



**COMMISSION
AGENDA MEMORANDUM
BRIEFING ITEM**

Item No.	<u>11a</u>
Date of Meeting	<u>January 9, 2024</u>

DATE: November 30, 2022
TO: Stephen P. Metruck, Executive Director
FROM: Eric Schinfeld, Sr. Manager, Federal and International Government Relations
SUBJECT: **Federal Legislative Agenda for 2024**

EXECUTIVE SUMMARY

Over the last twelve months, Port of Seattle government relations staff have worked with Commissioners, executive team members, and internal subject-matter experts to execute the Port's Commission-approved 2023 federal policy priorities. In partnership with our Congressional delegation and other public and private sector collaborators, the Port has been able to make substantial progress at the federal level in ways that tangibly benefit the Port, the region, and the users of our aviation and maritime facilities.

In particular, the Port's crowning achievement has been partnering with the near-airport cities to successfully advocate for the inclusion of a set of shared aircraft noise and emissions policies into the House and Senate versions of the FAA Reauthorization Act. The inclusion of Port priorities in the Senate FY24 Transportation Appropriations bill and the Congressional passage of MARAD Reauthorization were also victories. However, last year ended with a significant amount of unfinished work – including the final Congressional passage of the FAA Reauthorization Act, FY24 appropriations bills, and a farm bill, as well U.S. Treasury final guidance on the Inflation Reduction Act's sustainable aviation fuel blender's tax credit.

To that end, the Port's draft 2024 federal agenda represents a mix of efforts to finalize 2023 progress with new items that reflect emerging opportunities. All of our federal work falls within four categories of policy goals:

- Infrastructure and Transportation
- Decarbonization and Sustainability
- Community and Equity
- Trade, Economic Development and Workforce

The Port's proposed federal agenda is lengthy – with approximately 50 different priorities. Staff believes that the full list is achievable; however, as a way to communicate some level of prioritization, our top eight federal priorities can be summarized as follows:

- 1) Attract federal funding for our infrastructure and decarbonization efforts and other relevant programs
- 2) Support the continued transition to non-PFAS airfield firefighting foams
- 3) Secure sufficient federal staffing of our aviation and maritime facilities
- 4) Strengthen federal partnerships that support our sustainable aviation fuels and maritime decarbonization goals, particularly related to our green corridor efforts
- 5) Address permitting issues and backlogs that impede our ability to upgrade our facilities and do environmental mitigation work
- 6) Secure federal funding and partnerships to support Southern Resident Killer Whale restoration, including underwater noise efforts
- 7) Secure federal funding and partnerships to address aircraft noise and emissions issues

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- 8) Strengthen federal partnerships to address our equity priorities, including immigration reform and combatting human trafficking

Following Commission feedback on this draft legislative agenda, staff will revise and bring a final proposed agenda for full Commission approval. Staff will then begin engaging local and national partners to pursue the successful passage and implementation of these priorities.

FEDERAL LEGISLATIVE AGENDA

(Italics indicate new and/or updated item for 2024)

