

## September 2020 PAL Legislative Report

### ***PAL Legislative Affairs Chairman Matt Gresham, Port NOLA***

As Louisiana prepared to mark the 15<sup>th</sup> anniversary of Hurricane Katrina and the impending same anniversary of Hurricane Rita on September 18 amid an unprecedented global pandemic, along comes Hurricane Laura. The Category 4 (maybe a Cat 5 storm) packed winds of 150 mph when it roared ashore in the early hours of August 27, the strongest hurricane to make landfall in Louisiana in modern times. The storm decimated coastal communities and devastated the entire Lake Charles region.

Our friends and colleagues at the Ports of Lake Charles, West Calcasieu Port, Cameron Parish Port and Vinton Port are in need, as well. According to early estimates, the storm caused \$12 billion in damages. State offices in 16 parishes continue to be closed. Those include Allen, Beauregard, Calcasieu, Cameron, Grant, Jefferson Davis, LaSalle, Lincoln, Natchitoches, Ouachita, Rapides, Sabine, Union, Vernon and Winn.

Laura's impacts will be felt for months and years to come in southwest Louisiana and its effects will reverberate throughout State government as the long recovery period begins. President Trump visited the region Saturday and pledged the full backing of the federal government for relief efforts. Time will tell if it will be enough.

#### **Speaking of Relief Efforts**

A long list of groups, government entities and State and municipalities are growing louder in their need for funding in the next sought after COVID-relief bill. In Congress, September will be dominated by messy government funding fights and intertwined with brawling over COVID relief. After the dust settles, everyone will go home until after Election Day.

There are hopes that a relief bill would include the Coronavirus State and Local Financial Assistance Act, which U.S. Sen. Bill Cassidy co-sponsored. The bill would provide \$500 billion to local governments, which public port authorities could theoretically qualify.

Government funding and COVID relief could be paired this month, and it seems almost inevitable that both are wrapped into one package, which should pass by the end of September. **When the Senate** returns next week, they expect to vote on the GOP's "skinny" COVID relief bill. Everything, including timing, is subject to change, because this is a moving target. As of now, the measure does **not** include direct payment checks, but does include many of the other agreed-upon items like money for schools and unemployment benefits. This bill is not meant to become law, but rather to serve as a marker for where Senate Republicans stand when negotiations begin in earnest. There are, at most, 11 days in session for the two sides to pass government funding, and solve

the stimulus issue that has had Speaker **Pelosi and the White House** tied up for months. That is not much time. A deadline could force the two parties together. However, serious differences remain between **the two**. For example, Democrats want \$900 billion in state and local aid, and Republicans want around \$150 billion to \$200 billion. The two sides also are apart on school aid: Democrats want \$400 billion and Republicans are at \$105 billion. The frustrating issue for the port industry remains that despite nationwide and industry-wide efforts, there has been little talk of short-term port assistance during negotiations.

### **Port Request**

PAL supported the American Association of Port Authorities (AAPA) request for Congress to include \$1.4 billion in economic relief to public ports in future COVID Relief legislation. These funds could be used for operations, debt service, capital costs and revenue offsets to “maintain a state of readiness” and avoid layoffs, furloughs, and delayed capital improvements.

### **Cassidy’s Garage**

The Senator held a series of Zoom meetings last week with chambers of commerce and other business groups. Cassidy participated from his garage apartment in Baton Rouge, where he was quarantined dealing with mild symptoms of COVID-19. Cassidy joked he had hoped to make campaign calls and learn a new foreign language while holed up, but like most people ended up watching YouTube and Netflix.

### **House E&W Bill**

Prior to its August recess, the House approved a mini-omnibus of 10 appropriations bills, including funding for the U.S. Corps of Engineers. The Energy and Water Appropriations Bill included \$1.68 billion for HMT work, an increase from last year’s \$1.63 billion. It also included \$15 billion in emergency funding; \$10 billion for construction and \$5 billion for operations and maintenance work. The bill also includes \$90 million for the EPA’s Diesel Emissions Reduction Program, or DERA, \$3 million above last year.

