AAPA Legislation Update for Harbors and Navigation Committee

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March 30, 2020
2020 Funding – Work Plan Highlights

- $2.688B for coastal navigation program
- $1.63B for HMT work
- $1.092B for construction
  - $377M for Regional Dredging Demonstration Project
- New starts
  - Studies: Oakland Turning Basin, Baltimore,
  - Construction: Port Everglades, Freeport, MS River and Mobile
FY21 Nav 1 Number Request

- 7th year of post cards for association Hill visits
- WCI, DCA, PNWA, NAWE
- ‘Very effective’ per appropriations staff
- FY16: $2.75B
# FY21 Nav 1 Number Request

We Urge Congress to Support $4.4 Billion for the 2021 Corps Navigation Program

<table>
<thead>
<tr>
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<th>2021 Stakeholders</th>
<th>2020 Omnibus</th>
<th>2021 Pres Budget</th>
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</thead>
<tbody>
<tr>
<td><strong>COASTAL NAVIGATION</strong></td>
<td>$3.035 B</td>
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<td>Investigations</td>
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<td>Construction</td>
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<td>Operations &amp; Maintenance</td>
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<td>Donor and Energy Ports</td>
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<td><strong>INLAND NAVIGATION</strong></td>
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<td>Investigations</td>
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<td><strong>MS RIVER &amp; TRIBUTARIES</strong></td>
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<td><strong>TOTAL NAVIGATION</strong></td>
<td>$4.4 B</td>
<td>$3.910 B</td>
<td>$2.409 B</td>
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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)
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
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
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
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!