1) Infrastructure & Transportation

- **Sufficient Infrastructure and Transportation Funding**
 - a. **Pursue Grant Funding:** Work closely with federal partners to successfully apply for grant funding from the Bipartisan Infrastructure Law (BIL), as well as ongoing federal funding programs like RAISE, INFRA and PIDP; support local partner grants that are aligned with Port goals and interests.
 - i. *Take advantage of the provisions from last year's National Defense Authorization Act (NDAA) that extended authorization for PIDP to be used to fund infrastructure at "seafood cargo" facilities.*
 - b. **Maximize Harbor Maintenance Tax (HMT):** Secure implementation of the HMT reform provisions in the Water Resources Development Act of 2020. Secure appropriations for the HMT "donor port" program authorized under Section 2106 of the 2014 Water Resources Reform and Development Act to compensate for the current structure and impacts of the HMT.
 - c. **Increase Passenger Facility Charge Flexibility:** Continue efforts to raise the federal cap on the Passenger Facility Charge (PFC) from \$4.50 while maintaining the Port Commission's ability to determine whether or not to change the user fee based on locally determined needs and competitive dynamics.
 - d. **Move Forward on Army Corps Projects:** *Support design of the West Waterway portion of the Seattle Harbor Navigation Improvement Project, which will deepen the federal channels serving T-5 in Seattle Harbor; pursue approvals for early action to remove high spots in the waterway. Reach agreement with the US Army Corps of Engineers to develop a plan to begin design on the East Waterway portion of the project.*
 - e. **Fully Fund the Locks:** Support funding for continued federal operation and maintenance of the Hiram M. Chittenden Locks, as well as additional funding for priority, non-routine maintenance.
 - f. **Build Toward Domestic Content for Port Capital Projects:** Support flexibility in Buy America and other domestic preference requirements to provide time for US manufacturers to achieve the scale needed to meet new demand for port equipment, including zero-emissions equipment, and to make their production lines compliant with federal requirements.
 - g. **Support Transit & High-Speed Rail:** Support funding for sustainable transportation options, including transit infrastructure and operations, that can increase the availability and attractiveness of low-carbon travel options for Port passengers and employees. In particular, work with regional and statewide stakeholders to effectively compete for high-speed rail funding contained in the BIL.
 - h. **Support EV Infrastructure:** Work closely with federal partners to successfully apply for electric vehicle (EV) infrastructure funding in the BIL that may be available for the Port's aviation and maritime properties in order to incentivize the transition to greener forms

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of surface transportation. In addition, support funding for EV infrastructure located outside Port boundaries but proximate to Port aviation and maritime facilities.

- **Efficient and Safe Port Operations**

- a. **Expedite the Federal Transition from PFAS:** Engage with Congress and the Administration to speed the transition to non-fluorinated airfield fire-fighting foams. Advocate for federal support to help airports with the transition to these new foams, including the costs of replacing or cleaning current equipment.
- b. **Maximize TSA & CBP Staffing:** Continue to partner with U.S. Transportation Security Administration (TSA) and U.S. Customs & Border Protection (CBP) leadership for sufficient staffing to ensure efficient, safe, and healthy processing of passengers and cargo. Increase overall funding for TSA and CBP officers serving our aviation and maritime gateways.
- c. **Limit Federal Requests for Port Funding:** Pursue efforts to ensure the federal government resumes full responsibility for funding CBP services, equipment, and facility development.
- d. **Support Terminal 46 Planning:** Appropriately engage with key federal agencies in support of NWSA efforts to plan for future uses of Terminal 46.
- e. **Maximize Passenger and Airfield Innovations & Efficiencies:** Support TSA efforts to expand PreCheck, as well as additional technology solutions that maximize security and efficiency. Encourage expedited deployment of the Federal Aviation Administration's (FAA) Terminal Flight Data Manager (TFDM) airfield congestion management program at Seattle-Tacoma International Airport (SEA) in order to improve flow and efficiency on the airfield, reducing both delays and fuel-related emissions.
- f. **Maintain TSA LEO Reimbursements:** Preserve TSA funding for Law Enforcement Officer (LEO) reimbursement grants.
- g. **Improve UAS Integration and Detection:** Support federal efforts to improve the integration, detection, identification, and mitigation of drones in and around airports. Specifically, increase funding for unmanned aircraft systems (UAS) detection and mitigation, as well as extend UAS interdiction authority to trained state and local law enforcement agencies.
- h. **Support UAM/AAM Integration:** Encourage a consistent and predictable federal approach to urban air mobility (UAM) and advanced air mobility (AAM) deployment that creates widely agreed upon operating standards and appropriate integration into the National Airspace System.
- i. **Support the Jones Act:** Promote the Jones Act's crucial role in providing the institutional framework that helps keep the U.S. domestic maritime industry viable. Maintain limited flexibility to grant waivers from Jones Act regulations in extraordinary cases when domestic shipping capacity is insufficient to respond to a given need and when Puget Sound domestic maritime stakeholders validate that a waiver is necessary to support the vitality of their industry.

