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# **NAWE News**

May 3, 2024

### The Latest with NAWE

Rep. Jake Auchincloss Headlines NAWE-Sponsored D.C. Propeller Club Luncheon – The DC Propeller Club hosted a luncheon this week, sponsored by the National Association of Waterfront Employers, featuring Congressman Jake Auchincloss (D-MA-4), a member of the House Transportation and Infrastructure Committee. Auchincloss delivered insights on various maritime issues, emphasizing the importance of the Federal Maritime Commission (FMC) adhering to congressional intent in rulemaking for the Ocean Shipping Reform Act of 2022. He also provided an update on his proposal for the establishment of a National Port Advisory Committee to enhance port operations and discussed strategies to strengthen American shipbuilding and trade. We were honored to sponsor this event and look forward to growing our relationship with the Congressman and other maritime supply chain stakeholders.

MARAD Extends Port Infrastructure Development Program (PIDP) Deadline to May 10 – The U.S. Department of Transportation's (DOT's) Maritime Administration (MARAD) recently extended the application deadline for the Port Infrastructure and Development Program (PIDP) to May 10, 2024. The PIDP assists in funding eligible projects that improve the safety, efficiency, or reliability of the movement of goods through ports and intermodal connections to ports. There is \$500 million available to be awarded for fiscal year 2025. For more information about the PIDP program, including eligibility requirements and frequently asked questions (FAQs), click here.

**EPA Hosts Clean Ports Program and PIDP Webinar** – The U.S. Environmental Protection Agency (EPA) recently <u>posted a recording</u> of an April 11 joint webinar on the agency's <u>Clean Ports Program</u> and MARAD's <u>PIDP program</u>. The webinar discussed current funding opportunities under both

programs, including eligibility, application details, and evaluation criteria. There is currently \$3 billion available through the Clean Ports Program under two separate funding opportunities: the Zero-Emission Technology Deployment Competition and the Climate and Air Quality Planning Competition. The deadline to apply for grants under the Clean Ports Program is May 28, 2024. The EPA also posted the <a href="webinar's slide deck presentation">webinar's slide deck presentation</a>. For more information about the Clean Ports Program FY 2024 Notice of Funding Opportunity (NOFO), <a href="click here">click here</a>.

**Congressional Map Update on NAWE Website** – We've been working diligently with our designers to update the congressional map that shows NAWE member and U.S. port cities while reflecting new congressional district lines. You can view the new map at <a href="the-link here">the-link here</a>. We encourage you to use this tool as a resource and share it with your colleagues.

Save the Date: NAWE Annual – NAWE is excited to announce that our 2024 Annual Meeting will be held in Old San Juan, Puerto Rico this November 13-15! The meeting will take place at <a href="Hotel">Hotel</a>. Rumbao, a Tribute Portfolio Hotel. Guest rooms are available for \$199 + tax per night. Rooms can be reserved at the link here. We hope to see you in Puerto Rico in November!

Remembering the late Congressman Donald Payne Jr. – On April 24, Ranking Member of the Subcommittee on Railroads, Pipelines, and Hazardous Materials for the House Committee on Transportation and Infrastructure Congressman Donald Payne Jr. passed away following a hospitalization in early April. During his time in Congress, Payne Jr. championed policies crucial for the maritime industry's success and growth. His commitment was further underscored by his cosponsorship of H.R. 4993, which would support MTOs as they make the transition to ZE cargo handling equipment. His unwavering dedication and advocacy will be remembered as cornerstone to his tenure in Congress. Please keep the Congressman's loved ones in your thoughts as they mourn this unfortunate loss.

## **Legislative Updates**

Congress Begins Consideration of Fiscal Year 2025 National Defense Authorization Act (NDAA) – Congress kicked off consideration of the fiscal year 2025 National Defense Authorization Act (NDAA) in March, as the House and Senate Armed Services Committees (HASC and SASC) began holding hearings on the President's FY 2025 budget request for national defense programs. As the committees in both chambers conclude their oversight hearings, the HASC and SASC will soon begin marking up the FY 2025 NDAA at the subcommittee and full committee levels.

According to NAWE sources, the House Armed Services Committee (HASC) is expected to hold subcommittee markups for the FY 2025 NDAA on Wednesday May 15, while the full committee markup is expected to be held on Wednesday, May 22. Although it is not yet determined when the full House of Representatives will vote on the measure, a floor vote is likely to be held the first or second week of June.

The Senate Armed Services Committee (SASC) is expected to hold both subcommittee and full committee markups for the NDAA during the week of June 10. The Senate Majority leader has tentatively set a floor vote for the measure during the last two weeks of June.

