

ALCALDE & FAY

GOVERNMENT & PUBLIC AFFAIRS CONSULTANTS

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To: Miami-Dade Board of County Commissioners
From: Alcalde & Fay
Subject: Federal Government Relations Report

Congress is preparing to fast track much of President Trump's agenda, including border control and tax priorities, by the budget reconciliation process. The legislation, to consist of one or two packages, will combine a mix of spending cuts and spending boosts, tax cuts and revenue raisers. The House and Senate are also dealing with a looming government shutdown, as the current Continuing Resolution (CR) will expire on March 14th and no deal on the twelve FY 2025 spending bills or an additional CR are in place. Please see further discussions, below.

A&F is closely monitoring for the implementation of several of President Trump's Executive Orders, with focus on the Pause of Agency Grant, Loan and Other Financial Assistance Programs, issued by the Office of Management and Budget (on January 27). As lawsuits challenging the "pause" have been filed, this continues to be an evolving situation which we are monitoring for its implications to Miami-Dade County/PortMiami.

As previously reported, this Order directs every federal agency to "*temporarily pause all activities related to obligation or disbursement of all Federal financial assistance and other relevant agency activities that may be implicated by the President's Executive Orders, including, but not limited to, financial assistance for foreign aid, nongovernmental organizations, DEI, woke gender ideology, and the green new deal.*"

Budget Reconciliation

On February 25, the House passed H. Con. Res. 14, which provides budget guidelines for Fiscal Years 2025 through 2034 and instructs multiple legislative committees to report back to the Budget committee on their plans to identify \$2 trillion in funding cuts. These cuts will offset the costs of the massive funding initiative for border control and the extension of the tax cuts enacted by 2017 *Tax Cuts and Jobs Act*. The cuts will be from a wide range of federal programs, with specifics yet to be determined. On the tax side, eliminating the tax exempt status of state and local revenue bonds is being discussed as one option for increasing revenues (with an estimated savings of \$250 billion over ten years).

The reconciliation legislation is on a separate path from the regular appropriations bills and can be fast tracked, as the rules governing reconciliation allow for a simple majority vote in each chamber, essentially bypassing the Senate 60 vote threshold needed to advance most other legislation.

Appropriations (FY) 2025 and 2026

The (12) Fiscal Year 2025 appropriations bills are pending final conference action against the backdrop of a looming expiration of federal funding on March 14th. Due to the impasse in the ongoing negotiations, the congressional leadership is considering a year-long CR through September 30th (2025). Democrats in large measure, are calling for another short-term CR (into April) and are seeking a guarantee that the Trump Administration will not freeze funds but utilize the appropriated funds for their intended purpose.

Should Congress decide on a yearlong CR, it will include several additional “anomalies,” which are policy and funding provisions requested by the White House. Please note that a yearlong CR is not likely to include any legislatively directed (Community Project) funding.

The 2026 appropriations process will “kick off,” once President Trump releases the 2026 Executive budget (anticipated in March). It is largely anticipated that the House and Senate Appropriations Committees will continue the practice of community project funding (CPF) by the 2026 spending bills.

PortMiami Priorities/Legislation

(1) Donor and Energy Transfer Ports (D&ET) Program

PortMiami continues to advocate, in coordination with the American Association of Port Authorities (AAPA) and the nation’s five other donor ports, for implementation of the Harbor Maintenance Trust Fund (HMTF) reforms by the 2025 and 2026 Energy and Water Development (E&W) appropriations bills; specifically, an increase to \$60 million (2025) and \$62 million (2026) for the *Donor and Energy Transfer Ports Program* and an additional eight percent (8%) allocation of available HMTF funds to the nation’s donor ports.

(2) Ship to Shore Cranes (STS)

PortMiami supports the provision of funding for STS cranes. PortMiami's cargo volumes are growing and the number of cranes at PortMiami is no longer adequate. Prompt acquisition of new cranes and replacement of aged cranes is essential to maintain operational efficiency at the Port.

The Port is looking at the balance of cost and security depending on the country of origin, as the cost of a crane can range from \$12 million up to \$40 million. Modern reliable cranes will strengthen the security and resilience of the global supply chain, while sustaining PortMiami’s dramatic growth as the nation’s eleventh largest container port and the “Gateway to the Americas.”

