April 27, 2020

AAPA offers the following recommendations to support port workers and the U.S. port industry as it responds to and recovers from this coronavirus (covid-19) crisis:

Coronavirus Response & Worker Protection for America’s Seaports
• $1.5 billion for a Seaports Grants-In-Aid program. These funds would be used for operations and capital costs at our nation’s seaports to enable ports to maintain their workforces, withstand lost revenue and economic shocks caused by the coronavirus pandemic and manage increased costs of operation resulting from this crisis.
• Equal treatment of public entities under Division G of the Families First Coronavirus Response Act to allow units of local government, including port authorities, to take advantage of payroll tax credits for paid sick and paid family medical leave during the coronavirus pandemic.
• Ensure CARES Act state and locality funding is available to localities regardless of size.
• Repeal of the trade-choking, job-killing ‘301’ China tariffs. Repealing these taxes would increase domestic consumer spending power and help American manufacturing.

Economic Recovery and Further Support for America’s Seaports
• $1 billion in supplementary funding for the Port and Intermodal Improvement Program. This would ensure that continued investment is made in our nation’s port infrastructure and that ports and the maritime industry remain able to adequately and safely keep our supply chains moving during this crisis and in the recovery that will follow.
• $4.5 billion for the Corps of Engineers coastal navigation program. This would be divided as follows: $2.5 billion in construction funding to expedite completion of federal deep-draft navigation channel improvement projects, and immediate reimbursement for federal funds owed, and; $2 billion in operations and maintenance funding for the restoration of federal deep-draft navigation projects to their constructed dimensions to ensure the safe and efficient movement of freight.

America’s ports recognize and appreciate the efforts Congress has taken in responding to the covid-19 crisis. But as Congress and the Administration continue these efforts, attention must be given to the maritime industry and to ports specifically.

As Congress develops the FY 2021 Transportation, Housing, and Urban Development, and Related Agencies (THUD) Appropriations bill, AAPA has several requests and recommendations:

• $500 Million for the Port Intermodal and Infrastructure 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 dedicated freight program, which
included ports as eligible recipients and, as a result, ports are now recognized as a critical piece of the surface transportation network. Equally important, the Fixing America’s Surface Infrastructure (FAST) Act required states to complete state freight plans to continue to receive their freight formula funding. States have done so and have recognized the value of multimodal projects and the central role that ports play in this system.

Funding for the Port Intermodal and Infrastructure Program takes the necessary 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 has projected a $32.03 billion need for investments to build vital road and rail connectors to ports and improve port facility infrastructure. We must prepare the nation’s infrastructure to meet a growing demand for the safe, efficient movement of freight. These 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. In 2018, 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. To help meet these needs, AAPA strongly supports a funding level of $1.5 billion for the FY 2021 BUILD program.

Past appropriation bills have included a 10 percent maximum per state and certain set asides for metropolitan and rural areas for the BUILD program. These limitations put states with ports at a distinct disadvantage. Ports are national infrastructure resources that support all states, areas and supply chains, urban and rural. AAPA urges you to provide language in the FY 2021 appropriations bill that recognizes this role and provides greater access to these funds for port related projects by exempting these projects from these restrictions.
• **$2 Billion for the Infrastructure for Rebuilding America (INFRA) Grant Program**

AAPA supports investing $2 billion in total for the INFRA program to assist in building out our national freight network. Because this funding has come primarily from the highway trust fund, we have seen severe limitations to multimodal eligibility. AAPA recommends that the multimodal caps be moved from both the INFRA discretionary grant program and from formula funding apportioned to states through the FAST Act.

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

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 incorporating this tool into their freight network. To fully support these efforts, AAPA requests $15 million for the Marine Highway Program.

• **$330 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 supports the Administration’s request for $330 million for CRISI grants. AAPA’s 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.

The total annual economic value generated at U.S. ports accounts for nearly 26 percent of the American economy, and it’s clear that ports are a key part of our economic vitality. It’s critical that ports and our supply chain remain intact and able to facilitate the coming economic recovery, and that continued investments be made in our nation’s trade infrastructure to put American’s back to work.