

## February 2020 PAL Legislative Report

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

#### **House Releases Framework for Long Awaited Infrastructure Bill**

The Chairmen of three House Committees released a framework Jan. 29<sup>th</sup> for a **five-year, \$760 billion investment in infrastructure** that would address the country's infrastructure needs, from "the massive maintenance backlog, to designing safer streets, to putting the U.S. on a path toward zero emissions from the transportation sector and increasing resiliency."

The framework was released by House Transportation and Infrastructure Committee Chairman Peter DeFazio (D-OR), House Energy and Commerce Committee Chairman Frank Pallone (D-NJ), and House Ways and Means Committee Chairman Richard Neal (D-MA).

Among other things, the framework outlines major investments, including those in highways, rail, and transit systems, airports, ports, harbors and inland waterways, wastewater and drinking water infrastructure, brownfields, and broadband. No plan for funding the framework has yet been identified.

Main point for Ports is full utilization of the Harbor Maintenance Trust Fund:

- According to the Congressional Budget Office, it's anticipated HMT will collect \$10.2 billion over next five years, in addition to the current \$9.5 billion in unspent revenue still on the books.
- Also planned is more robust funding for grant programs, such as BUILD, INFRA, Port Infrastructure Development and MARAD America Marine Highways, with larger caps on project costs for more significant, transformational projects.

\$3 billion toward inland waterways projects.

\$19.7 billion for Harbor Maintenance Programs

- Ranking Member Brady (R-TX) suggested expanded use of the Harbor Maintenance Trust Fund by allowing ports to use 50 percent of user fees on multimodal investments.

The release of this plan is an initial framework or starting point and has a long way to go, especially when it comes to funding the plan, which could involve increase in fuel taxes, vehicle miles driven and/or other fees.

#### **President May Not Be Onboard for Big Spending Infrastructure Bill Per SOU Speech**

Two years ago, Trump stood in the House chamber and called on Congress to produce a \$1.5 trillion infrastructure bill. On Tuesday night, during this year's State of the Union and two years wiser about the ways of Washington, it became clear his sights are aimed much lower. The president called on Congress to "rebuild America's infrastructure" by passing the [Senate's surface](#)

[transportation bill](#), a \$287 billion reauthorization of the expiring FAST Act. **It may not be the most ambitious target**, but it's probably a more realistic goal than his previous proposal(s). The Senate bill is largely a continuation of highway policy as it's been done for decades, although it also has a first-ever climate title and buy-in from Democrats on the Environment and Public Works Committee.

### **Congress Moving Forward**

Now that the impeachment trial and State of the Union will be behind them, Congress may finally get back to the business of business.

Department of Transportation officials say to be on the ready for grant award notices for both Port Infrastructure Development grants by mid-February and CRISI grant awards by early March. In the spirit of political timing, these agencies may turnaround rather quickly and announce new grant notices in order to award another round of grants right before the 2020 election, when the President, some members of the Senate and House are up for reelection.

### **WRDA Begins Moving in Committee**

Chairman of Transportation and Infrastructure Peter DeFazio and Chair of the Subcommittee on Water Resources and Environment Grace F. Napolitano held a hearing titled, "Proposals for a Water Resources Development Act of 2020" on January 9.

The hearing provided members of the subcommittee the opportunity to review the U.S. Army Corps of Engineers 2019 Report to Congress on Future Water Resources Development and to identify future needs to inform the development of a new Water Resources Development Act, which the committee expects to develop and approve in 2020. Lieutenant General Todd T. Semonite, chief of engineers and commanding general of the U.S. Army Corps of Engineers provided testimony. Following the hearing, on January 17, DeFazio and Napolitano, along with ranking member of the House Committee on Transportation and Infrastructure Sam Graves and ranking member of the Subcommittee on Water Resources and Environment Bruce Westerman sent a letter to their colleagues urging them to finalize their priorities for WRDA 2020. The letter also announced the committee will hold a Member Day hearing on WRDA requests on February 27.

