

October 2019 PAL Legislative Report

PAL Legislative Affairs Chairman Matt Gresham, Port NOLA

Politics in the Bayou State and on the Hill is hotter than the temperature these days. From the announced impeachment inquiry last week to the now contentious gubernatorial race, political posturing is front and center and actually having lawmakers accomplish anything is almost impossible. Here's a round-up of updated information:

Gubernatorial and Statewide Races

Early voting kicked off Saturday for statewide and legislative races and ends Oct. 5.

Key dates:

- Oct. 8: Last day to request a mail ballot (Other than military and overseas)
- Oct. 12: Primary Election Day
- Oct. 16: Deadline for candidates to request primary recounts
- Oct. 28: Official primary results released (promulgation)
- Nov. 16: Runoff elections, as needed

State Surplus

Earlier this month, the State's Revenue Estimating Committee pegged the State's latest budget surplus for the current fiscal year at \$500 million. Division of Administration Commissioner Jay Dardenne told the Joint Legislative Committee on the Budget, the surplus was due to higher wages and personal income. The new estimate added fuel to the ongoing debate by gubernatorial candidates over the States financial stability and the State's tax rates.

The surplus dollars can only be used on six options: Rainy Day Fund, unfunded accrued liability, bond payments, transportation projects, capital outlay and coastal projects.

Legislative Fiscal Office leaders credited the surplus to federal tax cuts passed last year by Congress.

AAPA Fly-In

Last week, the American Association of Port Authorities hosted its Capitol Hill Fly-In. Some 28 representatives from ports throughout the country participated, including myself, Port of South

Louisiana Executive Director Paul Aucoin and Plaquemines Port Deputy Director Paul Matthews.

Eddie Belk, Chief of Programs, Civil Works, for the Corps of Engineers briefed our group at the offices of Jones Walker, citing the need for support to push for final passage of the Energy and Water Bill, which could be one of only a handful of bills to be finally approved this year. Other meetings included Kelly Colyar, Water and Power Chief for the Office of Management and Budget; Sen. Pat Murray, D-Washington and member of the Senate Appropriations Committee; Rep. Steve Scalise's Legislative Director Claire Trokey; House Transportation Committee Chairman Peter DeFazio, Rep. Sam Graves, House Transportation Committee Ranking Member; Jennifer Armstrong and Kathleen Williams, staff for Senate Appropriations Subcommittee on Energy and Water.

Speaking of the **FY20 E&WD bill**, the Senate Appropriations Committee unanimously passed the bill Sept. 12. The bill funds the Corps of Engineers and includes higher marks for O&M and construction projects, along with a "Regional Dredge Demonstration Program," which contains \$525 million to establish a dredge demonstration program in the Central Gulf of Mexico and Lower Mississippi River to dredge the LMR channel and "prevent openings of the Bonnet Carre Spillway."

The Senate's version of the bill is \$48.87 billion, or \$4.23 billion above FY19 enacted funding and \$10.8 billion above the President's budget request. The bill proposes to fund the Corps of Engineers at \$7.75 billion, \$751.5 million above the FY19 enacted level and \$2.786 billion above the President's budget request. By comparison, the House-proposed FY20 funding level for the Corps is \$7.36 billion, an increase of \$357 million above FY19's appropriated level and \$2.53 billion above the President's FY20 budget request.

The Senate bill for the sixth consecutive year makes full- use of the estimated annual revenues from the Inland Waterways Trust Fund (IWTF) and meets the spending targets set in WRRDA 2014 for appropriations from the Harbor Maintenance Trust Fund (HMTF) for the Corps of Engineers. The Senate also recommended \$2.795 billion for the Corps' Construction account or \$1.624 billion more than the President's FY20 request, and \$612.148 million more than the FY19 enacted level.

For the Corps' Operations & Maintenance (O&M) account, the Senate recommends \$3.799 billion, which is \$1.868 billion above the President's FY20 budget request, and \$59.472 million above the FY19 enacted level. The bill provides for six new construction starts subject to selection by the Secretary of the Army in the Work Plan to be released 60 days after enactment of the bill. The Mississippi Rivers and Tributaries (MR&T) account is proposed to receive \$368 million in FY20. The bill next heads to the Senate floor for final action by the full Senate, and then to Conference with the House on its previously-passed E&WD bill.

Emergency Appropriations Projects Announced by Corps

The Corps announced Sept. 26 the work that will be performed with funds provided in the Additional Supplemental Appropriations Disaster Relief Act, 2019 signed into law on June 6,

2019. The Emergency Supplemental provides a total of \$3.258 billion in five appropriations accounts: Investigations; Construction; Mississippi River and Tributaries (MR&T); Operation and Maintenance (O&M); and Flood Control and Coastal Emergencies. Of that amount, \$2.483 billion is provided for short-term repairs to projects and activities. The Corps will use the \$1 billion provided in the Flood Control and Coastal Emergencies account to repair damage resulting from natural disasters to 103 locally-owned flood risk management projects in eight states. It will use the \$908 million provided in the O&M account to repair damages to Corps' projects resulting from natural disasters and to perform emergency dredging of shoaled material deposited at Corps navigation projects by the disasters. These short-term repair funds will be used to address the priority O&M needs identified by USACE for 113 projects in 31 states and one territory. USACE will also use the \$575 million provided in the MR&T account to repair damages resulting from natural disasters to 10 projects in seven states.

The list of projects that will be funded to repair damages resulting from natural disasters is posted here: <https://www.usace.army.mil/Missions/Civil-Works/Budget/> as "Short-Term Repairs" under "Supplemental Appropriations for Disasters 2019."

Deadline for WRDA Requests Oct. 4

The Senate Environment and Public Works (EPW) Committee set Oct.4 as the deadline for Committee members to submit priorities for inclusion in the 2020 WRDA bill. Requests from non-EPW Committee Members will be received sometime in November.

Upcoming Events

Oct. 4: Maritime Roundtable Discussion with Congressman Garrett Graves and Ranking Member on the House Transportation & Infrastructure Committee Sam Graves in New Orleans.

Oct. 13-16: American Association of Port Authorities Annual Conference, Norfolk, Va.

Oct. 14-17: 93rd Annual International Convention and Conference of the International Propeller Club of the United States in New Orleans.

Oct. 17: Port Night – Memphis at the Peabody Hotel.

Nov. 5-7: Gulf Ports Association of the Americas Fall meeting in Lake Charles.