



Maritime Administration

Federal Policy & Programs

Affecting Ports and Terminals

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Maritime Administration

Mission:

To improve and strengthen the U.S. marine transportation system - including infrastructure, industry and labor - to meet the economic and security needs of the Nation.

Port Infrastructure & Economic Growth

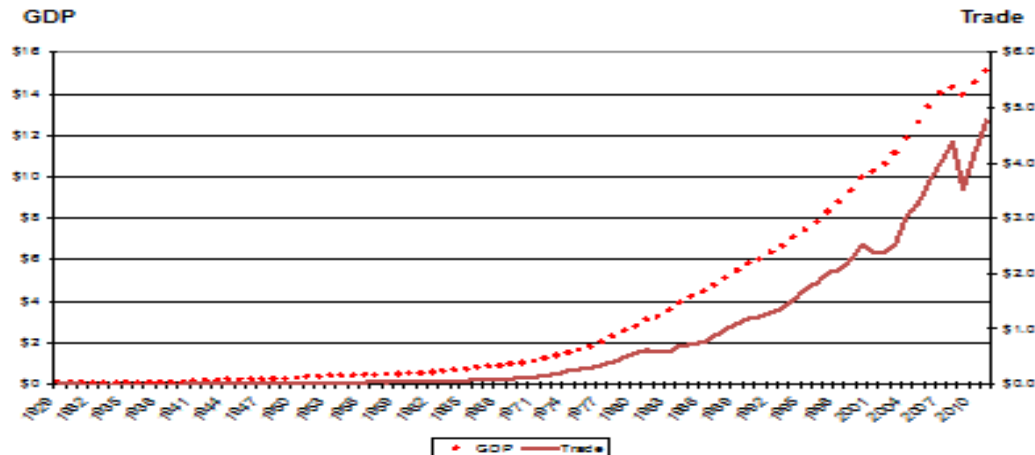
- Recap the Importance of Ports
 - Ports are Global Gateways Of Commerce
 - Their Contribution to Jobs & Commerce is Critical
- The Problem Statement - Port Infrastructure is Lagging
- Federal Actions to Address the Challenge:
 - Implementation of MAP-21
 - White House Task Force on Ports
 - DOT/Army Corps of Engineers Agreement
- Proposed Port Infrastructure Development Program

What Do Ports Contribute to the Economy?

Vessels that transport cargo through U.S. seaports move **99.4 percent of the nation's overseas trade** by volume, and 65.5 percent by value.

("Port-Related Infrastructure Investments Can Reap Dividends," by Kurt Nagle, President and CEO of AAPA. Industry Today, Vol 14, Issue 3)

U.S. Trade and Gross Domestic Product
1929-2011 (\$ trillions)



Source: U.S. Maritime Administration processing of Bureau of Economic Analysis data.

What Do Ports Contribute to U.S. Jobs?

Direct and indirect annual impact of the U.S. port industry includes **13.3 million jobs**, accounting for \$649 billion in personal income. This includes **1,325,531 direct, indirect and induced jobs** within the port sector alone.

(Source: AAPA (www.aapa-ports.org/files/PDFs/facts.pdf))

The Port Challenge: **Failure to Act**

American Society of Civil Engineers Failure to Act Report 13 September 2012. **Continued level of investment will cost 178,000 jobs/year and \$4 Trillion by 2040.**

“The World Economic Forum now ranks **US port infrastructure 22nd in the world**, behind such countries as Iceland and Estonia.”

(Source: Port Technology International, 12 January, 2012)