2) **Decarbonization & Sustainability**

- **Expanded Sustainable Aviation Fuel (SAF) Deployment**

- a. **Pursue Grant Funding:** Work closely with federal partners to successfully apply for grant funding from the Inflation Reduction Act's (IRA) Alternative Fuel and Low-Emission Aviation Technology Program and other relevant programs; support local partner grants that are aligned with Port goals and interests.
- b. **Ensure Alternative Calculation of Life Cycle Greenhouse Gas Emissions for SAF Tax Credits:** Support efforts by the federal Sustainable Aviation Fuels Lifecycle Analysis Interagency Working Group to finalize an updated version the U.S. Department of Energy's

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Greenhouse Gases, Regulated Emissions, and Energy Use in Technologies (GREET) model as the secondary methodology for calculating tax credits under the new SAF Blender's Tax Credit, as well as implement associated guidance from the U.S Treasury Department for implementation of this new model.

- c. **Increase Airport Revenue Flexibility:** Ensure clarity and authority for airports to use airport revenue and federal grant funding to support fuel switching, including support for the air quality and carbon reduction benefits of SAF.
 - d. **Fully Fund Federal SAF Investments:** Support federal funding for research on SAF, as well as for feedstock processing and fuel production facilities, from agencies including the U.S. Departments of Defense (DoD), Agriculture, Energy and Transportation.
 - e. **Implement DoD SAF Pilot:** Advocate for Joint Base Lewis-McChord to be selected for the SAF pilot included in the 2022 NDAA, as a means to further develop a regional SAF ecosystem.
 - f. **Ensure Strong SAF Support in the 2024 Farm Bill:** In particular, advocate for a new “Farm to Fly” Program to foster the capacity of alternative fuels to expand fuel resources for the aviation sector, bolster rural development and create new markets for America's farmers.
- **Maritime Decarbonization**
 - a. **Pursue Grant Funding:** Work closely with federal partners to successfully apply for funding for maritime decarbonization provisions of the BIL and IRA, as well as existing federal grants like PIDP; in addition, support NWSA efforts to apply for these funds, as well as any other local partner grants that are aligned with Port goals and interests – including Alaska cruise port efforts to apply for green corridor-related infrastructure.
 - i. *Take advantage of the provisions from last year's NDAA that extended authorization for PIDP to be used to fund shore power for cruise terminals, for ports that also operate cargo facilities.*
 - b. **Develop Green Corridor Partnerships:** Partner with the federal government to facilitate the sharing of best practices and other programmatic efforts to support implementation of the Washington-Alaska-British Columbia Green Cruise Corridor and the Busan-NWSA Green Shipping Corridor.
 - c. **Shape International Maritime Policy:** Engage with key federal stakeholders to effectively advocate for progress on maritime decarbonization policies for both cruise and shipping at the International Maritime Organization and other international organizations.
 - d. **Support Additional Domestic Ship Building Capacity:** *Work within existing federal programs and/or support the creation of new federal programs that can enhance domestic ship building capacity – particularly related to vessels that can utilize alternative maritime fuels and/or help transport clean energy like offshore wind turbines.*
 - e. **Promote Alternative Maritime Fuels:** *Support the addition of “fuel for ocean-going vessels” to the list of fuels that are eligible for the Renewable Fuel Standard.*
 - f. **Promote Hydrogen and Clean Marine Fuel Infrastructure:** *Work with partners to successfully invest federal funding for clean hydrogen projects, such as from the Pacific Northwest's Regional Hydrogen Hub program.* Advocate for new federal funding for infrastructure to support the use of hydrogen and low-carbon, sustainable maritime fuels at ports.
 - g. **Fully Fund DERA:** Support authorization and full funding for the U.S. Environmental Protection Agency (EPA) Diesel Emissions Reduction Act (DERA) program, which provides funding for emissions reduction programs.

