#### AAPA Legislation Update for Harbors and Navigation Committee

**Jim Walker** 

March 30, 2020



#### 2020 Funding – Work Plan Highlights

- \$2.688B for coastal navigation program
- \$1.63B for HMT work
- \$1.092 for construction
  - \$377M for Regional Dredging Demonstration Project
- New starts
  - Studies: Oakland Turning Basin, Baltimore,
  - Construction: Port Everglades, Freeport, MS River and Mobile



# A A P A

#### FY21 Nav 1 Number Request

- 7<sup>th</sup> year of post cards for association Hill visits
- WCI, DCA, PNWA, NAWE
- 'Very effective' per appropriations staff
- FY16: \$2.75B

NAVIGATION STAKEHOLDERS NEED \$4.4B FY21 CORPS NAVIGATION PROGRAM Ports and Inland Waterways Are Critical for Creating American Jobs, Propelling the Economy,



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and Keeping America Moving.

#### FY21 Nav 1 Number Request

#### We Urge Congress to Support \$4.4 Billion for the 2021 Corps

Navigation Program	2021 Stakeholders	2020 Omnibus	2021 Pres Budget
COASTAL NAVIGATION	\$3.035 B	\$2.688 B	\$1.618 B
Investigations	\$20 M	\$14 M	\$5 M
Construction	\$1.300 B	\$1.092 B	\$634 M
Operations & Maintenance	\$1.665 B	\$1.532 B	\$979 M
Donor and Energy Ports	\$50 M	\$50 M	\$0 M
INLAND NAVIGATION	\$1.325 B	\$1.183 B	\$750 M
Investigations	\$25 M	\$23 M	\$9 M
Construction	\$400 M	\$364 M	\$15 M
<b>Operations &amp; Maintenance</b>	\$900 M	\$796 M	\$726 M
MS RIVER & TRIBUTARIES	\$40 M	\$39 M	\$41 M
TOTAL NAVIGATION	\$4.4 B	\$3.910 B	\$2.409 B





### **HMT Legislation**

#### AAPA's HMT 4 pillars

- Full use of HMT annual revenues tax collections plus interest on unspent balance
- Permanent and expanded Donor and Energy Transfer Port program
- Funding assurances for Great Lakes region (10% of HMT revenues)
- Funding assurances for Emerging Harbors (10% of HMT revenues)

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#### **HMT Legislation - HOUSE**

- Passed H.R. 2440, the Full Utilization of the Harbor Maintenance Trust Fund Act, in Oct 2019
- Full use of HMT revenues and the unspent tax collections (\$9.3 billion) as part of a budget cap adjustment
- AAPA supported H.R. 2440 as good effort towards accomplishing AAPA's 4 pillars

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#### **HMT Legislation - SENATE**

- AAPA provided draft legislation for the 4 pillars to the House and Senate
- Senate EPW Ranking staff developed draft legislation very similar to AAPA.
   Great Lakes and Emerging Harbors at 12% rather than 10%
- Efforts to get this provision in WRDA – need 'R' support
- EPW committee March discussions were sidetracked with coronavirus supplementals

### **HMT in Coronavirus Legislation**

- Senate CARES act Section 14003 HMT
- Budget Cap Adjustment for up to prior year's HMT tax collections
  - Goes into effect Jan 1, 2021 or upon passage of WRDA, whichever is earlier
- Enacted on Friday, March 27
- Other Port highlights:
  - Ports eligible for \$454B in State/Local low interest loans (AAPA helped define 'municipality')
  - AAPA worked w/DHS for the 'essential worker' definition to include maritime



# A A P A

#### **Budget Cap Adjustment**

#### Current Approach

- \$34B for E&WD appropriations
- \$27B for Energy
- \$7B for Corps
  - \$2B HMT
  - \$5B for all Corps non-HMT

#### CARES Act HMT

- \$34B for E&WD
- \$2B HMT exempt from spending cap
- E&WD still has \$34B to distribute

#### **Coronavirus Economic Recovery**

- Early consideration of including recovery efforts in Phase 3, Cares act.
- AAPA's March 19 letter identified
  - \$1B for the PIDP/PIIP efforts fund the balance of 2019 qualified proposals
  - \$4.5B for Corps coastal navigation \$2B for channel maintenance and \$2.5B to complete channel improvement projects, including some new starts
- Phase 4 legislation is anticipated to focus on economic recovery, anticipated in late April



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#### **Post-WRDA Efforts**

- Next step is to pursue the additional budget cap adjustment funding for coastal navigation, i.e. the \$9.3B in unspent HMT tax collections
- Ports need to work with Corps on
  - 1. Some form of channel availability performance measure
  - 2. An estimate of the cost to achieve 'state of good repair' and/or 'well maintained'



#### Summary

- Need all Ports to support HMT language in WRDA
- Support WRDA
  passage in 2020
- Ports discuss channel performance measures and funding needs issues with your Corps District



Thanks for all you do!