WRDA seems to be on the fast track as Congress is looking for a bi-partisan issue to support.

### **Corps Work Plan**

Corps officials are currently developing the fiscal year work plan for the additional funds they've received and hope to release it the same day the President's budget is released in mid-February.

### **Trade Agreements**

The USMCA, or NAFTA 2.0, has been signed by the President and still needs Canada and Mexico's signature and passage, but that is anticipated to go smoothly. The new trade agreement will bring predictability back to North America and allow the Administration to focus on deals with other nations such as Japan, United Kingdom and move along talks with China beyond the phase 1 agreement recently announced. The Phase 1 agreement with China highlights that country's commitment to purchase \$75 billion in manufactured goods, \$50 billion in energy, and

\$40 billion in services in exchange for a reduction in tariffs on Chinese imports. Stay tuned for more on this...

### **State House and Senate Committees Set**

New House Speaker Clay Shexnayder released his leaders and rosters of the House standing committees this week. And due to his Democratic support for the leadership post, five chairmanships were given to Democratic members; however, Republicans control the majorities, along with leadership position for key committees, such as Appropriations and Ways and Means.

Houma Republican Jerome “Zee” Zeringue will lead Appropriations, while Stuart Bishop from Lafayette will lead Ways and Means.

House Transportation will be led by two Democrats that are familiar faces on the committee. Rep. Vincent Pierre from Lafayette will chair the committee, while Ken Brass from Vacherie will serve as vice chair.

A full list of House committee rosters can be seen here:

[http://house.louisiana.gov/H\\_Reps/H\\_Reps\\_StandCmtees.aspx](http://house.louisiana.gov/H_Reps/H_Reps_StandCmtees.aspx)

On the Senate side, new Senate President Page Cortez, who previously served as Senate Transportation chair, named Port Allen Republican Rick Ward chairman of Senate Transportation. Sen. Bodi White of Baton Rouge will lead Senate Finance, while Sen. Brett Allain from St. Mary Parish will lead Revenue and Fiscal Affairs.

A full list of Senate Committee rosters can be seen here:

<http://senate.la.gov/Committees/default.asp>

### **2020 Regular Session**

The 2020 Regular Session of the Louisiana Legislature will convene March 9 and must end by 6 p.m. on June 1.

This is a general session and no measure levying or authorizing a new state tax, increasing an existing tax or tax exemptions, deduction or credits can be introduced or considered.

The full session bulletin can be viewed here:

[https://legis.la.gov/legisdocs/20RS/20RS\\_House\\_Bulletin.pdf](https://legis.la.gov/legisdocs/20RS/20RS_House_Bulletin.pdf)

We will monitor as bills are pre-filed and filed through the April filing date and keep membership apprised of measures impacting the port and maritime industry.

### **Governor’s Budget**

Governor John Bel Edwards must by law present an executive budget for next year to lawmakers Friday (Feb. 7). Lawmakers on the Revenue Estimating Committee came to an impasse on how much money the State has and Commissioner of Administration Jay Dardenne said he will use the economists' lower forecast on which to base the governor's budget. This will be an ongoing issue between Edwards and the Republican-controlled House and Senate.

We will, however, get a good sense of the Governor's priorities when the budget is released aside from the oft-mentioned early childhood education and teacher pay raises he has promised.

**Upcoming Events**

Feb. 12-14 - Waterways Conference Inc. 2020 Washington Meetings

Feb. 18-22 – Mississippi Valley Trade and Transport Council – Omni Royal Orleans, New Orleans

March 1-4 LTC Conference – River Center, Baton Rouge

March 9-11 - National Waterways Conference Legislative Summit, Madison Hotel, Washington DC

**Meetings On the Radar:**

March 17-19 AAPA Spring Meeting, Washington DC

April 1-2 – PAL Annual Conference – Bossier City

Oct. 28-29 - AAPA Energy and Environment Seminar – New Orleans