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PAL January 2021 Legislative Update 01/07/21
PAL Legislative Affairs Chairman Matt Gresham, Port NOLA

Fires, floods, hurricanes and a global pandemic, followed by economic slides marked 2020, which is now, thankfully, in the rearview mirror. While the challenges from the past year continue, we can all hope for a brighter 2021 and a return to some sense of normalcy.

Despite the New Year, it came with heavy hearts, as Congressman-elect Luke Letlow succumbed to complications from COVID-19 and was laid to rest the day before he was to be sworn into the 117th Congress. Letlow's former boss, Congressman Ralph Abraham, eulogized his friend and former chief of staff, saying Letlow "was a gentleman that cared about nothing but others...He was a true servant." While Letlow, 41, was poised to be the voice of a new generation in Washington DC, Louisiana lost another true servant the same week when former state Rep. Vic Stelly and his wife, Terry, both passed away from COVID-19 complications only hours apart. Gov. John Bel Edwards has called for a special election in the 5th Congressional District for March 20. Qualifying begins Jan. 20 and there is speculation Julia Letlow may run for her late husband's seat. Stay tuned.

Second District Race

The race to replace outgoing Congressman Cedric Richmond, D-New Orleans, who resigned to take an advisory role with the Biden Administration, will take place at the same time as above. So far, state Sens. Troy Carter and Karen Carter-Peterson are the major candidates who have announced. Sen. Cleo Fields announced this week that he would not seek the office. The Jan. 20-22 qualifying period will set the field for both the 2nd and 5th Districts.

2021 Regular Session

The 2021 Regular Session of the Louisiana Legislature does not convene until April 12, but it promises to be a doozy with high profile tax proposals and reform proposals in the works. Due to state rules that allow tax issue consideration only in odd years, many view the session as the prime opportunity for any real reform. Among the high profile efforts is the Louisiana Coalition to Fix Our Roads proposal to increase infrastructure revenue by raising the state fuel tax by staggered amounts over several years. State officials will also face the challenge of potentially steep budget deficits across the board due to COVID-19. Much will depend upon when or if Congress passes relief measures which aid state and local governments in the coming months. The link to the session's bulletin, which includes deadlines for filing and advertising legislation, is [here](#).

On the Hill...

As of this writing on Jan. 6, Rev. Raphael Warnock and Jon Ossoff will deliver the U.S. Senate to the Biden Administration, besting Republican incumbent Sens. Kelly Loeffler and David Perdue in Georgia runoff races. What does this mean? Likely a lot. The end of Sen. Majority Leader Mitch McConnell's reign, committee leadership and makeup changes across the board, and a move toward a more progressive agenda on Capitol Hill.

The outcome of these races paves the way for President Biden to deliver a more robust stimulus bill, likely funding state and local governments and delivering direct aid to taxpayers. Look for Biden and Congress to roll back many of the Trump Administration's policies much quicker than previously planned with control of both chambers, as well.

December Spending Bills

While the dust is settling on the politics and President-elect Biden is set to take office Jan. 20, there were many successes for the maritime industry in the final spending bills passed last month. Congress passed a more than 5,500-page, \$1.4 trillion omnibus spending measure and another \$900 million COVID-relief bill. Oh and the Water Resources Development Act and the Marine Transportation System Emergency Relief Program were passed and authorized, as well.

WRDA 2021

Congress kept its pledge to enact a WRDA bill every two year to keep water resources funding and projects on track. The bill contains significant projects for Louisiana ports, including:

- Port Fourchon Belle Pass Deepening Authorization.
- Houma Navigation Canal Deepening Authorization from 15 to 20 feet
- Baptiste Collette Deepening Authorization up to 24 feet.
- Language that allows the state to renegotiate terms on the federal hurricane protection system around New Orleans, which could save taxpayers upwards of \$1.3 billion.

The final bill included Harbor Maintenance Trust Fund funding assurances the American Association of Port Authorities fought for, including a way forward to access the \$9.3 billion in unspent HMT collections since its inception. Also included is directive language for the Corps to use HMTF funds on a percentage basis for emerging harbors, Great Lakes ports and for energy transfer and donor ports; however, the language provides wiggle room for the Corps to implement as they see fit.

Waterways Appropriations

Appropriations bills for the Corps realized record levels, as the agency's Civil Works program will receive \$7.795 billion, including:

- \$153 million for investigations.
- \$2.69 billion for construction.
- \$3.85 billion for operations and maintenance.
- \$380 million for the Mississippi River and Tributaries
- \$1.68 billion for HMTF – a \$50 million increase over 2020

Fiscal Year Grant Funding

The spending package also included robust funding for port and infrastructure grant programs:

- \$1 billion for BUILD grants.
- \$230 million for Port Infrastructure Development Program.
- \$100 million for DHS Port Security grants.
- \$90 million for the Diesel Emissions Reduction Program.

- \$10.8 million for America's Marine Highway program.
- \$375 million for CRISI rail grants.

COVID-19 Port Relief, MTSER

While ports were not included in the final 2020 COVID-relief package, AAPA will continue to advocate for funds to help the port and maritime industry going forward. House Transportation Chairman Peter DeFazio's Marine Transportation System Emergency Relief Program passed within the Defense bill and once appropriations are made the program will allow ports to be eligible for relief grants for operating expenses, debt service payments and infrastructure repair when affected by natural disasters, including the COVID-19 pandemic.

COVID-19 Vaccine Priority

Port, shipping and other transportation sectors are advocating for priority for COVID-19 vaccines. Maritime and transportation workers were deemed essential during the early phases of the pandemic. Federal agencies have listed maritime workers in the Phase 1C priority rank; however, the implementation of the vaccine and final authority rests on state and local officials.

Looking Ahead in 2021

It is still to be determined how the new Administration will tackle global trade issues. One win recently was convincing the Trump Administration to drop tariffs on mobile harbor cranes, which could have resulted in a 30 percent "tax" on foreign-made port equipment – much of which is not manufactured in the United States.

New cabinet secretaries and advisors, which are taking shape during the transition period, will impact many of these decisions. Former Indiana mayor and presidential candidate Pete Buttigieg will take over as Transportation Secretary from Elaine Cao. Former Michigan Governor Jennifer Granholm will serve as Energy Secretary and former Senator and Secretary of State John Kerry will serve as a "climate envoy" leading international climate talks.

Congress will also bring back earmarks and put the power of appropriations back within the elected body and away from bureaucrats for the first time in a decade. House Appropriations Chair Rosa DeLauro is a proponent of the measure.

Education and Advocacy

As with any new Congress and Administration, there is much education and advocacy needed to forward industry priorities. As such, AAPA will deliver documents to the members of the 117th Congress in the coming days highlighting the need for infrastructure investments, free trade policies, vaccine-prioritization for transportation workers, elimination of tariffs, and other issues. Member ports will receive these documents to share with state delegations in the coming days.

Upcoming "Meetings"

Jan. 14th

MARAD Administrator Adm. Mark Buzby will host a conference call for marine transportation leaders Jan. 14 from 2:30 – 4 p.m. CST. Many of you have received invitations for this call. The meeting will focus on status of personnel, crew, staff; recent operational disruptions if any; positive or negative sector trends; market impacts; new developments/procedures for preventing or handling virus outbreaks at terminals or facilities; recommendation for specific action requests of MARAD.

In Closing...

Just wanted to share a light-hearted advertisement that sums up 2020: a young lady with the online handle of “2020” meeting Satan on Match.com. View the ads below if you have not seen them. Cheers to a better 2021!

[Match.com](https://www.match.com)