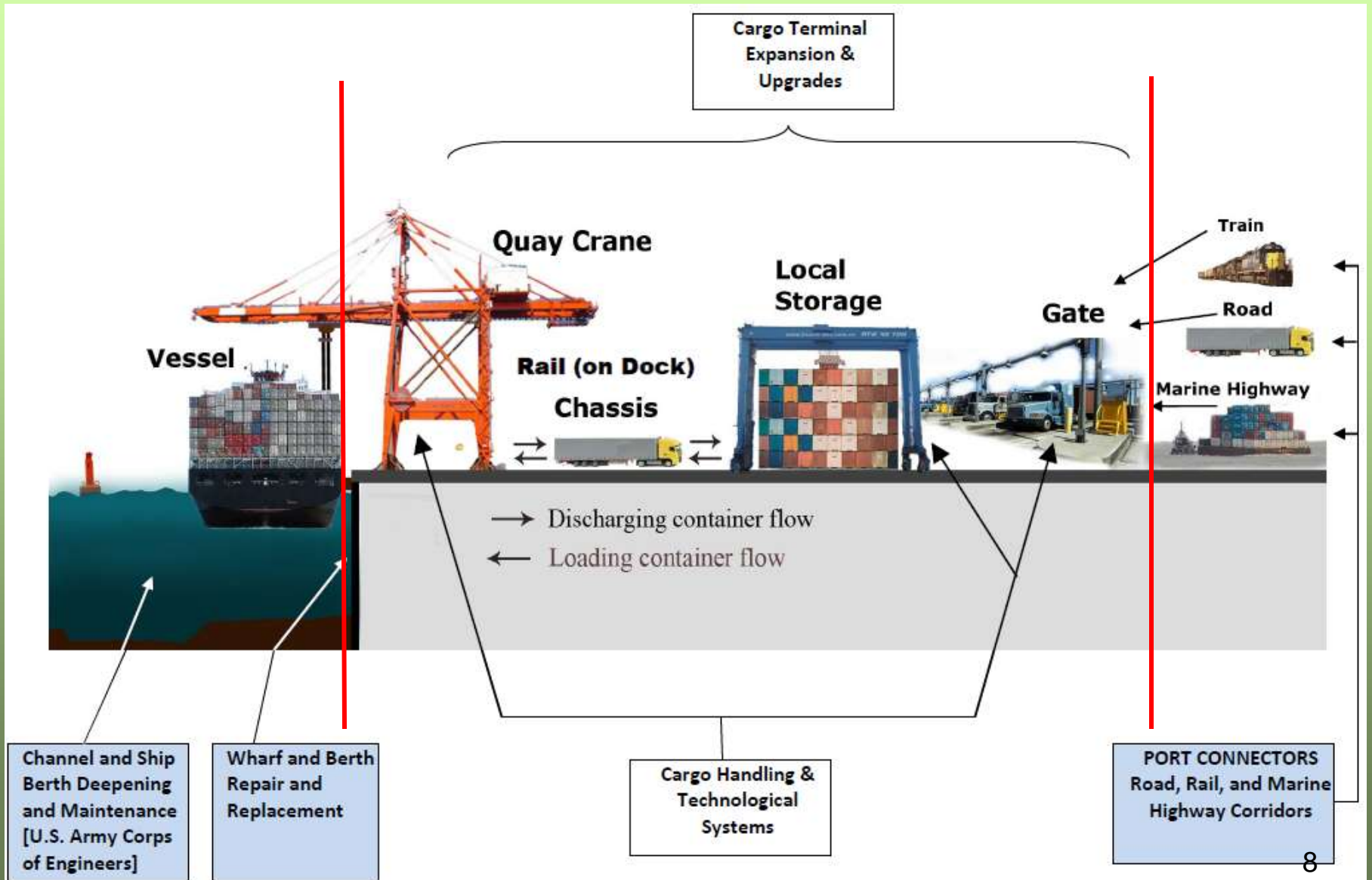
During a National Port Summit hosted by Transportation Secretary Ray LaHood, participants made it clear that **port infrastructure suffers from a lack of focused and systematic investment**. Participants also called for efficient and effective delivery of other Federal services if the system is to operate smoothly.

(Second National Port Summit, April 21, 2011, Chicago, IL.)

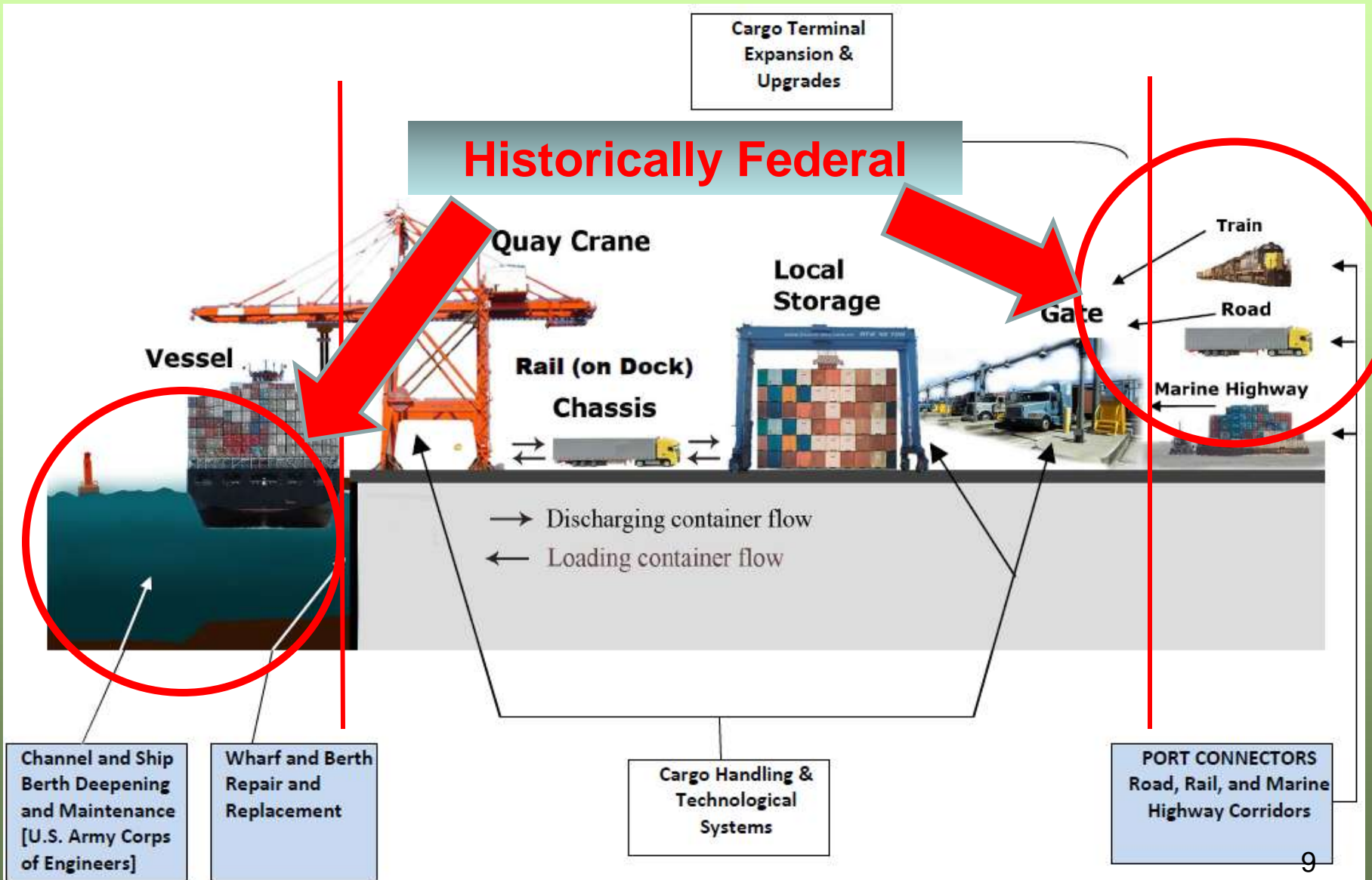
Port Concerns:

