



## Building America's 21st Century Seaport Infrastructure For job creation, economic growth and secure borders

The nation's seaports serve a vital role in U.S. job creation, economic prosperity, international competitiveness and Americans' standard of living – responsible for over 23 million U.S. jobs, \$321 billion in federal, state and local tax revenue and \$4.6 trillion in economic activity (26% of the nation's economy). Seaports are economic engines and vital freight gateways to the global marketplace for American farmers, manufacturers and consumers, and serve as critical infrastructure for the U.S. military.

To help American companies compete in the world market, the administration and Congress must make investments today to build America's 21st century seaport infrastructure, and through tax reform must also address inequities that harm the U.S. seaport system.

As the unified voice of American seaports, the American Association of Port Authorities (AAPA) is working to make seaports a key priority for policymakers considering plans for investment in U.S. infrastructure.

### KEY ACTIONS FOR 2018 AND BEYOND:

#### **Eliminate Bottlenecks and Expand Capacity:**

To improve landside connections to seaports and enhance U.S. global competitiveness, multimodal freight investments must be a key priority. The federal government should increase investments in Department of Transportation programs that target seaport infrastructure, including FAST Act freight programs, and the StrongPorts and Marine Highway Programs.

#### **Modernize and Fully Maintain Federal Navigation Channels:**

The Corps of Engineers Coastal Navigation program manages the maintenance and modernization of federal navigation channels – the nation's water highways to the world market – and should be fully funded. Also underfunded are NOAA's navigation charts and real-time data that ensure safe vessel passage.

#### **Secure America's Ports and Borders:**

Safe, secure and efficient movement of freight through seaports is fundamental to border protection. Adequate staffing and resources for Customs and Border Protection (CBP) and the U.S. Coast Guard are critical, along with making port authority projects a high priority for FEMA's Port Security grants.

#### **Protect the Environment:**

Federal investments help ports reduce the environmental impact of freight transportation. These investments can help make ports resilient to natural disasters and other potential hazards to avoid a long-term disruption of the nation's freight transportation system.



## DEPARTMENT OF TRANSPORTATION (DOT)

- Provides guidance and distributes highway funds at the federal and state level
- Awards INFRA and BUILD grants
- Develops multimodal and freight strategic plans

### RECOMMENDATIONS:

- Increase funding for multimodal projects
- Establish an Office of Multimodal Freight Transportation within the Office of the Secretary
- Identify a sustainable freight funding source
- Lift the multimodal cap on DOT freight programs

## MARITIME ADMINISTRATION (MARAD)

- Administers the StrongPorts program
- Administers the Marine Highway Program
- Manages administration of BUILD and INFRA grant programs for maritime-related projects
- Administers Strategic Port Readiness Program for DOD
- Administers Port Intermodal Development Program

### RECOMMENDATIONS:

- Increase funding for these programs

## FEDERAL HIGHWAY ADMINISTRATION (FHWA)

- Administers highway and freight-focused programs

### RECOMMENDATIONS:

- Continue CMAQ program with priority for port projects
- Oversee State Freight Plans
- Continue port eligibility for TIFIA including larger crane purchases
- Integrate ITS into port planning and freight management

## FEDERAL RAILROAD ADMINISTRATION (FRA)

- Administers Railroad Rehabilitation & Improvement Financing (RRIF)
- Promulgates and enforces rail safety regulations and administers railroad assistance programs
- Funds Railway-Highway Crossing Hazard Elimination projects

### RECOMMENDATIONS:

- Better access to RRIF program for on-dock rail and port rail projects
- Provide port funding from the Consolidated Rail Infrastructure and Safety Improvement (CRISI) Program

# Federal Departments and U.S. Ports

## A GUIDE TO VITAL AGENCIES, PROGRAMS AND COMMITTEES

## DEPARTMENT OF COMMERCE (DOC)

- Oversees the International Trade Administration
- EDA grants help ports

### RECOMMENDATION:

- Continue to be a voice for maritime trade

## NATIONAL OCEANIC & ATMOSPHERIC ADMINISTRATION (NOAA)

- Administers navigation charts and real-time data to ensure safe vessel passage
- Lead for Ocean & Marine Spatial Planning
- National Weather Service helpful for ports during storms

### RECOMMENDATIONS:

- Ensure there is adequate planning to both install and run the PORTS

## U.S. ARMY CORPS OF ENGINEERS (USACE)

- Studies, constructs and maintains federal navigational channels
- Collects waterborne commerce statistics