(3) Reimbursement of the Federal Share of a Federal Navigation Project

PortMiami supports a change in U.S. Army Corps of Engineers policy governing reimbursement to a nonfederal sponsor which advances the entire federal share of a federal navigation project carried out by the Army Corps. Current policy calls for a new start designation, notwithstanding that the project is completed and producing benefits for the nation. Removal of this requirement will enable PortMiami to seek reimbursements, over time, for the completed -50/52 foot draft, while competing, on an equitable basis, with other major ports which are seeking federal navigation funding.

(4) Legislative Update

PortMiami (2025) Funding *pending final congressional approval

(i) Transportation, HUD and Related Agencies (THUD) Appropriations, 2025

\$5 million is included within the House THUD appropriations bill for PortMiami’s Reefer Yard Electrification and Expansion project. The project, sponsored by Congresswoman Salazar, is funded as an Economic Development Initiative (EDI) within the Department of Housing and Urban Development (HUD).

(ii) Energy and Water Development (E&W) Appropriations, 2025

\$4,011,000 is included in the House and Senate E&W appropriations bills for Miami Harbor. The total is inclusive of \$3,956,000 for *Donor Port Expanded Uses* (up from \$2,839,000 in 2024) and \$55,000 for regular *Operations and Maintenance* (O&M). In addition, the Senate Appropriations Committee report accompanying *Energy and Water Development Appropriations, 2025*, directs the Corps to allocate, by the 2025 Workplan, additional funds to Miami and the nation’s five other Donor ports, as authorized by WRDA 2020/Sec. 102.

PortMiami is working in conjunction with the other Donor ports to secure support for the Senate provision in the E&W conference. Miami Harbor was allocated a total of **\$24,873,000** by the 2024 Workplan.

(iii) THUD Appropriations, 2025

There are significant funding differences between the 2025 House and Senate Transportation, Housing and Urban Development (THUD) bills, to be resolved in conference. For instance, the House bill eliminates or reduces funding for some DOT competitive grant programs which already receive advance appropriations by the Bipartisan Infrastructure Law (BIL). For RAISE (*Rebuilding American Infrastructure with Sustainability and Equity*) the House bill includes “0”; the Senate bill \$550 million (with \$1.5 billion in advance appropriations available by BIL). For PIDP (the *Port Infrastructure Development Grant Program*) the House bill includes \$72 million, the Senate bill \$200 million (with \$450 million in advance appropriations available by BIL).

(iv) Receipt of PortMiami’s 2024 CPF (Community Project Funding)

A&F is working with the Port for receipt of the **\$4 million** in CPF funding provided to PortMiami, pursuant to the 2024 *Consolidated Appropriations Act* (enacted March 4, 2024), including: **\$3 million** for PortMiami’s *Decarbonization and Master Development Plan*, pursuant to the Port Infrastructure Development Grant Program, Federal Maritime Administration (MARAD); and **\$1 million** for PortMiami’s *Stormwater Management Master Plan*, pursuant to the State and Tribal Assistance Grant (STAG) Program, Environmental Protection Agency (EPA).

Other Legislation

Water Resources Development Act/WRDA 2024

WRDA 2024, enacted into law on January 4, 2025, reduces the nonfederal cost share for dredging channel depths in excess of 55 feet, from 50% to 25%. This is a significant development for the next dredge event in the Miami Harbor. Please note, WRDA 2022 directs the Secretary of the Army (Civil Works) to expedite the completion of the Miami Harbor feasibility study, to the maximum extent practical (see Public Law 117-263, Sec. 8397).

The National Defense Authorization Act (NDAA) 2025

Enacted into law on December 23, 2024, the legislation extends the eligibility of grants for shore power at cruise berths, pursuant to the Port Infrastructure Development Grant Program (PIDP).

The Western Hemisphere Nearshoring Act of 2025

Reintroduced by Congressman Mark Green (R-TN) in the new 119th Congress, 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. Congressman Gimenez is a cosponsor of the legislation.

The Port Crane Security and Inspection Act.

Sponsored by Congressman Gimenez and with eight cosponsors, H.R. 3169 was reported by the House Homeland Security Committee on September 25, 2024. The bill requires CISA to inspect foreign cranes for potential security vulnerabilities before they are placed in to operation at U.S. ports.