- Absence of a Federal Freight and Maritime Strategy
- Funding Gaps in Infrastructure Repair & Improvements
- Inadequate Links to Major Corridors (road, rail, Marine Highway)
- Inefficient Delivery of Federal Services:
 - Slow and Underfunded Channel Dredging
 - Environmental and Permitting Gridlock
 - Regulatory/Enforcement Commerce Delays

Who Invests Where?

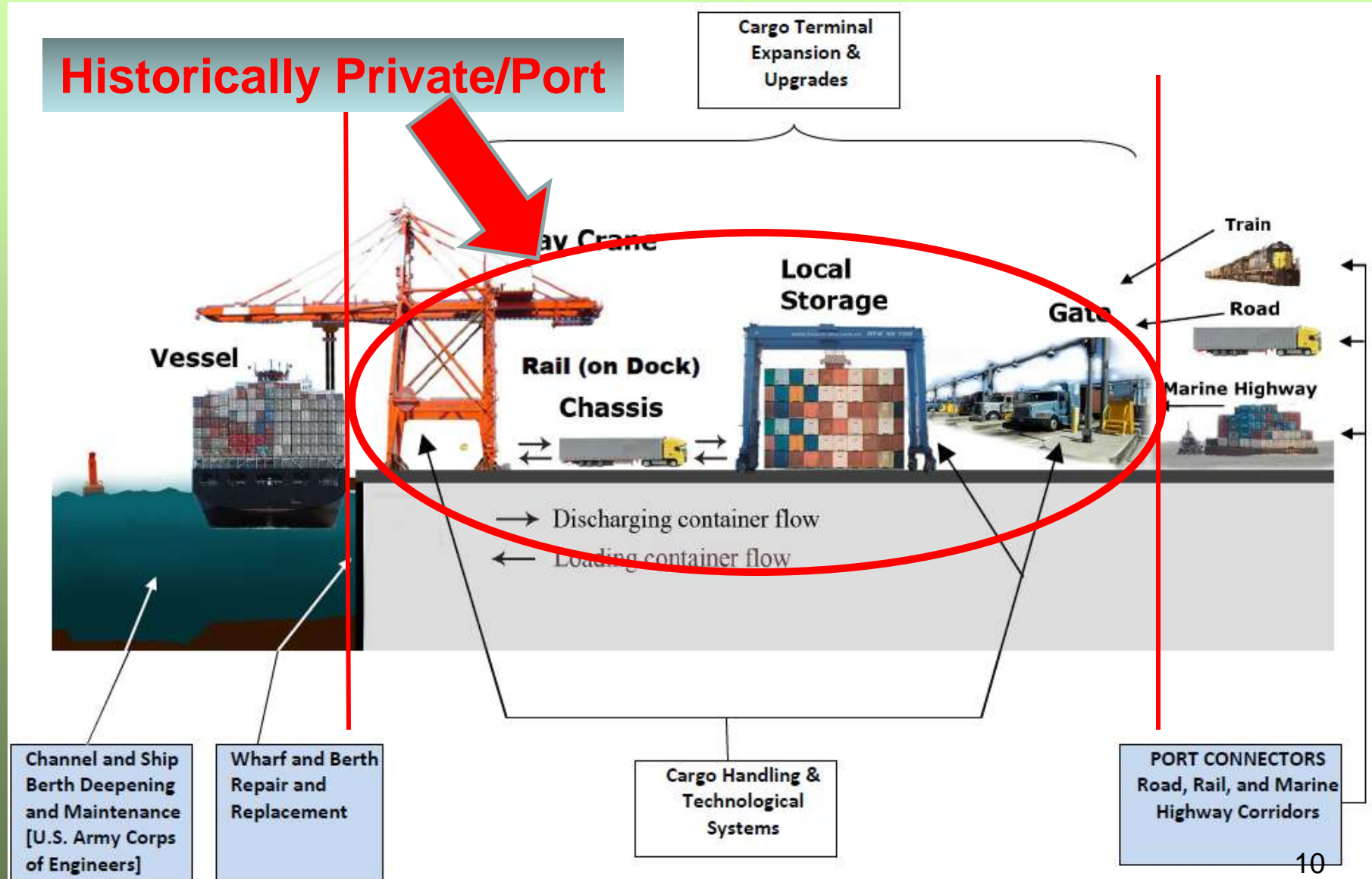


Who Invests Where?



