Seaports: Looking Ahead

Perspectives on Infrastructure Policy Across the Hemisphere

Planning for Shifting

January 30, 2018

– Kurt Nagle
American Association of Port Authorities

AAPA was established in 1912
• Since that time AAPA has been providing a space for collaboration and exchange of best practices
• Fostering collaboration among members and allied groups. We do this through:
  • Education and Training, PPM
  • Networking and one on one interaction
  • Legislative and Policy support
  • Outreach
• 2018 Annual Convention
  • October 21-24
  • Valparaiso, Chile
AAPA Serves as the Unified Voice of the Industry:

- Harnessing the power of the maritime industry to advance the causes of seaports and critical infrastructure investment
- With compelling advocacy and effective public outreach, AAPA works with members to tackle tough issues & influence policies that shape our future
With manufacturers, policymakers, innovators and the Administration striving to boost the U.S. economy and create jobs, the role played by America’s ports is more critical than ever to keep freight and America moving.
Ports & Private Sector Partners Making Significant Investments – Big Picture

**Ports:** Investing in terminals, berths, piers, equipment, navigation, dredging, expansions, facility rehabs, security rail and environmental improvements.

**Private Sector Partners:** Investing in rails, terminals, equipment, bulk-handling & energy transfer facilities, storage, security, piers & expansions.

$155 Billion

2017  2022
AAPA Recent Successes

✓ Tax Reform
✓ FAST Act
✓ WRRDA 2014
✓ WRRDA 2016
✓ Hit the HMT Target

ALL FREIGHT RELATED
Final Tax Reform Package – Key Port Related Issues that Supports Investment in Infrastructure

- Continues and preserves the Private Activity Bonds Tax Exemption
- Drops proposed new cruise tax
- Retains existing level of wind energy production tax credits
- Modifies the Alternative Minimum Tax
- Eliminates the tax-exemption on advance refunding of municipal bonds
We must educate AND advocate for these programs that have been on the chopping block….These programs are critical to ports and their surrounding infrastructure.

- TIGER -100%
- Corps -16%
Policy Priorities

- AAPA HMT Spending Solution
- Infrastructure Package
- WRDA 2018
- Security Grants
- TIGER Grants
- DERA Grants
- CBP Resources/Facility Requirements
- Fair and Equitable Trade
President to Introduce Infrastructure Package. Goal is Seek and Secure Long-Term Changes

**Long Term Changes**

How Projects are:
- Regulated
- Funded
- Delivered
- Maintained

**Key Principles**

Administration to incorporate the following:
- Make Targeted Federal Investments
- Encourage Self-Help
- Align Investment with the right entities
- Leverage the Private Sector
Ports must be included in the conversation...

$66 Billion in Needs

$1 TRILLION PACKAGE

New Federal Funding

Incentivized Non-Federal Funding

Newly Prioritized & Expedited Projects
Port Needs: Landside

**Landside**

$32.03 Billion for Investments To:

**Build Vital Road and Rail Connectors to Ports**

$28.9 Billion Needed

- Provide robust funding for federal programs to modernize landside port connectors, including DOT TIGER, FAST Act state formula funds and FASTLANE grants

**Improve Port Facility Infrastructure**

$3.13 Billion Needed

- Provide $1.25 billion annually to the U.S. DOT TIGER program, with 25 percent dedicated to port related infrastructure
New AAPA Unified Industry HMT Spending Solution

Port Needs: Waterside

MODERNIZE DEEP-DRAFT NAVIGATION CHANNELS
- $6.2 BILLION NEEDED
- $3.1 billion for federal share of 15 current congressionally authorized construction channel improvements
- $3.1 billion for federal share of projects undergoing feasibility studies

MANTAIN DEEP-DRAFT NAVIGATION CHANNELS
- $27.6 BILLION NEEDED
- $18.6 billion for full use of annual Harbor Maintenance Tax (HMT) revenues, including increasing donor equity
- $9 billion to use the HMT surplus to address the chronic maintenance backlog
- Restore tax fairness to the HMT

WATERSIDE
$33.8 BILLION FOR INVESTMENTS TO:
America: Keep it Moving Campaign

- Garnering support
- Building relationships and partnerships
- Ongoing until we have made a strong case for seaport related infrastructure funding and other priority issues.
When *ports and their stakeholders are working together*, we are far more successful.

We must partner to build support in Washington.