



National Association of Waterfront Employers

January 26, 2024

# **NAWE News**

#### Latest with NAWE

**NAWE** Releases Official 2023 Legislative Review – Last week, NAWE released its official 2023 Legislative Report, which provides a detailed analysis of the association's legislative and legal advocacy actions to advance the priorities established by NAWE's Board of Directors. The report recaps the political landscape that shaped the First Session of the 118<sup>th</sup> Congress and NAWE's proactive engagement with lawmakers and regulators at the federal level. The document also includes an update of major policy initiatives under consideration by both the U.S. House of Representatives and U.S. Senate as well as a legislative outlook for 2024. Specifically, the report details the targeted advocacy actions led by NAWE's members through the support of NAWE's team. The individual products described in the report were derived from member discussions during NAWE committee meetings, industry issues socialized through Capitol Hill engagement; member participation in NAWE On the Hill (NOTH), testifying before or submitting statements to congressional committees; and educational outreach to representatives at federal agencies, including officials and staff at the Maritime Administration (MARAD) and the Federal Maritime Commission (FMC). Most importantly, the report confirms that NAWE's members, collectively as an Association through active engagement, can influence the legislative process in Congress and the implementation of rules and regulations by providing expert technical assistance to public officials while supporting the overall maritime supply chain.

As shown by the activities documented in the review, NAWE has had a successful year establishing an industry presence in Washington, but we have not achieved the organization's full potential. We look forward to building on this progress and maximizing opportunities to exceed our professional goals in 2024. To read the full report, click here.

NAWE to Hold Day of Advocacy – NAWE is gearing up to hold its first NAWE On the Hill (NOTH) event of 2024 on January 29-30. NAWE's Washington, DC based team is looking forward to hosting members as we kick off a new year of advocacy on the Hill and continue to build support for our industry's priorities. On January 29, NAWE will host a reception from 5:30-7:30 p.m. in the Transportation & Infrastructure Committee Hearing Room, where NAWE members will have the opportunity to establish and deepen relationships with congressional leaders and their staff on Capitol Hill as well as with key executive branch decision makers that impact the marine terminal industry. The next day, NAWE members are in store for a busy day of Capitol Hill meetings to provide lawmakers and staff with an industry update and operational outlook, discuss maritime legislation under consideration by Congress, and build relationships with industry stakeholders. For those unable to attend this event, NAWE will be holding a second NOTH in May 2024. Event details are as follows:

Event: NAWE On The Hill (NOTH)

When: May 13-14, 2024 (Click here to RSVP for May)

Where: Washington, DC

Room Rate: \$399 + tax/per night - Kimpton George Hotel (click here to book room)

NAWE Secures Four New Cosponsors for Bipartisan Legislation to Extend the Capital Construction Fund – NAWE is pleased to announce that four members of Congress have signed on as new cosponsors of H.R. 4993, bipartisan legislation to extend the Capital Construction Fund (CCF). The recently added cosponsors include senior members of the Transportation and Infrastructure (T&I) Committee, Reps. Donald Payne (D-NJ-10) and Mike Bost (R-IL-12), as well as two leaders of the Florida delegation, Reps. Maria Elvira Salazar (R-FL-27) and Dr. Neal Dunn (R-FL-02). The legislation currently has 15 bipartisan sponsors that are key committee members that have jurisdiction over maritime policy. The House members that added their name to H.R. 4993 represent coastal port communities and constituencies that operate terminals on our nation's inland rivers and waterways.

H.R. 4993, introduced by House Transportation and Infrastructure Committee Members Mike Ezell (R-MS-04) and Troy Carter (D-LA-02), would extend tax incentives to maximize private capital investments aimed at advancing innovative technologies in domestic manufacturing, lowering emissions at ports and waterways, and creating new high-skilled job opportunities for American workers. If signed into law, marine terminal operators would be able to deposit a portion of their taxable income into a Capital Construction Fund account administered by MARAD officials to ensure effective oversight and efficient use of funds on a tax-deferred basis to maximize their purchasing power for zero or near-zero emissions cargo handling equipment. You can read NAWE's press release on the bill here.