According to initial reports, informal conference discussions between the HASC and SASC staffs may begin soon after floor votes in both chambers – potentially as early as August recess. The formal conference, where the House and Senate versions of the NDAA bills will be negotiated, will likely begin in September after Congress returns from August recess. Based on discussions with HASC and SASC sources, the consensus is the FY 2025 NDAA conference negotiations are expected to continue into the lame duck session, which will take place after the November 5 election.

The NDAA is of significant interest to many NAWE members because the legislation contains a maritime policy title that provides the annual authorization for the U.S. Maritime Administration (MARAD) and the various programs the agency administers as well as other maritime-related provisions.

The NAWE team will continue to closely monitor and report further on significant developments on the FY 2025 budget and appropriations process and other legislation of interest to NAWE members.

House T&I Subcommittee Holds Hearing with MARAD Administrator and FMC Chairman - The House Transportation and Infrastructure (T&I) Committee's Subcommittee on Coast Guard and Maritime Transportation, held a hearing on April 30, 2024, to review the FY 2025 maritime transportation budget requests from the MARAD and Federal Maritime Commission (FMC). MARAD Administrator, Rear Admiral Ann Phillips, and FMC Chairman Daniel Maffei testified at the hearing. Reps. Jake Auchincloss (D-MA-04) and Mike Ezell (R-MS-04) asked the witnesses several questions related to NAWE priorities. Rep. Ezell asked Admiral Phillips questions regarding H.R. 4993 — his NAWE-endorsed legislation to expand MARAD's Capital Construction Fund (CCF) program to include zero- and near-zero emission cargo handling equipment (CHE). Rep. Auchincloss asked FMC Chairman Maffei whether he supports establishment of a National Port Advisory Committee that would be similar in nature to the National Shipper Advisory Council (NSAC) that provides the FMC with a shipper industry perspective on ocean freight shipping matters. Chairman Maffei gave a somewhat qualified answer to Rep. Auchincloss' question—stating his "support for the principle" of a port advisory committee, but that he was "not sure on the substance." Maffei cited concerns about potential "staffing and travel costs" incurred by FMC for supporting another advisory committee for FMC. To view the live-streamed recording of the hearing, click here.

**Key Senate Committee Approves Reappointment of Two FMC Commissioners** – On May 1, 2024, the Senate Commerce, Science, and Transportation Committee (CST) met in executive session and favorably approved the reappointments of Daniel Maffei and Rebecca Dye to continue serving as Commissioners on the Federal Maritime Commission (FMC). FMC Chairman Maffei was first

appointed to the FMC by President Barack Obama and renominated by Presidents Trump and Biden. Currently the longest tenured FMC Commissioner, Rebecca Dye was first nominated to the FMC by President George Bush in 2002. With CST Committee's favorable approval, the nominations now will be scheduled for a Senate floor vote.

### **Executive Branch Updates**

FMC Announces May 20th National Shipper Advisory Council Committee Meeting – On May 1, 2024, the Federal Maritime Commission (FMC) published a notice that it will hold a meeting of the National Shipper Advisory Council (NSAC) at the Fabulich Center located at 3600 Port of Tacoma Road, Tacoma, WA, at 1:00 PM – 3:00 PM PT on May 20. Established on January 1, 2021, the NSAC Committee provides information, insight, and expertise pertaining to conditions in the ocean freight delivery system to FMC. According to the meeting notice, NSAC will receive an update from each of its subcommittees, may receive proposals for recommendations to the FMC, and may vote on these recommendations. Any proposed recommendations will be available for the public to view in advance of the meeting on the NSAC's website, <a href="https://www.fmc.gov/industry-oversight/national-shipper-advisory-committee/">https://www.fmc.gov/industry-oversight/national-shipper-advisory-committee/</a>. The notice states that the meeting is public, that the NSAC committee will also take public comment in the meeting, "...and (NSAC members) are particularly interested in receiving feedback regarding their objectives and ongoing discussions." Members of the public may also submit written comments to NSAC at any time. Comments should be addressed to NSAC, c/o Dylan Richmond, Federal Maritime Commission, 800 North Capitol St. NW, Washington, DC 20573 or <a href="mailto:nsac@fmc.gov">nsac@fmc.gov</a>.