### RECOMMENDATIONS:

- Fully use HMT revenues for intended purpose of channel maintenance and donor equity
- Increase federal investments for deepening channels for globally competitive ports
- Pursue streamlining opportunities

## ADVISORY BOARDS AND COMMITTEES

**Bureau of Transportation Statistics (USDOT): Port Performance Freight Statistics Working Group**

**Department of Commerce: Advisory Committee on Supply Chain Competitiveness**

# AAPA: THE UNIFIED VOICE OF AMERICAN SEAPORTS



TEES

### DEPARTMENT OF ENERGY (DOE)

- Administers cooperative agreements and grants through the Office of Energy Efficiency and Renewable Energy
- National labs work with ports on solutions to maritime problems

#### RECOMMENDATIONS:

- Focus programs on electric grid sustainability in the maritime environment
- Greater focus on partnering with seaports on energy efficiency improvements, alternative fuel equipment and transportation

**Maritime Administration (USDOT): Marine Transportation System National Advisory Committee (MTSNAC)**

**Committee on the Marine Transportation System (CMTS)**

**National Maritime Security Advisory Committee (NMSAC)**

### ENVIRONMENTAL PROTECTION AGENCY (EPA)

- Regulates air emissions and water standards
- Administers EPA Ports Initiative
- Administers Diesel Emissions Reduction Act (DERA) grants

#### RECOMMENDATIONS

- Fund DERA at \$100 million
- Support programs to harden infrastructure from extreme weather events

### FEDERAL MARITIME COMMISSION (FMC)

- Regulates ocean commerce including regulating ports as marine terminal operators under the Shipping Act
- Promotes forums and discussions on maritime issues, such as its Supply Chain Innovation Initiative

### DEPARTMENT OF HOMELAND SECURITY (DHS)

- Protects our homeland by regulating and inspecting safe passage of cargo and people through ports

### CUSTOMS & BORDER PROTECTION (CBP)

- Inspects cargo and passengers crossing the international border at seaports

#### RECOMMENDATIONS:

- Increase CBP staff at ports by 500
- Streamline CBP hiring from local labor pool, including hiring veterans
- Ensure equipment and facility needs are rightsized and properly vetted for cost-savings
- Adopt a staffing model that is flexible for the seaport environment
- Require visibility of cost-sharing charges

### FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)

- Administers Port Security Grant Program
- Administers FEMA disaster recovery programs

#### RECOMMENDATIONS:

- Return Port Security Grant Program to \$400 million level
- Ensure grant program is meeting the needs of port authorities
- Allow grants to be used for energy sustainability at ports

### U.S. COAST GUARD (USCG)/TSA

- Regulates port security including TWIC and access issues (TSA issues the TWIC Cards)
- Provides oversight on maritime security
- Reviews port security grants at the local level
- Regulates ballast water

#### RECOMMENDATIONS:

- Consider port operations in any regulations

### DOMESTIC NUCLEAR DETECTION OFFICE (DNDO)

- Responsible for providing radiation portal monitors (RPM) at seaports

#### RECOMMENDATION:

- Ensure proper budget planning for replacement of RPMs

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# America: Keep it Moving

## Commit to Investment in Seaport Infrastructure Today.

Freight tonnage in the U.S. is projected to grow 45% by 2045. By 2030, the U.S. will handle more than 23 million shipping containers through U.S. seaports each year, 69% more than in 2017. We must prepare the nation's infrastructure to meet a growing demand for the safe, efficient movement of freight – American jobs are at stake.

### AMERICA'S SEAPORTS:

Creating jobs and propelling the economy.

**23.1 million**

American jobs supported by seaports each year.

**\$4.6 trillion**

Value of economic activity related to U.S. seaports.

**26%**

Percentage of the U.S. economy related to seaports.

**1.4 billion**

Metric tons of overseas cargo handled by seaports in 2016.

**\$1.57 trillion**

Value of international cargo moved through U.S. seaports in 2016.

**\$6 billion+**

Value of cargo handled by U.S. seaports each weekday.

### AT RISK:

Critical freight connections and America's potential for growth.

**\$4 trillion**

Potential GDP loss by 2025 for failure to invest in U.S. infrastructure.

**\$575 billion**

Cost to American businesses and households by 2025.

**\$3,400**

Loss per household by 2025 without adequate infrastructure funding.

**\$14 billion**

Added cost of traded products by 2040 due to shallow harbors.

**\$9.3 billion**

Amount of trade loss from the use of undersized vessels in shallow harbors and narrow channels by 2020.