ALCALDE & FAY

GOVERNMENT & PUBLIC AFFAIRS CONSULTANTS

Date: June 30, 2025

To: Miami-Dade Board of County Commissioners

From: Alcalde & Fay

Subject: Federal Government Relations Report

During the month of June the Senate began consideration of House-passed H.R. 1, the *One Big Beautiful Bill* Act and the House Appropriations Committee began "mark ups" of the 2026 spending bills, approving the Military Construction, Defense, Agriculture, Legislative Branch and DHS (Homeland Security) measures. The Senate will begin their appropriation markups in July. Both Chambers plan to recess for the month of August through to September 2nd.

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 include 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).

Therefore, A&F worked with Port officials to prepare and resubmit the Reefer Yard project for 2026 funding. We were pleased to report that Congresswoman Salazar (F-FL) has submitted the project to the Appropriations Committee for inclusion within the 2026 THUD bill. House committee markup of THUD is scheduled for July 14th.

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

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

We are monitoring for implementation of these reforms by the 2026 *Energy and Water Development* appropriations bill, with markup expected in July. A&F worked with PortMiami to prepare the 2026 programmatic/language request forms for submittal to the delegation Members and Senators Scott and Moody. For 2026, the Army Corps budget includes **$3,561,000** for Miami Harbor.

Notably, the Army Corps 2025 workplan includes **$3,053,000** for Miami Harbor, pursuant to the Program and the 2024 workplan includes $**24,773,000** for Miami Harbor (which is a combination of the above two reforms).

Ship- to- Shore (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."

A&F is monitoring for opportunities for funding assistance for the purchase of STS cranes, including industry proposals to establish a tax credit to incentivize U.S. domestic production.

Reimbursement of the Federal Share of a Federal Navigation Project

PortMiami supports a modification to Army Corps policy governing reimbursement to a nonfederal sponsor which advances the entire federal share of a federally 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

A&F continues to monitor for all actions by the Trump Administration relating to tariffs which would impact upon port operations.

On May 19th, the U.S. Trade Representative (USTR) held a hearing regarding its proposal for additional tariffs on ship-to-shore (STS) cranes and cargo handling equipment (CHE) which are manufactured or assembled using components of PRC origin <u>or</u> manufactured anywhere in the world by a company owned, controlled, or substantially influenced by a PRC national.

The American Association of Port Authorities (AAPA) testified before the USTR, indicating that the proposal could result in tariffs as high as 270% on ship-to-shore cranes.

Port Miami also joined AAPA and multiple other trade groups to address concerns about the USTR's proposed maritime vessel fees, which include 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 <u>not</u> to be subject to the fees.

Discretionary Grant Opportunities

PortMiami supports maximum funding for discretionary grant programs that support port development. Notably, despite government wide program cutbacks, the Trump Administration's 2026 budget is strong with respect to two such programs, requesting $770 million for the *Infrastructure for Rebuilding America* (INFRA) Program and $450 million for the *Port Infrastructure Development Grant* Program (PIDP).

Also notable, the Trump Administration retains the 2026 funding already provided for both programs by the *Infrastructure Investment and Jobs Act* (IIJA); specifically, $550 million for the PIDP and the $1.5 billion for INFRA.

A&F continues to monitor for DOT grant notifications of interest to PortMiami. The deadline for submittal of the 2025 grant proposals for the *Port Infrastructure Development Grant Program (PIDP)* has been extended to September 10th, 2025.

Grants previously awarded but not yet obligated.

As previously reported, the Department of Transportation issued <u>Competitive Grant Guidance</u>, directing its modal agencies to review all competitive grant selections announced since January 20, 2021 (FY 2022 through FY 2025) for the purpose of identifying any activities counter to Trump Administration priorities and Executive Orders.

We were pleased to report that on May 7th, the Trump Administration (DOT) announced the final approval (obligation) of the **$5 million** grant award for PortMiami's *NetZero Cargo Supply Chain Master Plan*, originally announced in 2023.

The **$25 million** grant award for PortMiami's Electrification project (announced by the Department of Transportation in October 2024) has not been obligated and is currently being reviewed by the DOT. The Port is working with MARAD through the review process.

Other Legislation of Interest

Budget Reconciliation

The Senate is considering House-passed *H.R. 1, the One Big Beautiful Bill* Act, which makes permanent the vast majority of the 2017 tax cuts and reforms and includes multiple other spending and revenue producing provisions intended to fast track President Trump's agenda. The Senate is making substantive changes to the bill. Therefore, the amended legislation will need approval by the full House prior to being sent to the White House for signature into law.

Noteworthy for U.S. ports is the extensive funding provided for U.S. Customs and Border Protection (CBP), including for hiring and training 5000 new CBP officers. Also of note, the legislation does not provide for the elimination of the tax - exempt status of state and local revenue bonds, which had been considered as a potential revenue source.

On June 2, the *American Association of Port Authorities* (AAPA) expressed concerns to the Senate leadership about two provisions in the House version: i) Sec. 42102 which rescinds funds from the *Clean Ports Program* for grants for cargo-handling equipment and other purposes; and Sec. 42104 which rescinds $60 million in funding for the *Diesel Emissions Reduction Act* (DERA) grant program which supports port equipment upgrades. Congress has traditionally provided annual funding for this program.

The Secure Our Ports Act of 2025, H.R. 252

On June 9th, the House passed H.R. 252, sponsored by Congressman Ken Calvert (R-CA), intended to bolster national security by prohibiting certain foreign entities, including state-owned enterprises of China, Russia, North Korea and Iran, from entering into contracts for the ownership, leasing, or operation of U.S. port facilities that are subject to security plans.

Maritime Supply Chain Security Act, H.R. 2390

On June 9th, the House passed H.R. 2390, which 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.

Nationwide Permitting Improvement Act H.R. 3927

As reported from the House Transportation Committee on June 10th, H.R 3927, sponsored by Congressman Rouser (R-NC), proposes changes to the federal permitting process under Section 404(e) of the Federal Water Pollution Control Act. The Port is reviewing for its potential impact on future dredging needs. The following are highlights of the bill.

1. Extension of General Permit Duration: Extends the maximum duration of general permits from 5 years to 10 years.
2. Streamlined Environmental Review: Limits environmental impact reviews to only the direct effects of dredged or fill material discharges. Discharges affecting less than 3 acres of navigable waters must be considered to have minimal adverse environmental effects by law.
3. Nationwide Permits for Linear Infrastructure Projects: The Secretary of the Army must maintain nationwide general permits for "linear infrastructure projects" (e.g., pipelines, utility lines) if they involve discharges into less than 3 acres of navigable waters per project.

4. Reduced Consultation Requirements: When reissuing a nationwide permit, no consultations with states or federal agencies are required under the Endangered Species Act or National Environmental Policy Act (NEPA), except for a minimal environmental assessment.
5. Regulatory Safeguards: Prohibits changes to the definitions and conditions regarding "single and complete projects" as finalized in the 2021 Corps of Engineers rule. This maintains flexibility in interpreting and bundling linear infrastructure work under general permits.

The Coast Guard Authorization Act of 2025 H.R. 4274

Introduced by the bipartisan leadership of the House Transportation and Infrastructure Committee, H.R. 4274 authorizes appropriations through FY 2029 to support Coast Guard operations and continued recapitalization of the cutter fleet, aviation assets and shoreside facilities. The legislation strengthens U.S. Build requirements and would create greater parity with other armed services, to include the establishment of a Secretary of the Coast Guard.

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.

The *Western Hemisphere Nearshoring Act* of 2025

Sponsored by Congressman Mark Green (R-TN) 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*.