Chairman Maffei Explores Supply Chain Impacts from Bridge Collapse & Port Closure – On April 17, Federal Maritime Commission (FMC) Chairman Daniel B. Maffei and Commissioner Max Vekich travelled to Baltimore to learn more about how the collapse of the Francis Scott Key Bridge and the temporary closure of the Port of Baltimore are impacting the ocean-linked supply chain. Maryland Port Administration Executive Director Jonathan Daniels brought Chairman Maffei and Commissioner Vekich to the allision site, and provided a briefing on the multiagency, multijurisdictional efforts taking place to rapidly clear the MV Dali from the ship channel and safely reopen the port. Chairman Maffei and Commissioner Vekich also met with executives of Ports America Chesapeake, Wallenius Wilhelmsen Solutions, and American Roll-On Roll-Off Carrier to discuss how the port's closure is affecting business and operations for each of those companies. In addition to those meetings, the Chairman and Commissioner visited the Unified Command Center, and marine terminals operated by Ports America and Wallenius Wilhelmsen Solutions.

During the visit, Chairman Maffei stated, "The Port of Baltimore is a key and strategic gateway for international trade for the East Coast and, more broadly, the United States. The tragedy that occurred here in Baltimore underscores just how vulnerable any individual link in our ocean supply chain is and how the operational loss of just one major port can send ripple effects through our logistics systems." To read more about the visit, <u>click here</u>.

FMC Commissioner Sola Meets with Bahamian Ambassador to Address Opportunities for

Maritime Cooperation – In early April, FMC Commissioner Luis E. Sola met with Wendall K. Jones, Ambassador of the Bahamas to the United States, to discuss critical maritime issues. Their meeting, held in Washington, D.C., provided the opportunity to discuss maritime issues of common interest to the Bahamas and the United States. Specifically, Commissioner Sola and Ambassador Jones focused on the topics of maritime sustainability and port infrastructure enhancements as potential areas to work together. In addition, they discussed other opportunities for cooperation between the maritime sectors of both nations, such as regulatory measures and economic incentives that strengthen the maritime industry. Commissioner Sola and Ambassador Jones are equally committed to the success of their nations' maritime industries. For more information, click here.

Commissioner Sola Participates on Shore Power Panel at Seatrade Cruise Global 2024 – On April 9, FMC Commissioner Louis E. Sola participated on the Power Up Your Shore Power Plan panel at Seatrade Cruise Global where he discussed the need for shore power support across the maritime industry. He specifically highlighted the differences between Port of Mobile and PortMiami to demonstrate the challenges of shore power infrastructure. While PortMiami has successfully implemented shore power, smaller ports like Mobile require more support from industry leaders to drive sustainable solutions for the maritime industry. According to the U.S. Environmental Protection Agency, shore power can reduce NOx emissions at least 95% compared to traditional diesel generators. The primary challenge in implementing shore power is securing government support and funding for enhanced port infrastructure. The Seatrade Cruise Global event provided a forum for industry experts to discuss potential economic resources and sustainable solutions for the maritime sector. For more information, click here.

Statement of Commissioner Bentzel on Suggested Relief for Impacted Workers and Companies Due to the Francis Scott Key Bridge Collapse – On April 23, the FMC posted the following statement of Commissioner Carl Bentzel on a <u>letter he sent to President Joe Biden</u> on suggested relief for workers and companies impacted by the Francis Scott Key Bridge Collapse:

"During the pandemic, Congress passed the Coronavirus Aid, Relief, and Economic Security Act, commonly referred to as the CARES Act. Section 4112 of that legislation authorized and provided funding to the U.S. Department of the Treasury to make payments to workforces devastated by the massive economic swings during the pandemic. In particular, passenger air carriers, cargo air carriers, and certain contractors benefitted from the continuation of payment of employee wages, salaries, and benefits this statute provided. Collectively and over the course of the pandemic, in excess of \$66 billion dollars was provided to the aviation industry between 2020 to 2022. In the wake of the Francis Scott Key Bridge collapse, there are local companies and workers suffering from an economic upheaval. The CARES Act can serve as a model for providing relief to impacted workers and industries.

"The maritime industry never stopped working during the pandemic. While other service industries, such as aviation, were forced to stay home during the height of the pandemic, it was maritime and intermodal services that kept delivering what turned out to be record setting cargo volumes. Now

members of the maritime industry and community need relief. Thousands of employees in the Baltimore region are directly or indirectly reliant on the port for their livelihood. We should support them in their period of need to the same level as we did other transportation workers during the pandemic." For more information, <u>click here</u>.

**Bentzel Makes Second Request for Information for the Maritime Transportation Data Initiative (MTDI)** – On April 18, FMC Commissioner Carl W. Bentzel released his second Request for Information (RFI) for the Maritime Transportation Data Initiative (MTDI), which was published in the Federal Register on April 16, 2024. According to Bentzel, the RFI is "another important step in my effort to develop a transparent information sharing process that will improve the reliability and predictability of the shipment of international containerized cargo that our nation is so heavily dependent on," and that "it has always been my intention to release at least two RFIs to allow for much greater public input on how shipping information should be shared to improve operational efficiency."

