

**Memorandum**

**Date:** April 3, 2024  
**To:** Miami-Dade Board of County Commissioners  
**From:** Alcalde & Fay  
**Subject:** Federal Government Relations Report

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During the month of March, following many weeks of intense negotiations, Congress gave final approval to all 12 (FY 2024) appropriations bills. The bills were enacted into law as two measures, H.R. 4366, the Consolidated Appropriations Act, 2024 and H.R. 2882, the Further Consolidated Appropriations Act, 2024.

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

Please see (below) PortMiami's two programmatic/ language requests which are also included within the approved legislation.

**Programmatic/Language Requests****(i) DONOR PORTS -**

The final approved (2024) Energy and Water Development legislation includes the increase to \$58 million for the Donor and Energy Transfer Ports Program. While it does not provide the additional 12% HMTF allocation to the Program, the legislation provides a strong statement of congressional intent and directive to the Corps to implement by the 2024 workplan, as follows:

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.

On March 18<sup>th</sup> PortMiami Director and CEO Hydi Webb joined the other 5 Donor Port Directors in a meeting with the Deputy Assistant Secretary of the Army (for Civil Works) Stacey Brown, to request implementation by the 2024 USACE workplan. We assisted in drafting a letter for Members of Congress (from each impacted state) to send to the Assistant Secretary of the Army for Civil Works. That letter is pending signature of the Miami-Dade delegation at this time. The workplan should be released by early May.

The 2025 USACE budget, released on March 8<sup>th</sup>, includes \$3,956,000 to PortMiami for expanded uses, pursuant to the Donor and Energy Transfer Port Program.

**(ii) MEGA GRANT –**

Integral to PortMiami's NetZero program is the development of an inland port facility which is strategically positioned to improve trade flows and provide additional international trade capacity for the U.S.

We were pleased to report that the Senate Appropriations committee included the following language (relating to inland ports) within the committee report accompanying S. 2437, *Transportation, Housing and Urban Development Appropriations (2024)*, as requested by PortMiami:

*Mega Grants - The Committee recognizes that inland ports are an important element in the international supply chain, increasing intermodal capacity and efficiencies in the movement of global commerce from ships to major transportation networks for distribution. Benefits include reduced congestion at the marine terminal and on the Nation's highways, lower costs of moving cargo, environmental and safety benefits, economic development in underserved or rural areas as well as consolidation of import/export centers. Within the advance appropriations for this program, the Committee 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.* (Committee Report #118-70).

### **PortMiami Community Project Funding (CPF) Requests for (FY) 2025**

During March, A&F worked with PortMiami to identify projects eligible for CPF funding by the 2025 appropriations bills and assisted in completing the required forms for submission to the offices of Representatives Salazar, Gimenez and Diaz-Balart. We are currently completing the CPF forms for submittal to Congresswoman Wilson's office.

PortMiami is requesting three CPF requests:

--\$3 million for a New Start reimbursement as a down payment on the federal share of the Phase III dredging project, completed in 2015. We feel that the request is justified based upon the \$3 million New Start reimbursement allocated for the Port Manatee South Channel project by the FY 2024 Energy and Water Development bill.

--Funding for the Reefer Yard Electrification and Expansion; and

--Funding for the On-port improvements to the Truck Gate and Roadways.

On March 18<sup>th</sup>, we accompanied Director and CEO Hydi Webb and Ms. Debra Owens to a meeting with Congressman Diaz-Balart's staff to brief on the CPF requests. We also joined calls with the Port to brief the other congressional offices.

### **Reimbursement of the Federal Share of the 50-52 foot Dredge/WRDA 2024**

While the USACE has the authority to reimburse the \$90.5 million federal share of the Miami Harbor deep dredge, there are significant challenges to securing reimbursement for completed federal projects.

In addition to the New Start reimbursement addressed above, PortMiami is requesting a modification of USACE policy governing reimbursements, specifically, to eliminate the new start designation requirement for completed projects, like PortMiami's deep dredge, which has already proven its value to the nation for close to a decade.

A&F worked with PortMiami to prepare requests for a policy change by WRDA 2024 and submitted those requests to the offices of Representatives Wilson, Salazar, Gimenez and Diaz-Balart. The House Transportation and Infrastructure (T&I) committee will markup WRDA 2024 later in the year.

A&F also scheduled a meeting for Port Director and CEO Hydi Webb and Debra Owens with Senate Appropriations committee staff (on March 18<sup>th</sup>) to brief on the Miami deep dredge and the benefits of early completion in 2015. At this time, we are following up with the Committee staff to provide a history of the federal funding provided to the preliminary stages of the project (the study and Preconstruction, Engineering and Design).

I. **OTHER ITEMS OF INTEREST**

**White House Cybersecurity Initiative at U.S. Ports**

On February 29, the White House issued an Executive Order intended to bolster the DHS's authority to address maritime security threats to ensure that American ports are secure. We provided the following documents to PortMiami:

- The Coast Guard Notice of Proposed Rulemaking on Cybersecurity in the Marine Transportation System (MTS). Establishes minimum cybersecurity requirements that meet international and industry - recognized standards to best manage cyber threats; and
- The Coast Guard Maritime Security Directive (105-4). Requires Cyber Risk Management Actions for owners and operators of ship-to-shore cranes manufactured in the People's Republic of China.

The announcement indicates the Administration's intent to bring domestic onshore manufacturing capacity back to America for provision of safe and secure cranes to U.S. Ports, with funds provided by the *Infrastructure Investment and Jobs Act* and the *Inflation Reduction Act*.

**PortMiami NetZero Resilient Supply Chain Program: Cargo Mobility Optimization, Electrification and Inland Port Project**

As previously reported, 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 for Mega, requesting over \$24 billion.

A&F plans for extensive congressional meetings for Port officials to seek broad scale bipartisan support for the Port's next application. The Notice of Funding Opportunity (for 2025/2026) was released on March 28<sup>th</sup>, with a due date of May 6. \$1.7 billion in advance funding remains available to the Mega program.

**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.

We have recommended asking the delegation to follow up with the USACE, to ask that they be kept apprised of progress on the study. The current USACE timeline calls for a Chief of Engineers report by 2025 and project authorization by WRDA 2026.

**Miami Harbor Channel Restrictions**

The Corps is carrying out environmental reviews in advance of preparing a report to identify the improvements needed to eliminate 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. The enacted 2024 Energy and Water appropriations bill includes \$100,000 for Miami Harbor Operation and Maintenance.

## Pending Legislation

--H.R. 1836, the **Ocean Shipping Reform Implementation Act**, sponsored by Rep. Dusty Johnson (R-SD) 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. The bill allows the DOT to require port authorities to adopt the standard to receive certain grants. 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. According to AAPA, there is "minor" Chinese ownership at 5 U.S. ports and NO Russian ownership at U.S. ports.

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

As previously reported, 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 ensures that priority consideration is given 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**, reintroduced by Congressman Mark Green (R-TN) this session of Congress, incentivizes 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.

## **II. 2024 GRANT OPPORTUNITIES**

### **MEGA**

As reported above, the USDOT issued the FY 2025/2026 Notice of funding opportunity for the Mega Grant program on March 28<sup>th</sup>. Applications are due by May 6<sup>th</sup>.

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

### **PIDP (Port Infrastructure Development Grant Program)**

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

### **RAISE (Rebuilding American Infrastructure with Sustainability and Equity)**

**\$1.5 billion** is available in 2024. The application closed on February 28<sup>th</sup>.