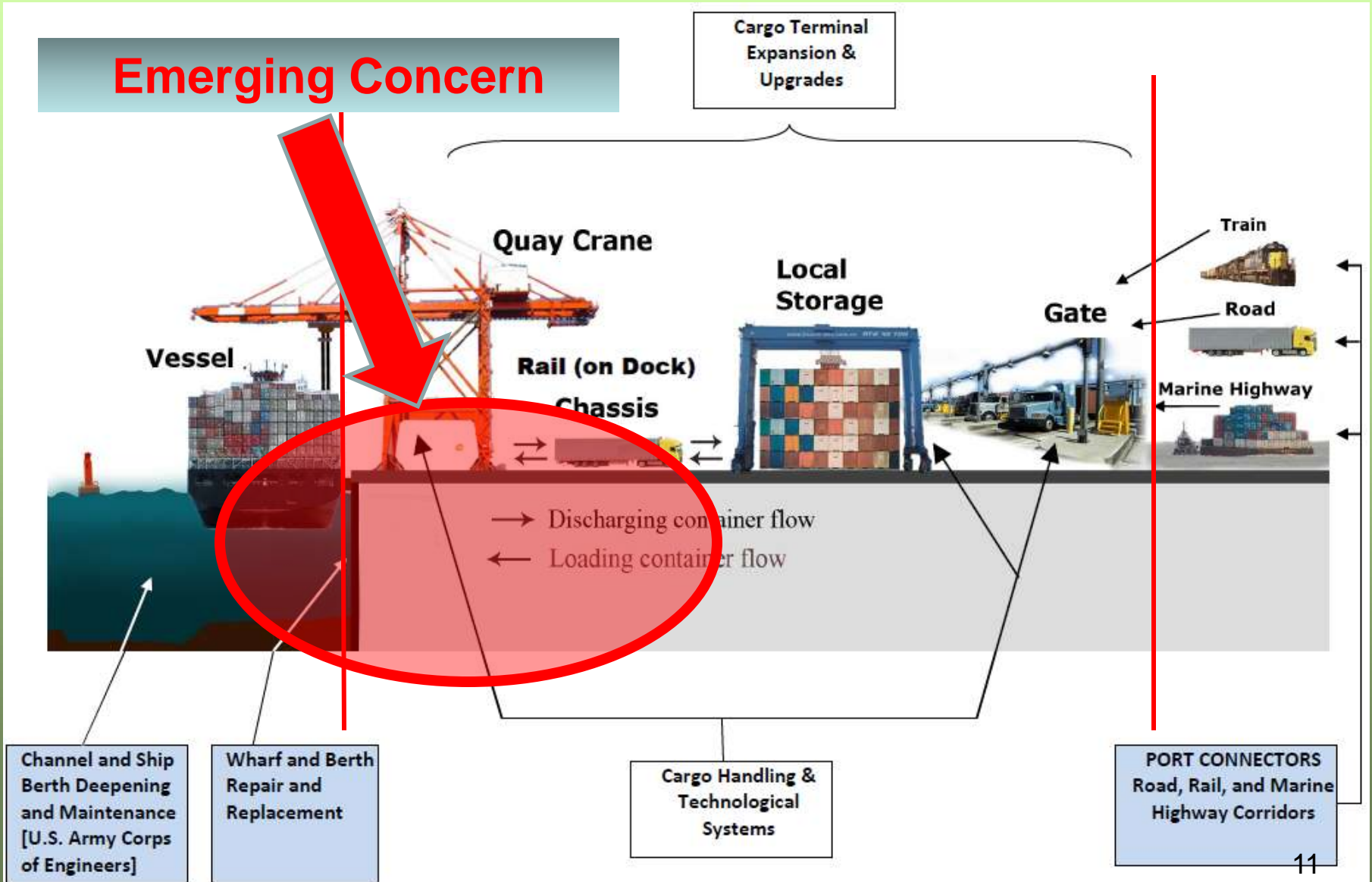
Who Invests Where?

Historically Private/Port



Who Invests Where?

Emerging Concern



DOT Proposed Port Infrastructure Development Program Framework

Legislation: Authorizes Port Infrastructure Development Program (2010 National Defense Authorization Act (PL 111-84))

Purpose: Promote, Encourage, Develop Ports and Transportation Facilities in Connection with Water Commerce

- Secretary of Transportation, through the Maritime Administrator **“shall establish a port infrastructure development program for the improvement of port facilities.”**
- Provide technical assistance as needed for project planning, design and construction.
- Coordinate with Federal agencies to expedite NEPA
- Coordinate reviews or requirements with local state and federal agencies.
- Receive (Federal, non-Federal, private) funds to further projects.