### **Grant Funding from House**

The Transportation, Housing and Urban Development (THUD) part of the House appropriations bill includes funding for port grant programs. Those programs include Port Infrastructure Development Program \$300 million, increase of \$75 million compared to last year; Marine Highway Program \$14.75 million, up \$4.75 million; BUILD \$1 billion; Rail CRISI program, \$500 million, up \$175 million. Another positive note is BUILD awards to ports would no longer count against state caps. In addition, THUD would provide emergency funding to a number of these programs, including \$1 billion to PIDP, \$3 billion for BUILD and \$75 million for Marine Highways.

### **Senate Appropriations and CRs**

While the House has passed its group of appropriations bills, the Senate Appropriations Committee has not begun to mark up any of its bills and is unlikely to do so before the November elections. This would result in a Continuing Resolution to avoid a government shutdown by the end of the federal fiscal year (Sept. 30).

## **WRDA**

Committee staff from House T&I and Senate EPW have begun conference committee discussions on WRDA and committee staff were directed to do so as if it had already passed the full Senate. However, given little floor time between now and the elections, there remains the likely scenario the full WRDA bill could not be passed until after November.

One provision worth watching is from Chairman DeFazio that would enable the Corps to “spend down” the estimated \$10 billion unused balance of the HMTF without being counted under the domestic budget cap. This has long been supported by AAPA and Chairman DeFazio to spend the collected revenue on its intended purpose.

## **IHNC Lock Closure**

Beginning on Sept. 4, the planned 60-day closure of the Inner Harbor Navigation Canal Lock will commence. The closure will allow the Corps to dewater the lock and perform inspection and repairs to leaking chamber walls. For the duration of the closure, an alternate route has been established utilizing the Mississippi River Alternate Route. The Alternate Route will be completed by transiting via the Baptiste Collette Bayou Channel, through Breton and Chandeleur Sounds, as well as to and from the eastern reaches of the Gulf Intracoastal Waterway (GIWW) near its intersection with the Gulfport Ship Channel. The Alternate Route is marked with a mixture of physical and virtual Aids to Navigation and will serve as the primary means of navigation for east/west traffic along the GIWW during the planned closure.

Channel condition survey results are posted on the Army Corps of Engineers’ website at [http://hydrosurvey.mvn.usace.army.mil/navpgs/n\\_giww\\_chandeleur.asp](http://hydrosurvey.mvn.usace.army.mil/navpgs/n_giww_chandeleur.asp). Coast Guard Sector New Orleans will maintain a webpage containing links and current information pertaining to the Alternate Route located on Homeport under News and Events section at <https://homeport.uscg.mil/port-directory/new-orleans>. The Gulf Intracoastal Canal Association will also post information here: <https://www.gicaonline.com/ihnc-lock-closure/>

## **Jim Stark to Retire**

Jim Stark, the President of the Gulf Intracoastal Canal Association, announced on a Waterways Conference Inc. call this month that he would retire at the Association’s August 2021 convention. He has led GICA since 2010.

## **Upcoming “Meetings”**

While there are no real person-to-person meetings scheduled in the coming months, there have been changes to scheduled meetings.

- **2020 AAPA ANNUAL CONVENTION TOGETHER APART** a *Virtual Event* online **SEPTEMBER 21-23**. **More information:** <https://www.aapa-ports.org/browsebytopic.aspx?ItemNumber=21533&navItemNumber=20810>
  
- The fall meeting of the **Gulf Ports Association** in Tampa has been canceled due to the COVID virus and will hold its meeting virtually through Zoom on Thursday, October 29. More details to follow.
  - Note: If you made reservations at the Hyatt Tampa. Please cancel them now so you will not be charged for a no show.
  
- **WCI** will hold its Annual Meeting and Board meeting virtually on Nov. 10 and its 17<sup>th</sup> Annual Waterways Symposium virtually on Nov. 17.
  
- **National Waterways Conference** canceled its fall meeting in Houston and will hold its 60<sup>th</sup> Annual Meeting in a 1.5-day virtual setting on Nov. 9 and Nov 10.