

April 3, 2019

The Honorable Susan Collins
Chairwoman
Senate Committee on Appropriations
Subcommittee on Transportation, Housing,
and Urban Development, and Related
Agencies
SD-184 Dirksen Senate Office Building
Washington, DC 20510
c/o Clare Doherty

The Honorable Jack Reed
Ranking Member
Senate Committee on Appropriations
Subcommittee on Transportation, Housing,
and Urban Development, and Related
Agencies
SH-125 Hart Senate Office Building
Washington, DC 20510
c/o Dabney Hegg

The Honorable David Price
Chairman
House Committee on Appropriations
Subcommittee on Transportation, Housing,
and Urban Development, and Related
Agencies
2358-A Rayburn House Office Building
Washington, DC 20515
c/o Joe Carlile

The Honorable Mario Díaz-Balart
Ranking Member
House Committee on Appropriations
Subcommittee on Transportation, Housing,
and Urban Development, and Related
Agencies
1016 Longworth House Office Building
Washington, DC 20515
c/o Doug Disrud

RE: AAPA FY 2020 THUD Appropriations Requests

Dear Chairwoman Collins, Chairman Price, Ranking Member Reed and Ranking Member Díaz-Balart,

On behalf of the American Association of Port Authorities (AAPA), we want to thank you for your leadership on multimodal port infrastructure funding. We especially want to thank you again for your work and commitment in providing \$293 million dedicated port infrastructure funding in FY 2019 through MARAD's Port Infrastructure Development Program. This has been an enormous step forward in investing in our seaports and the overall freight network. We look forward to building off this success and investments in FY 2020. Additionally, we thank you for your commitment to providing resources toward the Better Utilizing Investments to Leverage Development (BUILD) Transportation Program, the Consolidated Rail Infrastructure and Safety Improvements (CRISI) Program and the Marine Highway Program, all of which are top AAPA priorities.

International trade through seaports accounts for over a quarter of the U.S. GDP. At the center of trade and transportation are America's seaports, which handle approximately \$6 billion worth of import and export goods daily, generate over 31 million jobs, and provide more than \$378 billion annually in federal, state and local tax revenues. Seaports also are projected to handle nearly 12 million cruise passengers from around the country and around the world.

As the House and Senate move forward with the FY 2020 Transportation, Housing, and Urban Development, and Related Agencies (THUD) appropriations bill, AAPA has several requests and recommendations.

■ **\$300 Million for the Port Infrastructure Development Program (MARAD)**

As an industry, multimodal connectivity and rail access are top priorities for building out a 21st century freight network. In 2016, the FAST Act created a funded freight program, which included ports as eligible recipients. As a result, ports are now firmly embraced as part of the surface transportation network.

Equally important, the FAST Act required states to complete state freight plans to continue to receive their freight formula funding. The results have been telling. To date, 95 percent of the states have submitted multimodal state freight plans to the U.S. Department of Transportation. This is important because it signals that states recognize the value of multimodal projects, but also that our supply chain is becoming operational, and ports are at the center of this activity. The funding for the Port Infrastructure Development Program takes that needed next step in ensuring that first- and last-mile resources are available for stronger port landside and waterside connections, and to ensure that funding to support port connected infrastructure and supply chain projects are in place. For example, in 2018, AAPA identified more than \$20 billion in multimodal funding needs for public port authorities alone over the next decade.

Additionally, AAPA projects there is a \$32.03 billion need for investments to build vital road and rail connectors to ports and improve port facility infrastructure. Looking ahead, the U.S. trade volume is expected to quadruple by 2030. We must prepare the nation's infrastructure to meet a growing demand for the safe, efficient movement of freight. These new port infrastructure grants will help address the needs of our seaports and help build America's 21st century seaport infrastructure.

■ **\$1.5 Billion for the Better Utilizing Investments to Leverage Development (BUILD) Transportation Program**

AAPA members have long supported a "Multimodal BUILD/TIGER-style" program and have advocated that a minimum of 25 percent of the funding be dedicated to port-related infrastructure needs.

As one of the only multimodal funding programs, AAPA has consistently advocated for increased BUILD/TIGER funding levels. Last year, AAPA released the [State of Freight III – Rail Access and Port Multimodal Funding Needs](#), which outlines upwards of \$20 billion in multimodal needs over the next decade. AAPA strongly supports a funding level of \$1.5 billion for the FY 2020 BUILD program.

Past appropriation bills have included a 10 percent maximum per state and certain set asides for metropolitan and rural areas. These put states with ports at a distinct disadvantage. Ports are national infrastructure resources that support all states, metropolitan areas and rural supply chains. AAPA urges you to provide language in the FY 2020 appropriations bill that recognizes this role and provides some relief to port states.

■ **\$2 Billion for the Infrastructure for Rebuilding America (INFRA) Grant Program**

AAPA supports the Administration's proposed budget of investing \$2 billion for the INFRA program to assist in building out the national freight network. Because the funding comes primarily from the highway trust fund, there are severe limitations to the multimodal eligibility. To date, only \$200 million of multimodal eligibility remains. AAPA recommends that the multimodal caps be moved from both the INFRA discretionary grant program and from the formula funding program that goes to the states.

■ **\$15 Million for the Marine Highway Program (MARAD)**

AAPA requests \$15 million for the Marine Highway Program. The Marine Highway Program is an asset that is enabling ports and communities to fully realize their potential in managing increasing freight volumes while reducing congestion in communities. AAPA ports throughout the country with marine highway designations have reported that this program provides an important option in utilizing waterways and incorporating this tool into their freight network.

■ **\$300 Million for the Consolidated Rail Infrastructure and Safety Improvements (CRISI) Program (FRA)**

The CRISI program is of growing importance to the port industry because of the port rail access eligibilities of the program and the potential of stronger rail and port project partnerships. AAPA requests \$300 million for CRISI grants. AAPA's recently released [The State of Freight III](#) report identified that in the coming decade, one-third of ports have pressing rail project needs that cost more than \$50 million, 43 percent said better rail access would add more than 25 percent throughput capacity through their ports and 90 percent said better rail access would help meet these growing demands and secure new cargo.

Sincerely,



Kurt J. Nagle
President and CEO

cc: The Honorable Richard Shelby, Chairman, Senate Appropriations Committee
The Honorable Patrick Leahy, Ranking Member, Senate Appropriations Committee
The Honorable Nita Lowey, Chairwoman, House Appropriations Committee
The Honorable Kay Granger, Ranking Member, House Appropriations Committee
The Honorable Nancy Pelosi, Speaker, House of Representatives
The Honorable Kevin McCarthy, Minority Leader, House of Representatives
The Honorable Mitch McConnell, Senate Majority Leader
The Honorable Charles Schumer, Senate Minority Leader