Date: April 30, 2025

To: Miami-Dade Board of County Commissioners

From: Alcalde & Fay

Subject: Federal Government Relations Report

The House and Senate are preparing to begin the (FY) 2026 appropriations process, with release of the President's "Skinny" 2026 budget anticipated in early May. Congress also continues to negotiate a budget reconciliation package which will be a blueprint for federal spending over the next decade. The measure will include a mix of spending cuts and spending boosts, tax cuts and other measures, intended to fast track President Trump's agenda. Please see further discussions, below.

PORTMIAMI PRIORITIES

PortMiami (2026) Community Project (CPF) Funding

As is standard practice governing Continuing Resolutions (CRs) the *Full-Year Continuing Resolution, 2025*, enacted on March 5, does not provide funding for community (CPF) projects, including the **$5 million** for PortMiami's Reefer Yard Expansion project (as provided by the FY 2025 House-passed THUD appropriations bill).

A&F has been working with Port officials to prepare and resubmit the Reefer Yard project for 2026 CPF funding. We also assisted in preparing the Port's 2026 CPF submittals for funding support for i) purchase of an STS crane by the *Port Infrastructure Development Grant Program* (PIDP); and ii) Port Miami Roadway Improvements by the *Surface Transportation Assistance Block Grant Program* (STBG).

Receipt of PortMiami's 2024 CPF Funding

A&F is working with the Port to secure receipt of the **$4 million** in CPF funding provided by 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* Assis*tance Grant (STAG) Program*, Environmental Protection Agency (EPA).

Donor and Energy Transfer Ports Program

PortMiami continues to advocate, in coordination with the nation's five other donor ports (Long Beach, L.A., Takoma, Seattle and New York) for implementation of the WRDA 2020 Harbor Maintenance Trust Fund (HMTF) reforms which authorized: i)12% allocation of HMTF funds to *Donor and Energy Transfer Ports*; and ii) increased funding for the *Donor and Energy Transfer Ports Program*: $60 million (2025) and $62 million (2026).

A&F worked with PortMiami to prepare the 2026 programmatic/language request forms for submittal to the delegation and assisted in preparing the draft for a congressional letter to the Department of the Army, seeking implementation by the 2025 Army Corps workplan.

Recall that the Army Corps implemented these reforms last year, with PortMiami allocated a total of $**24,773,000** in the 2024 workplan.

Ship- to- Shore (STS) Cranes

A&F is monitoring for opportunities for funding assistance for the purchase of STS cranes, to include initiatives for domestic production of STS cranes. PortMiami supports the provision of funding for STS cranes. Modern reliable cranes will strengthen the security and resilience of the global supply chain, while sustaining PortMiami's dramatic growth as a leading container port and the "Gateway to the Americas."

Reimbursement of the Federal Share of a Federal Navigation Project

PortMiami supports a modification of U.S. Army Corps of Engineers policy governing reimbursement to a nonfederal sponsor which advances the entire federal share of a congressionally authorized navigation project. Current policy calls for a new start designation, notwithstanding that a project is completed and, like Miami's -50/52 foot dredge, has been producing benefits for the nation for close to a decade.

Removal of the new start requirement will enable PortMiami to seek reimbursements over time and to compete equitably with other major ports which are seeking federal dredging funds.

USTR Proposed Transportation Service Fees and Additional Tariffs on STS Cranes

Port Miami joined the American Association of Port Authorities (AAPA) and multiple other trade groups to address concerns about the U.S. Trade Representative's (USTR) proposed maritime vessel fees which included a $1 million fee per U.S. port call on Chinese vessel operators and a $1.5 million fee per U.S. port call for Chinese-built vessels.

The final action, announced by the USTR on April 18th, significantly adjusts the fees, as described here, and includes provision for U.S. owned company vessels not to be subject to the fees.

By Federal Register notice on April 18th, the USTR proposes additional tariffs on certain ship-to-shore (STS) cranes and cargo handling equipment (CHE), with a public hearing scheduled for May 19th.