NAWE Holds Webinar on Port Security Grant Program – On Wednesday, January 24, the NAWE Security Committee held a webinar on how organizations can best prepare for applying to the Port Security Grant Program (PSGP), which is administered by the Federal Emergency Management Agency (FEMA) through the Department of Homeland Security. The meeting led by committee chair, Mike Lee, featured David Cruz of Moffatt & Nichol, who shared his expertise and insights on the program. With more than 40 years of experience as a planner for port-wide studies and maritime facility projects, Mr. Cruz has specialized in project management and civil design for port security projects and all hazards' studies. His experience includes funding acquisition for clients seeking to mitigate risks to cargo handling operations. Mr. Cruz is ANSI/ASME certified in Risk Analysis and Management for Critical Asset Protection (RAMCAP). He also has international experience, including conducting port and rail facilities' assessments in Peru, Chile, South Africa, and Myanmar. Mr. Cruz has assisted public and private entities in obtaining and managing over \$100 million in grant funds. If you were unable to attend this webinar and would like to receive more information on the topics covered, please email ckennedy@nawe.us.

DOE Selects Consortium to Bridge Early Demand for Clean Hydrogen — On January 17, the U.S. Department of Energy (DOE) Office of Clean Energy Demonstrations (OCED) announced the selection of a consortium to help accelerate the early commercial viability of clean hydrogen and support the launch of the Regional Clean Hydrogen Hubs (H2Hubs), funded through the Bipartisan Infrastructure Law. The consortium, which consists of the EFI Foundation, S&P Global, and Intercontinental Exchange, will design and implement demand-side support mechanisms to unlock the market potential of the H2Hubs. Over the next six to nine months, DOE will work with the consortium and the H2Hubs to design robust demand-side support measures that will facilitate purchases of clean hydrogen produced by H2Hub-affiliated projects. The consortium will leverage their expertise in clean hydrogen, project finance, and commercial contracting to support the design of measures to de-risk clean hydrogen projects and increase demand certainty. Specifically, the consortium will help craft demand-side support agreements for clean hydrogen projects to unlock final investment decisions to advance the formation of a mature clean hydrogen market. Demand-side support and other "demand pull" measures have been a valuable tool in the scale-up of renewable energy technologies like wind and solar by bridging the gap between producers, who need medium- to long-term offtake certainty to secure financing to build a project, and buyers, that prefer to buy energy inputs on a short-term basis that are beginning to be produced at scale. To read the DOE's news release, click here.

**NAWE Launches New Industry Job Board** – NAWE recently launched a <u>new job board on our website</u> dedicated to industry job postings. This new web page will be regularly maintained by NAWE staff and updated per member request. We are happy to promote any openings you would like to share on this page. All job posting submissions must include a PDF or word document explaining the open position and any other details candidates should know when applying. Members can view the new page and active postings at the link below. Please contact NAWE staff if you have any questions or want to provide any notable industry job opportunities within your company.

Port Houston: Chief Port Operations Officer

## **NAWE** Legislative Updates

With Biden's Signature, Short-term Funding Bill Punts Government Shutdown Deadlines to March – The House and Senate approved, and President Joe Biden signed last week, a renewed stopgap funding measure that will keep the federal government operating into March, averting a partial government shutdown that would have occurred on January 20. The continuing resolution (C.R.) preserves the "laddered" approach to the 12 annual spending bills, extending funds for some agencies that faced a January 20 deadline through March 1, and for the remaining agencies that faced a February 2 deadline through March 8.

The C.R. extends funding for four of the 12 appropriations bills—Transportation-HUD (T-HUD), Energy and Water, Agriculture, and Military Construction-VA—through the March 1 deadline, while funding for the remaining eight bills will be extended through the March 8 deadline. The House passed the bill by a 314-108 vote, with almost half of House Republicans voting against the measure. The bill faced opposition from hardline Republicans who are angry that Speaker Mike Johnson (R-LA-04) went back on a promise he made not to allow more temporary funding extensions, and that he refused to use the threat of a government shutdown to pressure the President to accept border policy changes. The Senate approved the measure by a 77-18 vote margin.

Two weeks ago, Senate Majority Leader Chuck Schumer (D-NY) and House Speaker Mike Johnson struck a deal on a top-line federal funding level for FY 2024, which sets overall spending levels at \$1.659 trillion—\$773 billion for non-defense discretionary spending and \$886 billion for defense. The broad agreement keeps intact the FY 2024 spending levels set by the Fiscal Responsibility Act ("FRA") or the debt limit bill President Biden and former Speaker McCarthy agreed to last year.

Although the agreement helped pave the way for the short-term C.R., both chambers of Congress still need to decide on allocations for each of the 12 FY 2024 appropriations bills, finalize funding levels for specific federal programs, and reach agreements on several contentious policy riders. As House and Senate Appropriations Committee chairs Rep. Kay Granger (R-TX) and Sen. Patty Murray (D-WA) continue to negotiate a set of allocations for the annual funding bills, the process may be made more difficult as congressional leaders work out the details of a border and immigration package. Appropriators will need to consider allocations that can support a potential agreement.

