 2024.

As previously reported, the recently enacted *Consolidated Appropriations Act, FY 2024* includes \$4 million in CPF funding for the following PortMiami planning activities:

\$3 million for PortMiami's *Decarbonization and Electrification Master Plan* by THUD (Transportation, Housing the Urban Development appropriations); and **\$1 million** for PortMiami's *Stormwater Master Plan* by Interior-EPA appropriations.

(ii) **PortMiami Programmatic and Language Requests (2025)**

Reimbursement of the Federal Share of the Miami Harbor Deep Dredge

PortMiami is requesting a modification to USACE policy governing reimbursements; specifically, to eliminate the new start designation for completed projects, like Miami Harbor's 50/52 foot dredge, which has proven its value to the nation for close to a decade.

A&F completed programmatic request forms and submitted to the offices of Senators Rubio and Scott, seeking the policy change by the 2025 Energy and Water Development appropriations bill. A&F also scheduled meetings for Mayor Levine Cava and Port officials Andy Hecker and Debra Owens to discuss this and other priority issues with senior staff in the offices of Senators Rubio and Scott on April 30th and May 1st, respectively.

As an alternative approach to securing the policy change, A&F worked with PortMiami to prepare language for inclusion within WRDA 2024 (the Water Resources Development Act of 2024). Representatives Wilson, Salazar, Gimenez and Diaz-Balart each submitted the request to the T&I Committee for consideration.

While the T&I committee majority supported the request, there were jurisdictional issues with the appropriations committee. Therefore, the language was not included in the T&I Committee reported WRDA.

Donor and Energy Transfer (Donor Ports) Program

The Army Corps 2024 workplan, released on May 13th, provides a total of **\$24,873,000** to Miami Harbor for specific work activity. This includes **\$2,839,00** for expanded activities authorized by the *Donor and Energy Transfer Port Program* and **\$21,934,000**, for other maintenance activities/ Deep Draft Harbors.

These funds reflect the Army Corps' implementation of the Harbor Maintenance Trust Fund (HMTF) reforms of WRDA 2020; specifically, an increase to \$58 million for the *Donor and Energy Transfer Ports Program* and an additional 8% allocation of HMTF funds to the nation's six donor ports.

The Miami-Dade delegation has been fully supportive of securing this additional funding which PortMiami has been advocating for, in conjunction with the nation's five other donor ports, since

the enactment of WRDA 2020. PortMiami joined other ports in seeking congressional direction to the Corps in recent appropriations bills, including the following language by the 2024 bill:

Senate Committee report, Energy and Water Development Appropriations, 2024 (#118- 72).

Donor & Energy Transfer Ports- The Committee directs the Corps to allocate any work plan HMTF funding for Donor and Energy Transfer Ports consistent with section 102 and section 104 of WRDA 2020 (Public Law 116–260). The Corps is reminded that Donor and Energy Transfer Ports are eligible to receive additional funding recommended in the deep-draft harbor and channel funding line items for expanded uses.

In preparation for the 2025 appropriations cycle, A&F has completed programmatic and language request forms, requesting repeated implementation by the Energy and Water Development appropriations bill/USACE workplan.

Notably, the 2025 USACE budget, released on March 8th, provides **\$3,956,000** to PortMiami, for Donor Port expanded uses. This is the first time that funds have been budgeted for the Donor Port Program since it was established by WRDA 2014. We are monitoring for the inclusion of these Miami specific funds within the 2025 Energy and Water appropriations bills.

(iii) FY 2025 THUD/Grant Funding

As reported above, the House THUD subcommittee approved the (2025) THUD appropriations bill on June 27th. As the committee was working within the reduced spending caps established by the *Fiscal Responsibility Act*, 2025 funding for discretionary grant programs was reduced or eliminated for programs like RAISE and PIDP that already receive advance appropriations from the *Bipartisan Infrastructure Law* (BIL). The House funding levels for key grant programs are:

- **RAISE/BUILD/TIGER**: “0” funding for 2025, with \$1.5 billion in advance appropriations available by BIL. (\$345 million was provided in 2024, in addition to \$1.5 by BIL)
- **Port Infrastructure Development Program (PIDP)**: \$72 million for 2025, with \$450 million in advance appropriations available by BIL. (\$120 million was provided in 2024, in addition to \$450 million by BIL).
- **INFRA Program**: \$200 million for 2025, with \$1.5 billion in advance appropriations available by BIL. *The \$200 million is reserved for truck parking projects only.
- **CRISI** : \$298.5 million for 2025, with \$1 billion in advance appropriations available by BIL.

II. OTHER ITEMS OF INTEREST

PortMiami NetZero Resilient Supply Chain Program

The NetZero project was not selected by the Department of Transportation for a 2023/2024 Mega grant. The Department awarded 11 projects, totaling approximately \$2 billion. There were 117 applications submitted, requesting over \$24 billion.