The tariffs are proposed for cranes manufactured, assembled, or made using components of PRC origin or manufactured anywhere in the world by a company owned, controlled, or substantially influenced by a PRC national. According to the American Association of Port Authorities (AAPA), the proposal could result in a tariff as high as 270% on ship-to-shore cranes.

Discretionary Grant Opportunities for FY 2025

A&F continues to monitor for the FY 2025 discretionary grant notices of interest to the Port. Of note, since the CR does not include specific programmatic funding amounts, federal agencies have much discretion over the spending for grant programs, including those of interest to Miami-Dade County/PortMiami, such as the following DOT programs: RAISE (*Rebuilding American Infrastructure with Sustainability and Equity),* PIDP (*Port Infrastructure Development) and* INFRA *(Nationally Significant Multimodal Freight and Highways*).

Other Legislation and Administrative Actions

Budget Reconciliation

On April 10th, the House passed *H. Con Res. 14* which provides spending guidelines for Fiscal Years 2025 through 2034 and instructs multiple legislative committees to identify over $2 trillion in cuts, to offset the costs of a massive funding package planned for defense, border control and energy development, combined with an extension of the expiring 2017 tax cuts.

House committees began marking up their respective budget bills during the week of April 28. Noteworthy is the recommendation of the House Homeland Security Committee to provide $4.1 billion to Customs and Border Protection (CBP) for boosting personnel, including hiring and training 3,000 new Border Patrol agents and 5000 new Office of Field Operations Customs Officers.

The Ways and Means Committee has not begun markup of its budget bill; however, 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 budget reconciliation legislation is on a separate path from the regular appropriations bills, as the rules governing reconciliation allow for fast tracking, bypassing the Senate 60 vote threshold needed to advance most other legislation. The House Republican majority is targeting Memorial Day for final approval of a reconciliation package; however, that deadline is likely to slip.

DOT Review of Competitive Grant Selections/White House Executive Orders

As previously reported, on March 11th the Department of Transportation issued Competitive Grant Guidance, directing its modal agencies to review all competitive grant selections announced since January 20, 2021 (FY 2022 through FY 2025) to identify activities that allocate funding to advance climate, equity and other activities counter to Trump Administration priorities and previous Executive Orders. Projects identified as non-compliant will be subject to further review for modification or cancelation (unless grant agreements are already in place).

This follows President Trumps' January 27th Executive Order: Pause of Federal Agency Grant, Loan and Other Financial Assistance Programs which is challenged in the courts. This continues to be an evolving situation which we are monitoring for its implications to Miami Dade County/PortMiami.

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*."

The *Ships for America Act*

The legislation, sponsored by Representatives Garamendi (D-CA) and Trent Kelly (R-MS), Senators Mark Kelly (D-AZ) and Todd Young (R-IN), establishes a Maritime Security Trust Fund that would reinvest duties and fees paid by the maritime industry into maritime security programs and infrastructure supporting maritime commerce. The legislation also calls for coordinating U.S. maritime policy by establishing an interagency Maritime Board tasked with developing a whole-of-government National Maritime Strategy.

***Maritime Supply Chain Security Act,* H.R. 2390**

As reported from the Transportation and Infrastructure Committee on April 1, the bill amends the *Port Infrastructure Development Grant Program* (PIDP) to clarify that PIDP funds can be used to replace Chinese cranes that were: i) installed or provided by the People's Republic of China or any department, ministry, center, agency, or instrumentality of the Government of the People's Republic of China; or ii) are maintained, controlled, or sponsored by the People's Republic of China or any department.

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 (R-FL) is a cosponsor of the legislation.

Recently Enacted Legislation

Water Resources Development Act/WRDA 2024

Enacted on January 4, 2025, WRDA 2024 reduces the nonfederal cost share for dredging channel depths in excess of 55 feet, from 50% to 25%, which 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." (Public Law 117-263, Sec. 8397).

National Defense Authorization Act **(NDAA) 2025**

Enacted on December 23, 2024, the legislation extends the eligibility of grants for shore power at cruise berths for one additional year, pursuant to the Port Infrastructure Development Grant Program.