Commissioner Bentzel further stated, "A well thought out and implemented information sharing process, such as the MTDI, will mitigate a lot of the conflict that leads to demurrage and detention charges. Better communication in the scheduling of cargo operations and during the movement cargo, will ultimately provide all concerned parties better efficiencies and reduced demurrage and detention charges. In fact, it will also harmonize requirements standardizing information related to demurrage and detention and strengthen the efficacy of the Final Rule. This represents a "hand and glove" approach opportunity to help provide a more efficient and sustainable supply chain. I strongly encourage transportation providers and the public to review the twenty-five questions released today and provide input. The MTDI has been a process designed to be transparent and one that benefits from shared information. A robust volume of responses to this RFI will help us continue to meet those goals." Commissioner Bentzel's <u>full statement can be read here</u>.

**FMC Industry Advisory: All FMC Statutes & Regulations Remain in Full Effect Following Bridge Collapse** – On April 5, the FMC posted an industry advisory stating that disruption to regular service at the Port of Baltimore is causing many shippers to adjust supply chain operations. Regulated entities are reminded that all statutes administered by the FMC remain in effect. Common carriers and marine terminal operators (MTOs) are directed to comply with all statutory and regulatory requirements governing their operations. The FMC further states that demurrage and detention fees must be reasonable, and invoicing must be lawful. The Commission cites the newly established requirements for how demurrage and detention bills must be invoiced under the Ocean Shipping Reform Act of 2022 (OSRA 2022). To read the full advisory, click here.

FMC Chairman Maffei & Commissioner Dye to Speak at AgTC Annual Meeting on May 21 – Chairman Daniel Maffei and Commissioner Rebecca Dye will address attendees of the <u>Agricultural Transportation Coalition (AgTC) 2024 Annual Meeting</u>. Chairman Maffei will provide a Working Lunch address on Tuesday, May 21 discussing "New Rules for Everyone: Federal Maritime Commission: Implementing OSRA: New Rules for Detention & Demurrage, Box Rules, Investigations,

Enforcement." Commissioner Rebecca Dye will speak with AgTC members in an off the record session on Wednesday, May 22. More information about the event including costs and instructions on how to register can be found on the <u>AgTC website</u>.



#### **Grants Corner**

Welcome to Grants Corner! This section of our newsletter will feature available grant funding opportunities that are of interest to NAWE members. Please do not hesitate to reach out to any of the NAWE staff if you have questions about the specific grant programs included below.

Please remain on the lookout for upcoming grant webinars and training sessions hosted by NAWE.

**Biden Administration Posts Open and Upcoming Infrastructure Funding Opportunities** – On January 30, the Biden Administration posted an updated list of open and upcoming infrastructure funding opportunities under the Bipartisan Infrastructure Law (BIL). The document highlights funding opportunities that communities can apply for today, as well as a calendar of key upcoming funding opportunities for 2024. To view the full list of programs, their descriptions, and deadlines, please click <a href="here">here</a>.

**FY 2024 Open Grant Opportunities** – The U.S. Department of Transportation (DOT) and Environmental Protection Agency (EPA) has announced that they are now accepting FY 2024 applications for the following programs:

- 1. **DOT's Multimodal Project Discretionary Grant (MPDG) Program** The MPDG opportunity contains three grant programs: the National Infrastructure Project Assistance grants program (Mega), the Nationally Significant Multimodal Freight and Highway Projects grants program (INFRA), and the Rural Surface Transportation Grant program (Rural). The funding opportunities are awarded on a competitive basis for surface transportation infrastructure projects including highway and bridge, intercity passenger rail, railway-highway grade crossing or separation, wildlife crossing, public transportation, marine highway, and freight projects, or groups of such projects with significant national or regional impact, or to improve and expand the surface transportation infrastructure in rural areas. There is \$5.1 billion available to be awarded, including \$1.7 billion for the Mega program, \$2.7 billion for the INFRA program, and \$780 for the Rural program. Applications must be submitted no later than May 6, 2024. For more information, click here.
- 2. **DOT Maritime Administration's Port Infrastructure Development Program (PIDP)** PIDP assists in funding eligible projects for the purpose of improving the safety, efficiency, or reliability of the movement of goods through ports and intermodal connections to ports. There is \$500 million available to be awarded. The application deadline has been extended,

and must be submitted no later than May 10, 2024. For more information on the application process, click here.