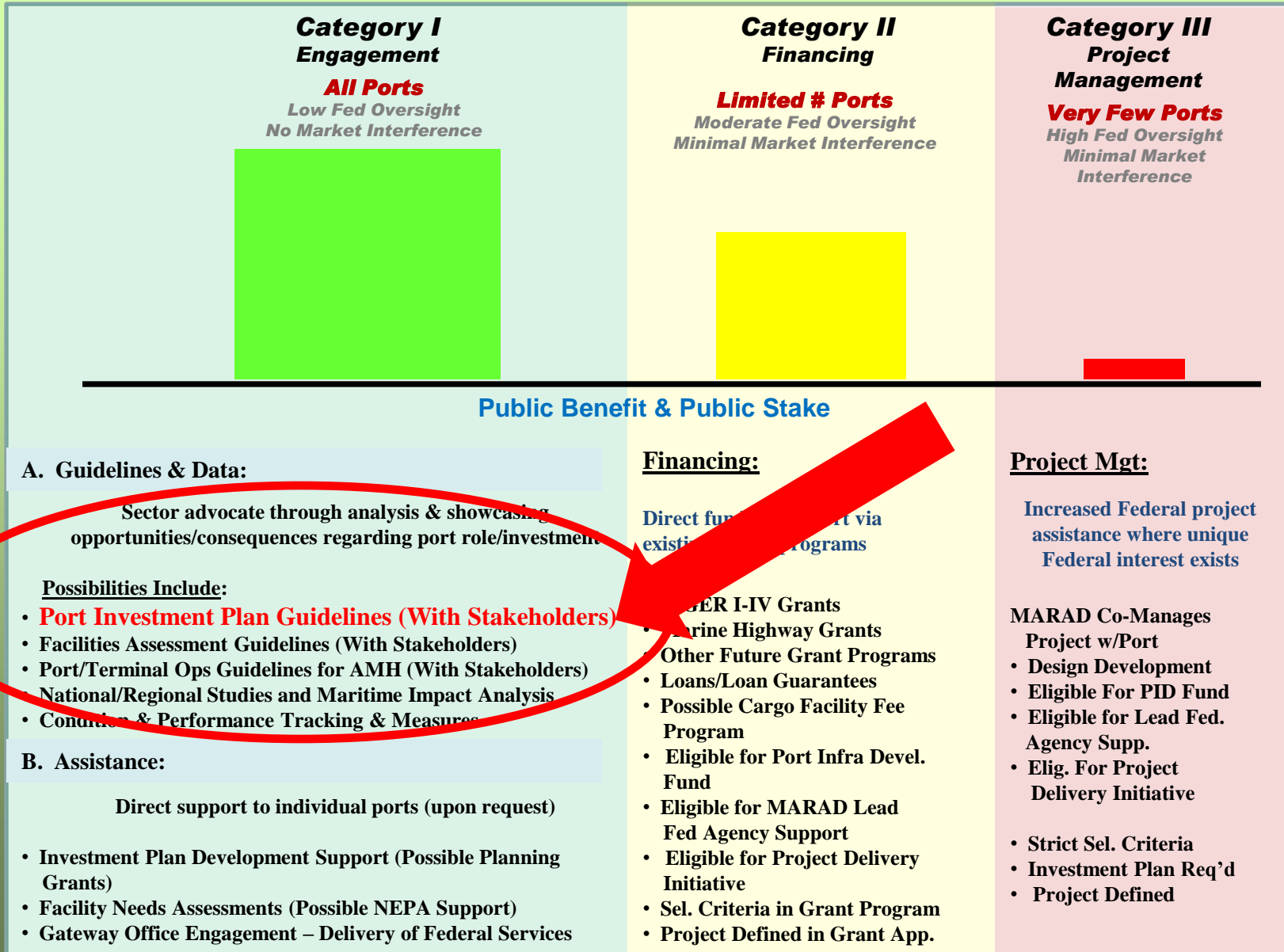
Guiding Principles (Factors, Goals and Methodologies to Consider)

- Address the real challenges ports face, not perceived – Consensus
- Program should benefit all ports, not just a select few.
- Ensure Federal role is appropriate to circumstances – Right Size, not Super Size
- Program must be effective with no new Federal Funds – New money only increases scope of program benefits.
- Competition between ports is essential – must minimize impact