After discussions with DOT staff, the Port revised its next application to assure its cost effectiveness. PortMiami submitted the new application by the May 6th due date. Approximately \$1.7 billion in advance funding remains available to the Mega program.

A&F reached out to Secretary Buttigieg's Chief of Staff to support the County's request for a meeting with DOT Secretary Buttigieg for Mayor Levine Cava, to address NetZero and other County priorities. The meeting with the Secretary was scheduled for May 2nd. As reported above, A&F also scheduled meetings for the Mayor and Port officials with staff members in the offices of Senators Scott and Rubio.

On May 28th, 11 Members of the Florida delegation signed a congressional support letter to DOT Secretary Buttigieg, sponsored by Congresswoman Salazar (R-FL). A&F assisted in securing Member signatures, to include Congressman Daniel Webster (R-FL), the Chair of the House Coast Guard and Maritime Transportation Subcommittee.

The Miami-Dade delegation is fully supportive of the NetZero proposal. A&F has recommended follow up meetings with the delegation, to include additional meetings with Members state-wide, to address the state-wide implications of the NetZero project.

Back Bay Feasibility Study

Sec. 202 of H.R. 8812, the *Water Resources Development Act* of 2024, as reported by the House T&I Committee on June 26, directs the Corps to expedite the completion of the feasibility study for the "...*project for coastal storm risk management, Miami-Dade Back Bay, Florida.*"

On June 1 A&F joined a call with Miami-Dade County staff for a briefing on the status of the Chief's report on the Back Bay study. As the report is expected to be signed by mid August, A&F recommended advising the Miami-Dade delegation of the status of the Report and the importance of its inclusion within the final enacted WRDA (2024) bill. A&F is prepared to schedule meetings with the delegation members, including T&I committee staff.

Miami Harbor Feasibility Study

The Water Resources Development Act of 2022 directs the Secretary of the Army (Civil Works) to expedite the completion of the Miami Harbor feasibility study, to the maximum extent practical. (Public Law 117-263, Sec. 8397 (2)(E), enacted Dec. 23, 2022.

Miami Harbor Channel Restrictions

The Corps is carrying out environmental reviews in advance of preparing a report to identify the improvements needed to eliminate the restrictions in the federal shipping channel (which were caused by a design deficiency in the completed Phase III project).

Miami Harbor O&M Funding

The 2025 USACE budget includes \$55,000 for continued maintenance needs in the Miami Harbor.

Additional Legislation of Interest:

--**H.R. 1836, the Ocean Shipping Reform Implementation Act**, sponsored by Rep. Dusty Johnson (R-SD), has passed the House. The legislation requires the Federal Maritime Commission to establish a data standard to facilitate the voluntary sharing of supply chain data among U.S. shipping industry stakeholders. Sponsors have indicated that the intent is to safeguard national companies that transport freight at U.S. maritime ports.

--H.R. 3395, U.S. Supply Chain Security Review Act,

The House has passed H.R. 3395, sponsored by Representatives Webster (R-FL) and Jake Auchincloss (D-MA) which directs the Federal Maritime Commission to commission a study

assessing potential security risks of foreign ownership of marine terminals at the 15 largest container ports.

--H.R. 3365, the *Supply Chain Improvement Act*

The House Transportation and Infrastructure Committee has approved a package of bills which are designed to strengthen the nation's supply chain, including the *Supply Chain Improvement Act*, sponsored by Representative John Duarte (R-CA). This legislation is intended to provide priority consideration to projects that would improve or build resiliency in the supply chain, pursuant to DOT's INFRA and MEGA discretionary grant programs.

--H.R. 3169, the *Port Crane Security and Inspection Act of 2023*, sponsored by Representatives Gimenez (R-FL) and Garamendi (D-CA) requires CISA (the Cybersecurity and Infrastructure Security Agency) to inspect foreign cranes for potential security vulnerabilities before they are placed in operation at U.S. ports. The legislation also calls for a CISA report to Congress on potential vulnerabilities of the use of foreign cranes at U.S. ports

--H.R. 722, the *Western Hemisphere Nearshoring Act*, sponsored Congressman Mark Green (R-TN) would incentivize producers to relocate factories from China to Latin America and the Caribbean, with the intent of reducing the U.S. supply chain dependence on China. The legislation provides a low interest loan program through the International Development Finance Corporation, with financing provided by existing tariffs on Chinese goods. Representative Gimenez (R-FL) has signed on as a cosponsor of the legislation.

III. GRANT OPPORTUNITIES

PortMiami has responded to the following federal grant opportunities which are pending award at this time.

MEGA

The USDOT issued the FY 2025/2026 Notice of funding opportunity for the Mega Grant program on March 28th. Applications were due by May 6th.

Clean Ports Program- The NOFO was released by EPA on February 28th. This new program, funded by the *Investment Reduction Act*, will fund zero-emissions equipment, infrastructure and climate planning at U.S. ports. Applications were due by May 28th.

PIDP (*Port Infrastructure Development Grant Program*)

\$450,000 is available in 2024, with the application due date extended to May 10th.