To date, the House has passed seven of its appropriations bills (including Energy and Water—which provides funding for US Army Corps of Engineers dredging and navigation projects) and the Senate has passed three, including T-HUD. Although the stop-gap measure is intended to give lawmakers time to complete negotiations on funding the fiscal year 2024 appropriations bills, six weeks of funding through March 1 may not be enough time to work out the remaining differences. The House is scheduled to be out of session for three of those weeks, which raises the prospects for yet another short-term funding bill.

NAWE members participating in hill meetings next week will have an opportunity to voice their perspective with Congressional appropriators regarding the impact short-term spending bills have on federally funded projects aimed at improving operations at ports. NAWE's team will continue to closely monitor and report further on any significant developments on FY 2024 appropriations and supplemental funding measures.

House Subcommittee on Coast Guard & Maritime Transportation to Host Hearing on Threats Against Shipping in the Red Sea – Representative Daniel Webster (R-FL-11), chairman of the House Transportation & Infrastructure Committee Coast Guard & Maritime Transportation Subcommittee, announced that the Subcommittee will hold a hearing at 10:00 AM ET on Tuesday, January 30, 2024, titled, "Menace on the Red Sea: Securing Shipping Against Threats in the Red Sea." The hearing will be held in the House Transportation Committee room, 2167 Rayburn House Office Building. The NAWE team will monitor and report on any significant developments from this hearing.

### NAWE Regulatory Updates

FMC to Hold Hearing on Shipping Conditions in the Red Sea on February 7 – On January 12, the Federal Maritime Commission (FMC) announced that it will hold an informal public hearing on February 7, 2024, to examine how conditions in the Red Sea and Gulf of Aden regions are impacting commercial shipping and global supply chains. The hearing will allow stakeholders in the supply chain to communicate with the Commission on how operations have been disrupted by attacks on commercial shipping emanating from Yemen, steps taken in response to these events, and the resulting effects. In addition, the hearing will allow the Commission to gather information and identify any new issues related to these disruptions subject to Commission statutes, such as implementing contingency fees and surcharges. Industry stakeholders can request to be considered as a participant or share information and comments by a written submission to the Commission at Secretary@FMC.gov until January 31, 2024. The hearing is scheduled for Wednesday, February 7, 2024, and will be held in the Surface Transportation Board Hearing Room located at 395 E Street, SW, Washington, D.C. 20423. It will also be livestreamed for those unable to attend in person. For more information, click here.

Commission Advisory Regarding Red Sea Surcharges – The FMC posted on January 12, an advisory regarding Red Sea Surcharges. The advisory states that under statutory authority, the Commission and its staff are closely monitoring rates, charges, and rules that common carriers have implemented as a result of the <a href="threats-to-commercial-shipping-in-the-Red Sea and-Gulf of Aden">threats-to-commercial-shipping-in-the-Red Sea and-Gulf of Aden</a> regions. Specifically, the FMC cites regulations at <a href="46 CFR-520.8(a)(1&2">46 CFR-520.8(a)(1&2)</a> that require <a href="common carriers">common carriers</a> to provide at least 30 days between the publication and effective date of a change to a tariff that results in an increased cost to <a href="shippers">shippers</a> and outlines a process through <a href="46 CFR-520.14(c">46 CFR-520.14(c</a>) by which a common carrier may submit a <a href="Special Permission">Special Permission</a> (SP) request showing good cause to reduce this 30-day waiting period. The Commission also states that it maintains a list of all common carrier tariff locations for <a href="Vessel-Operating Common Carrier">Vessel-Operating Common Carrier</a>, encourages shippers to access and review their common carrier's tariff, and notes <a href="Ocean common carriers">Ocean common carriers</a> are responsible for ensuring that <a href="service contracts">service contracts and their amendments are filled in a timely and accurate manner</a>. The Commission may, on complaint, or its own motion, investigate potential Shipping Act violations. If Shipping Act violations are found, they may result in fines or damages being assessed against the common carrier violating the Act. For more details, click here.

Commission's Maximum Penalty Fees Adjusted – On January 10, the FMC announced it will increase the maximum penalties assessed for statutory violations effective January 15, 2024, as required by the Federal Civil Penalties Inflation Adjustment Act of 2015. The increases are tied to the rate of inflation. Maximum penalties for "knowing" and "willful" violations of the Shipping Act will increase to \$73,045 from \$70,752; and maximum penalties for violations that are not "knowing" and "willful" will increase to \$14,608 from \$14,149. The Commission will also increase the fees for nine other penalties. The complete list of penalties is published in the Federal Register. To read the announcement, click here.