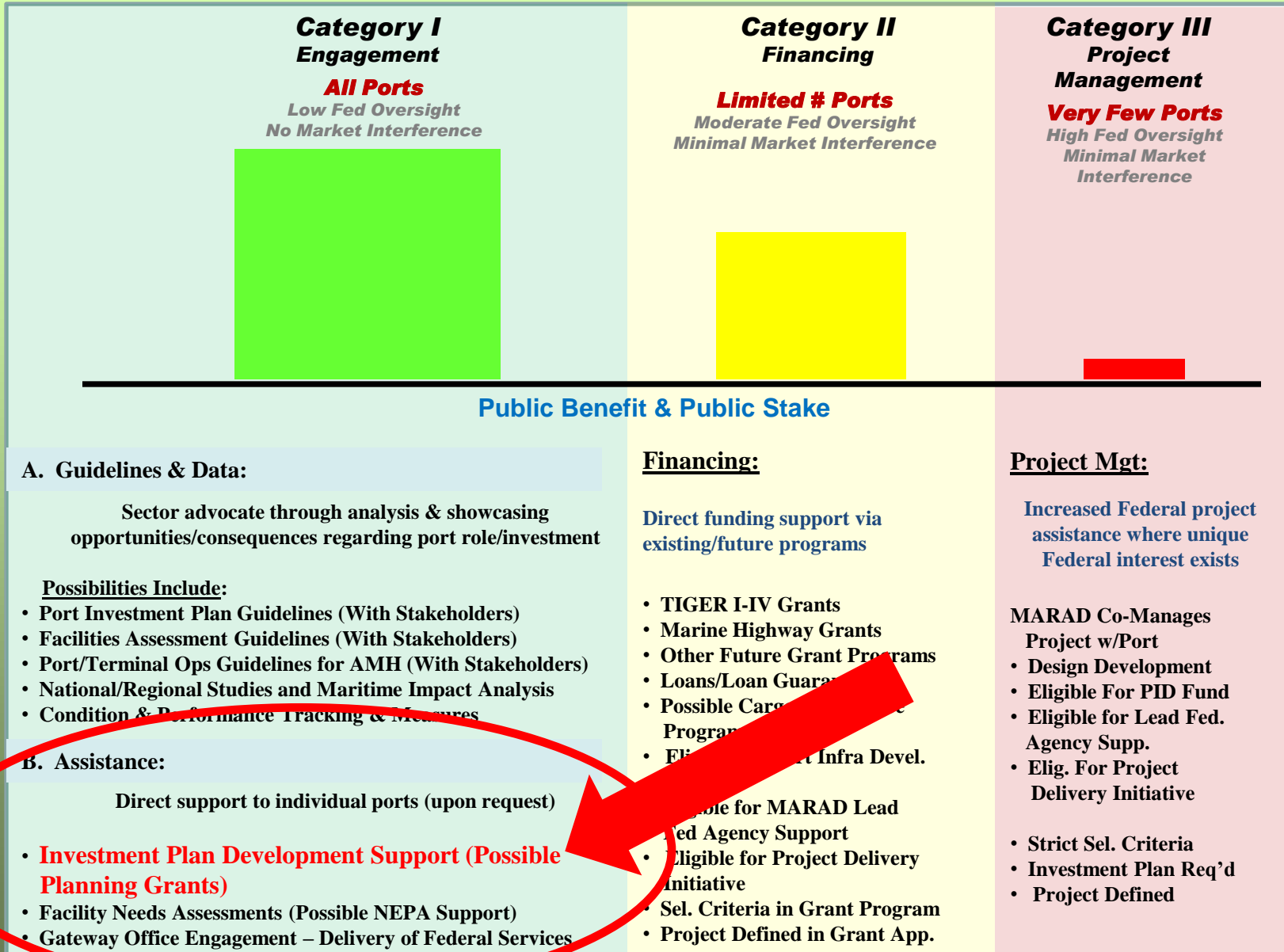
DOT Proposed Port Infrastructure Development Program Framework

<p>Category I Engagement</p> <p>All Ports</p> <p>Low Fed Oversight No Market Interference</p>	<p>Category II Financing</p> <p>Limited # Ports</p> <p>Moderate Fed Oversight Minimal Market Interference</p>	<p>Category III Project Management</p> <p>Very Few Ports</p> <p>High Fed Oversight Minimal Market Interference</p>
<p>Public Benefit & Public Stake</p>		
<p>A. Guidelines & Data:</p> <p style="text-align: center;">Sector advocate through analysis & showcasing opportunities/consequences regarding port role/investment</p> <p>Possibilities Include:</p> <ul style="list-style-type: none"> • Port Investment Plan Guidelines (With Stakeholders) • Facilities Assessment Guidelines (With Stakeholders) • Port/Terminal Ops Guidelines for AMH (With Stakeholders) • National/Regional Studies and Maritime Impact Analysis • Condition & Performance Tracking & Measures <p>B. Assistance:</p> <p style="text-align: center;">Direct support to individual ports (upon request)</p> <ul style="list-style-type: none"> • Investment Plan Devel. Support (Possible Planning Grants) • Facility Needs Assessments (Possible NEPA Support) • Gateway Office Engagement – Delivery of Federal Services 	<p><u>Financing:</u></p> <p style="text-align: center;">Direct funding support via existing/future programs</p> <ul style="list-style-type: none"> • TIGER I-IV Grants • Marine Highway Grants • Other Future Grant Programs • Loans/Loan Guarantees • Possible Cargo Facility Fee Program • Eligible for Port Infra Devel. Fund • Eligible for MARAD Lead Fed Agency Support • Eligible for Project Delivery Initiative • Sel. Criteria in Grant Program • Project Defined in Grant App. 	<p><u>Project Mgt:</u></p> <p style="text-align: center;">Increased Federal project assistance where unique Federal interest exists</p> <p>MARAD Co-Manages Project w/Port</p> <ul style="list-style-type: none"> • Design Development • Eligible For PID Fund • Eligible for Lead Fed. Agency Supp. • Elig. For Project Delivery Initiative • Strict Sel. Criteria • Investment Plan Req'd • Project Defined