- 3. **DOT's Consolidated Rail Infrastructure & Safety Improvements (CRISI)** The CRISI program funds projects that improve railroad safety, efficiency, and reliability; mitigate congestion at both intercity passenger rail and freight rail chokepoints to support more efficient travel and goods movement; enhance multi-modal connections; and lead to new or substantially improved Intercity Passenger Rail Transportation corridors. There is \$2.48 billion available to be awarded. Applications must be submitted no later than May 28, 2024. For more information on the application process, click here.
- 4. **EPA's Clean Ports Program** The Clean Ports Program funds zero-emission port equipment and infrastructure, as well as climate and air quality planning at U.S. ports. The program includes two separate funding opportunities: the Zero-Emission Technology Deployment Competition and the Climate and Air Quality Planning Competition. There is \$2.8 billion available to be awarded for zero-emission technology deployment at ports, and \$150 million available to be awarded for climate and air quality planning. Applications must be submitted no later than May 28, 2024. For more information on the application process, click here.
- 5. **FEMA's Port Security Grant Program (PSGP)** The PSGP funds projects to help protect critical port infrastructure from terrorism, enhance maritime domain awareness, improve port-wide maritime security risk management and maintain or re-establish maritime security mitigation protocols that support port recovery and resiliency capabilities. There is \$90 million available to be awarded. Applications must be submitted no later than June 24, 2024. For more information on the application process, click here.

**Upcoming FY 2024 DOT Infrastructure Grant Opportunities** – According to the White House's "Upcoming Infrastructure Funding Opportunities" webpage, remaining NOFOs that may be released for the remainder of 2024 are:

DOT's Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Program
 Fall 2024

**DOT Posts List of Grant Application Resources** – On April 2, DOT posted an updated list of its popular "Grants Navigator Application Resources." Below are links to the DOT's resources:

- 1. Understanding Non-Federal Match Requirements
- 2. Grant Application Checklist for a Strong Transportation Workforce and Labor Plan
- 3. What Is a Benefit-Cost Analysis (BCA)?
- 4. Federal Tools to Determine Disadvantaged Community Status

#### 5. Use of DOT Funds for Public Involvement

The NAWE team continues to monitor and will report any updates on the 2024 round of NOFOs for federal grant program opportunities of interest to NAWE members.

# **Upcoming Events**

**NAWE on the Hill (NOTH) 2024** – We look forward to hosting the next 2024 NAWE on the Hill (NOTH) event for NAWE members in May. These fly-ins allow NAWE members the chance to directly interact with members of Congress and their staffs. If you would like to join, please RSVP for the event linked below.

RSVP for May 13-14, 2024, NAWE on the Hill

#### **Committee Meetings in May**

- May 1 NAWE Security Committee Meeting
  - The NAWE Security Committee met on Wednesday, May 1 and discussed the Biden Administration's Executive Orders on Strengthening Cybersecurity at ports, NAWE's comments on the Coast Guard's NPRM, and upcoming grant deadlines. Please reach out to ckennedy@nawe.us if you would like to access to the recorded meeting.
- May 7 NAWE Legislative Committee Meeting
- May 16 E3C Meeting
- May 21 Insurance Committee Meeting

### **Articles of Interest**



#### **Journal of Commerce**

Soaring trans-Pacific spot rates add twist to last-minute service contracts

May 1, 2024

A big spike in trans-Pacific spot rates that may take hold starting Wednesday is pushing mid-size US importers who have yet to



# American Journal of Transportation

That sinking feeling: US coastal port cities sinking

April 29, 2024
Many cities along the U.S.
Atlantic and Gulf coasts that are also port cities are sinking. The effect is caused by coastal lands subsiding at the same time as



**Marine Link** 

Houthis attack four ships in Indian Ocean, Red Sea
April 30, 2024

Yemen's Houthis said on Tuesday they targeted the MSC Orion container ship in a drone attack in the Indian Ocean as part of their ongoing campaign

finalize their 2024–25 service contracts to sign those deals quickly, sources say. Importers who don't move soon risk shipping at spot rates that are about two and one-half times the prevailing contract rates that are under negotiation.

sea levels are rising, according to a study published in the scientific magazine Nature. The study says the effects of rising seas and subsiding land will be felt most prominently in Gulf coast states including Biloxi, Mississippi, Corpus Christi, and Galveston in Texas.

against international shipping in solidarity with Palestinians against Israel's military actions in Gaza.

MSC Orion was sailing between the ports in Sines, Portugal and Salalah, Oman, according to LSEG data.



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