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- h. **Support Offshore Wind Development:** Support key pieces of legislation that advance the offshore wind industry, particularly in ways that create opportunities for the Pacific Northwest to become a leader in manufacturing, assembly, deployment, and maintenance. Partner with local stakeholders to pursue federal funding contained within the IJA for offshore wind.
- **Puget Sound Restoration**
 - a. **Invest in SRKW Support:** Advocate for increased federal resources for Puget Sound and Southern Resident Killer Whale (SRKW) restoration, including funding to support habitat restoration, to sustain Chinook salmon populations and other species critical to SRKW recovery, to help clean up legacy sources of contaminants that affect SRKW, to better understand and reduce impacts of vessel- and marine construction-related underwater noise, and to manage stormwater runoff. Support appropriations for the Puget Sound Nearshore Ecosystem Restoration Project, the National Estuary Program, the Puget Sound Geographic Program, and the Pacific Coastal Salmon Recovery Fund.
 - b. **Pursue Grant Funding:** Work closely with local and federal partners to successfully apply for funding for SKRW restoration; in particular, pursue Coast Guard funding to assist ports in reducing impacts of vessel traffic and port operations on marine mammals.
 - c. **Fully Staff Federal Environmental Permitting:** Support increased regulatory staff funding for the U.S. Army Corps of Engineers, National Oceanic and Atmospheric Administration (NOAA) Fisheries and the U.S. Fish and Wildlife Service to reduce permit and mitigation bank approval backlogs.
 - d. **Implement Expedited Federal Environmental Permitting:** *Support implementation of reforms to federal regulatory processes to speed the approval and creation of NWSA and home port habitat sites.*
 - e. **Deauthorize a Small Portion of the Federal Channel Near Terminal 25 South for Environmental Remediation and Salmon Habitat:** *Pursue legislation to allow the Port of Seattle to conduct its environmental remediation and restoration around Terminal 25 South without being required by the U.S. Army Corps of Engineers to dredge that area to navigable depths, given that it is not currently maintained as such.*
 - f. **Engage Federal Agencies in SRKW Support:** Support federal agency involvement in the SRKW recovery effort and underwater noise reduction, including the by the Coast Guard, NOAA, and the Maritime Administration (MARAD).
 - g. **Oppose Unvetted Permitting Changes:** Oppose changes by the National Marine Fisheries Service to the process for permitting projects, which jeopardize ports' ability to fulfill their economic, environmental, and social missions. Advocate that such significant modifications to federal permitting regulations should be made only through an act of Congress or a formal rulemaking process.
 - h. **Invest in Kelp and Kelp Research:** Support new federal funding to enhance kelp forest ecosystem conservation, restoration, and management projects. Promote the use of these projects to better understand the environmental services that kelp provides.

3) Community & Equity

- **Welcoming Immigration Policies**
 - a. **Promote Immigration Reform:** Be a leading voice on immigration policies that ensure the Port, its partners, and its customers have the workforce to succeed in the global economy, and that immigrants and refugees are actively included in the opportunities that our region's economy provides.