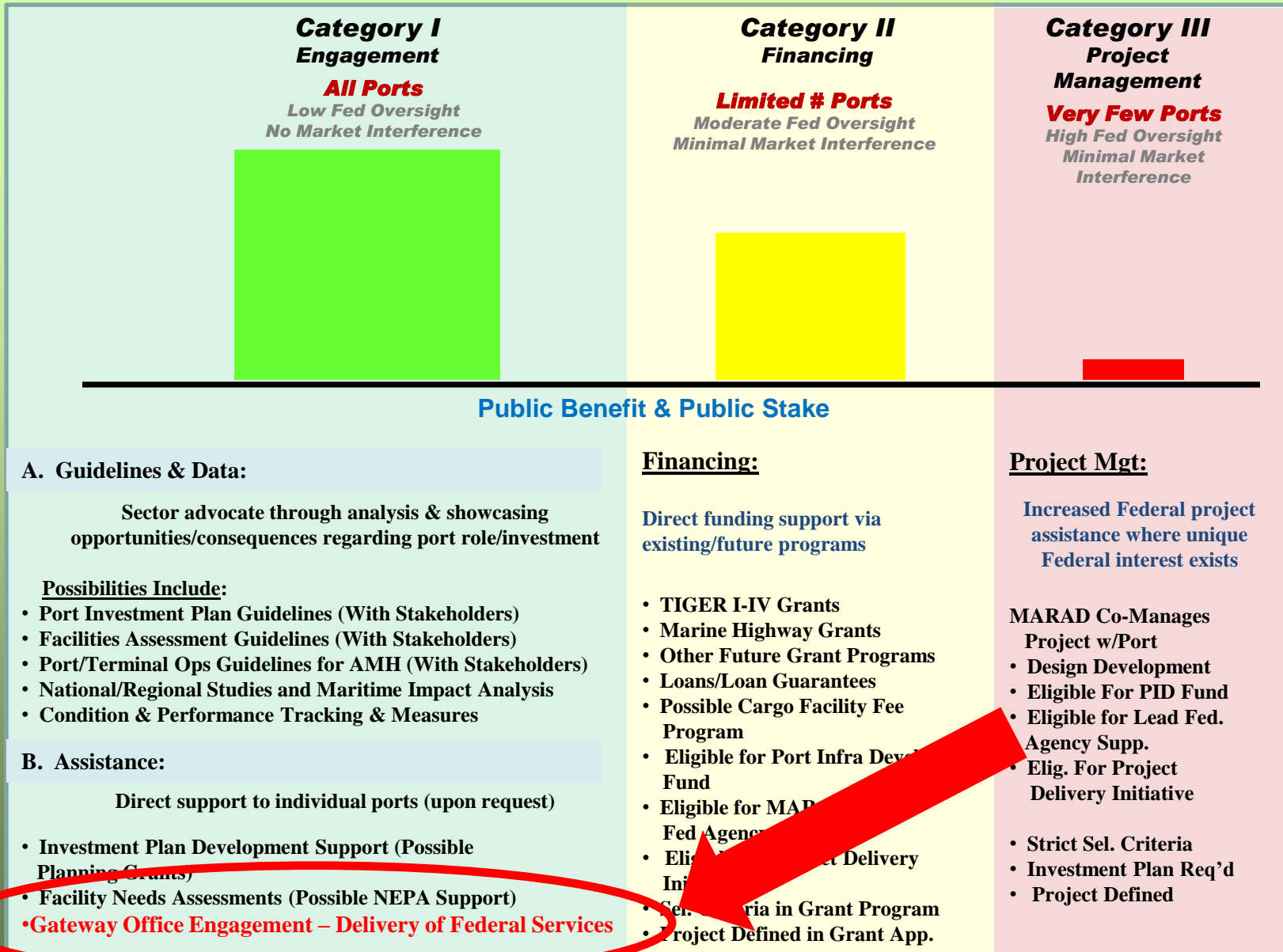
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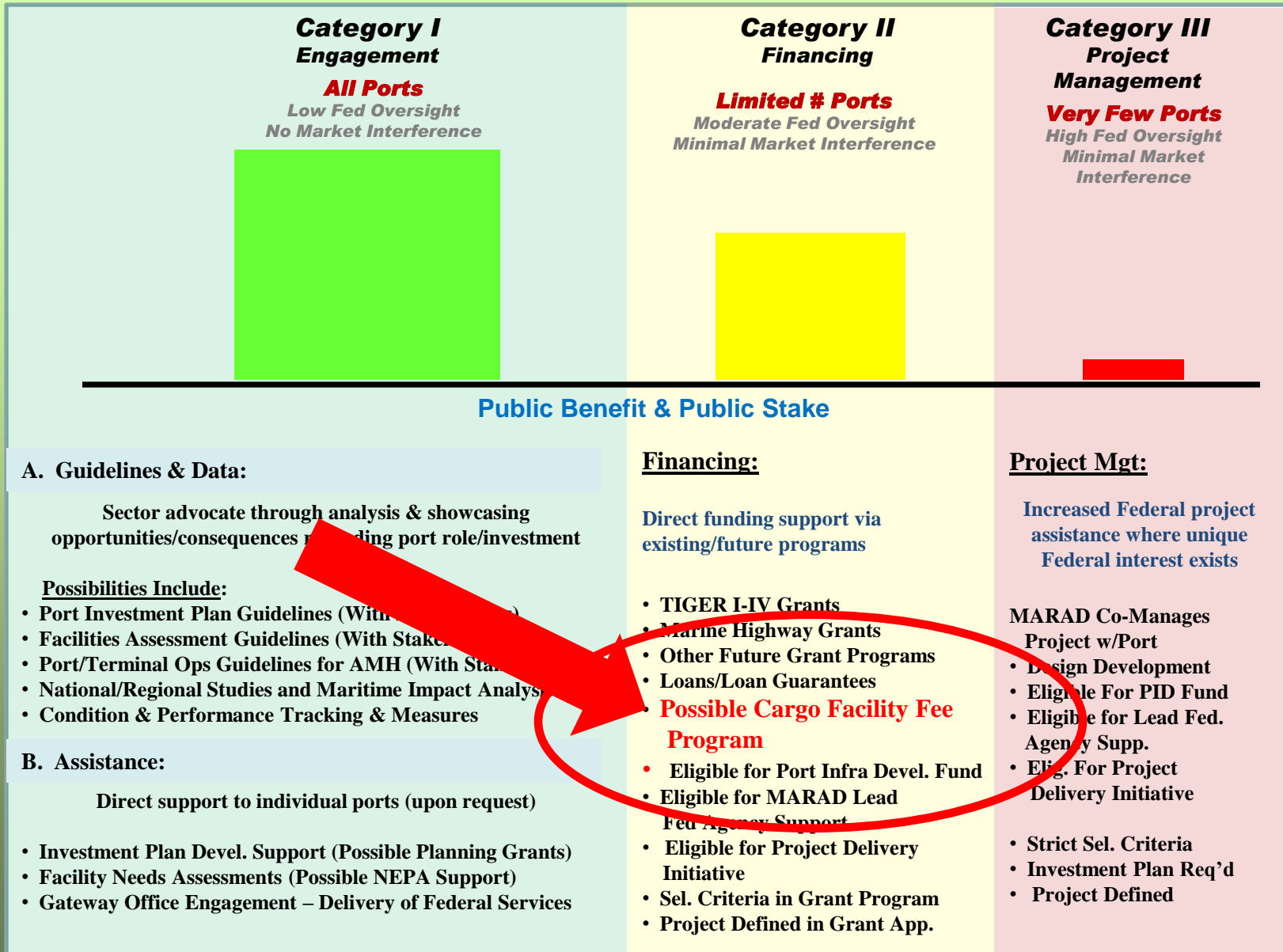
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