**Commissioner Sola Speaks at AAPA Expo –** On January 24, Commissioner Louis Sola participated in a panel discussion exploring the topic of "LNG Export—How America Can Power the World" as part of the American Association of Port Authorities' (AAPA) <u>2024 Powers Summit and Expo</u>. The event took place on January 22-24, 2024. More information about the conference is available on the AAPA website.

Chairman Maffei to Meet with NYNJFFBA on January 31 – Chairman Daniel Maffei will meet with members of the New York New Jersey Foreign Freight Forwarders and Brokers Association Inc (NYNJFFBA). Attendance is limited to NYNJFFBA members. Information about the NYNJFFBAA is available on their website.

**Commissioner Sola to Speak at Manifest Vegas 2024 on February 5** – Commissioner Louis Sola will participate on the "Decarbonizing the Maritime Industry" panel at the <u>Manifest Vegas 2024</u> supply chain symposium. The agenda and registration information are available on the organizer's website.

#### **DOT Infrastructure Grant Program Updates**

Biden Administration Posts Open and Upcoming Infrastructure Funding Opportunities – On November 2, 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 stakeholders can apply for today, a calendar of key funding opportunities noticed in 2023 and upcoming grants for consideration in 2024. To view the full list of programs, their descriptions, and deadlines, please click here.

**FY 2024 Open Grant Opportunities –** The U.S. Department of Transportation (DOT) and the U.S. Department of Energy (DOE) have announced that they are now accepting FY 2024 applications for the following programs:

- 1) 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 \$450 million available to be awarded. Applications must be submitted no later than April 30, 2024. For more information on the application process, click here.
- 2) DOT's Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Program The RAISE program allows project sponsors at the state and local levels to obtain funding for multi-modal, multi-jurisdictional projects that are more difficult to support through traditional DOT programs. There is \$1.5 billion available to be awarded.
  Applications must be submitted no later than February 28, 2024. For more information on the application process, click here.

**FY 2023 Infrastructure Grant Applications and Award Deadlines –** The application deadlines for the majority of FY 2023 DOT infrastructure grants of interest to NAWE members are now expired. According to the White House's "Upcoming Infrastructure Funding Opportunities" webpage, remaining NOFOs and program awards that could be released in early 2024 are:

- 1) DOT's Consolidated Rail Infrastructure & Safety Improvements (CRISI) TBD
- 2) DOT's Railroad Crossing Elimination Program TBD
- 3) EPA's Clean Ports Program TBD

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

- Understanding Non-Federal Match Requirements
- Discretionary Grant Preparation Application Checklist
- Checklist for a Strong Climate Change Mitigation, Adaptation and Resilience Grant Application
- Federal Tools to Determine Disadvantaged Community Status
- 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.

### NAWE Event Updates

**NAWE** on the Hill (NOTH) 2024 – We look forward to hosting two NAWE on the Hill (NOTH) events for NAWE members this year, including one next week. These fly-ins allow NAWE members the chance to directly interact with members of Congress and their staff. If you would like to join us in May, please RSVP at the link below.

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

**Join NAWE on the West Coast in March –** On March 3, 2024, NAWE will host a gathering for our members in Long Beach, California. The gathering will be at the Grand Hyatt Centric Topsail Rooftop Pool and Bar on Sunday, March 3, 2024, from 5-7pm. Space is limited, so please RSVP at this link in advance.

### **Articles of Interest**

# American Journal of Transportation

Port NOLA announces \$226 million landmark grant award for the Louisiana Terminal project

Jan. 22, 2024

The Port of New Orleans (Port NOLA) has announced that it has been awarded an additional \$226,220,195 million in federal grant dollars to assist in building the Louisiana International Terminal (LIT), which will create thousands of jobs, drive the economy, and position Louisiana as the premier international Gulf gateway.

#### Reuters

Oil jumps over 2% on US economic activity, Red Sea tensions

Jan. 25, 2024

Oil prices rose on Thursday to their highest since early December after U.S. economic data showed faster-than-expected growth in the last quarter and as tensions in the Red Sea kept disrupting global trade. Brent futures rose \$1.85, or 2.31%, to \$81.89 a barrel at 2:02 p.m. EST (1902 GMT). U.S. West Texas Intermediate crude gained \$1.76, or 2.34%, to \$76.85.

#### **Journal of Commerce**

US imports from Asia fell near pre-COVID levels in 2023, but uncertain '24 awaits

Jan. 19, 2024

US imports from Asia last year dropped just over 13% from 2022 to fall largely in line with 2019 levels, putting an end to the overheated pandemic market and suggesting that volumes going forward should be more aligned with pre-COVID 2018-19.

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