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- b. **Support REAL ID Transition:** Coordinate with federal agencies on implementation of REAL ID, by the 2025 deadline including a public information campaign to support a smooth and fair transition. Strive to ensure that eventual full implementation matches national uptake so as to avoid major travel disruptions.
- c. **Make DACA Permanent:** Support permanent legal protections for immigrant children currently eligible for the Deferred Action for Childhood Arrivals (DACA) program.
- **Aircraft Noise and Emissions Policies and Funding**
 - a. **Support StART Priorities:** Advocate for Congressional passage of provisions included in the House and Senate versions of the FAA Reauthorization Act that were prioritized by the SEA Stakeholder Advisory Round Table (StART):
 - i. U.S. Representative Adam Smith’s Protecting Airport Communities from Particle Emissions Act;
 - ii. Representative Smith’s Sound Insulation Treatment Repair and Replacement Program Act;
 - iii. Creating a clear process and deadline for review and action on the FAA’s 65 DNL noise contour metric;
 - iv. Funding for the FAA’s Environmental Mitigation Pilot Program;
 - v. FAA support for new regional airport capacity.
 - b. **Address Indoor Air Quality:** Continue to explore the need for federal programs and funding to address indoor air quality near airports, particularly for schools and other facilities that are occupied by large groups of potentially sensitive populations.
 - c. **Provide Flexibility to SEA to Decide the Future of Nearby Port-Owned Parks:** Advocate for Congressional passage of the provision included in both the House and Senate versions of the FAA Reauthorization Act that provides SEA the option, if desired, to sell or preserve certain park parcels, even if federal dollars were used for their purchase.
 - d. **Fund Secondary Noise Insulation Analysis:** Advocate for Congressional passage of FY24 Senate Transportation Appropriations legislation that would fund a secondary noise insulation study
- **Other Equity-Related Policies**
 - a. **Promote Biometric Policy Changes:** Support federal legislation on biometric technology and associated data collection that balances operational needs with protections for privacy, equity, and civil liberties.
 - b. **Prevent Human Trafficking:** Partner with federal agencies to improve human trafficking prevention and intervention efforts.
 - c. **Support Policing Reforms:** Advocate for comprehensive federal policing reforms that further the goals of the Port Commission’s Task Force on Policing and Civil Rights, including addressing racial bias; excessive use of force; decertification; misconduct reporting, disciplinary review, and immunity protections; militarization; training; and other accountability, civil rights, and equity measures.
 - d. **Support “Reconnecting Communities” Initiatives:** Support efforts by the Port and local partners to attract BIL funding that can address and resolve environmental justice issues inequities caused by past transportation investments.

4) Trade, Economic Development & Workforce

- **Competitive Trade Policies**
 - a. **Promote Trade and Lower Barriers:** Advocate for productive engagement and negotiations that ensure a fair and level playing field for mutually beneficial trade; ensure

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that enforcement actions such as tariffs and quotas are a measure of last resort and, when necessary, be carefully and narrowly targeted to address the problem and minimize the unintended impacts on American producers and consumers.

- b. **Re-evaluate Tariffs:** Support re-evaluating and/or rescinding existing tariffs and other trade barriers. In particular, the United States should work with key trade partners in Asia to reduce tariffs in light of supply chain impacts, inflationary cost effects, and their overall strategic value relative to diplomatic and economic goals.
 - c. **Support New Trade Opportunities:** Advocate for new trade agreements that open new markets and level playing fields for Washington employers and others who use the Port as their international gateway, while creating verifiable, measurable, and enforceable standards to protect workers and the environment.
- **Economic & Workforce Development**
 - a. **Pursue Grant Funding:** Secure additional federal funding for key priorities within the Port’s economic development, tourism development, and workforce development programs; support local partner grants that are aligned with Port goals and interests.
 - b. **Support Drayage Drivers:** Support federal programs that help drayage truck drivers achieve better wages and working conditions.
 - c. **Support the North Pacific Fishing Fleet:** Support key federal priorities for the North Pacific fleet, including fishing fleet modernization and supporting infrastructure to address the impacts of climate change on the fishing industry.
 - d. **Promote Tourism:** Support federal efforts to increase and facilitate domestic and international tourism into Puget Sound region and Washington state, with a focus on sustainable tourism promotion opportunities.

ATTACHMENTS TO THIS PRESENTATION -

- (1) 2023 Federal Legislative Agenda
- (2) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- January 24, 2023 – The Commission approved the 2023 Federal Legislative Agenda.
- January 25, 2022 – The Commission approved the 2022 Federal Legislative Agenda.
- January 12, 2021 – The Commission approved the 2021 Federal Legislative Agenda.
- January 28, 2020 – The Commission approved the 2020 Federal Legislative Agenda.
- December 10, 2018 – The Commission approved the 2019 Federal Legislative Agenda.
- January 9, 2018 – The Commission approved the 2018 Federal Legislative Agenda.