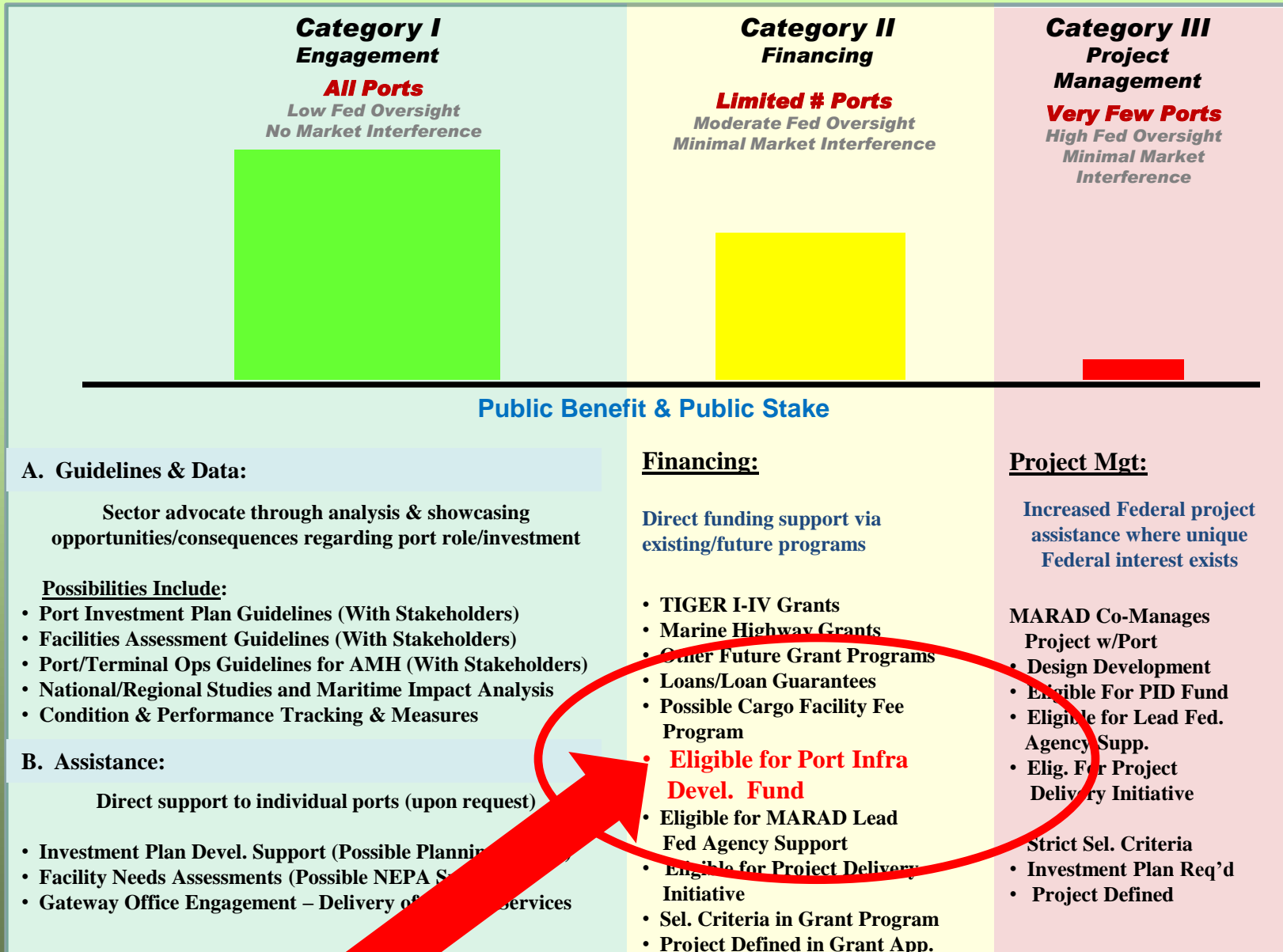
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Questions?

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