

Freight Investment Federal Policy

Background:

Our nation's seaports and harbors are gateways to domestic and international trade. More than 90 percent of the U.S. foreign trade moves through our nation's 300 seaports, representing 25 percent of the U.S. Gross Domestic Product. In Florida alone, this waterborne trade represents \$117.6 billion in total economic activity and generates more than 900,000 direct and indirect jobs. There has been a significant level of discussion and improvement concerning freight infrastructure funding on a federal level, including the creation of FASTLANE and TIGER grant funding programs. These federal programs, combined with freight mobility investments by Florida, have enabled our seaports to improve services to the Southeastern region of the U.S. and the world.

Current Issue:

Florida has invested more than \$1 billion in freight infrastructure at its seaports over the last six years. An additional \$600 million was proposed in the Florida Department of Transportation's five-year Seaport Work Program. The total five-year Florida Seaport Capital Improvement program, including both state and local funding, is over \$3.7 billion.

The Transportation Investment Generating Economic Recovery (TIGER) Grant Program provides grants for investment in road, rail, transit and port projects that promise to achieve critical national objectives. This program was one of the first federal programs to invest in port-related infrastructure.

The Fixing America's Surface Transportation Act (FAST Act) has two funding programs: 1) a fund for freight improvements on the designated national highway freight network; and, 2) a competitive grant (FASTLANE) program to assist states in funding nationally significant highway, bridge, and freight projects.

The Harbor Maintenance Trust Fund (HMTF) is meant to pay for harbor maintenance needs, but has not been fully used to fund those needs. The balance in the fund continues to grow and by the end of fiscal year 2017, the balance will be approximately \$9 billion. Full utilization of the funds collected for the Harbor Maintenance Trust Fund would address the nation's port maintenance requirements

Recommendations:

The Florida Ports Council recommends **at least 25 percent of TIGER grants be awarded to port-related infrastructure projects.**

The Florida Ports Council **supports the full enactment of the FAST Act freight funding provisions** – this includes fully funding the \$500 million FASTLANE grant program as well as the 10 percent set aside for smaller projects within the program.

The Florida Ports Council supports the **full utilization of the Harbor Maintenance Trust Fund (HMTF)** for Congressionally approved harbor navigational and maintenance projects.

Absent the full utilization of the Harbor Maintenance Trust Fund (HMTF), the Florida Ports Council recommends that **Congressional Appropriations Committees continue the practice of providing additional funds as they prepare the fiscal year 2018 spending legislation for the Army Corps of Engineers.** In the past, Army Corps budgets submitted to Congress have actually contained a decrease in funding from previous years. These additional funds are critical to projects in states like Florida that can match and leverage federal funds invested in Congressionally approved Army Corps projects.