

April 5, 2021

The Honorable Peter DeFazio, Chairman
U.S. House of Representatives
Committee on Transportation and Infrastructure
2134 Rayburn House Office Building
Washington, DC 20515

The Honorable Sam Graves, Ranking Member
U.S. House of Representatives
Committee on Transportation and Infrastructure
1135 Longworth House Office Building
Washington, DC 20515

The Honorable Salud Carbajal, Chairman
U.S. House of Representatives
Subcommittee on Coast Guard and Maritime Transportation
2331 Rayburn House Office Building
Washington, DC 20515

The Honorable Bob Gibbs, Ranking Member
U.S. House of Representatives
Subcommittee on Coast Guard and Maritime Transportation
2217 Rayburn House Office Building
Washington, DC 20515

Dear Chairmen and Ranking Members:

This joint letter from the maritime industry is for a significant issue borne from a catastrophic event in our nation's history. The event is the pandemic created by COVID-19. The issue is a request for \$3.5 billion in funding for the newly created Maritime Transportation System Emergency Relief Program (MTSERP). The signatories to this letter represent a majority of those entities eligible to apply to MTSERP for relief from the impact of the pandemic. Note that this is the first and, to date, only relief program available to the maritime industry.

MTSERP is significant for at least three reasons:

1. It permits emergency relief to both public and private eligible entities;
2. It covers all declared disasters that may occur, including tornados, earthquakes, fire, tsunamis, hurricanes, volcanic eruptions and the global pandemic COVID-19; and
3. It thoughtfully names over 40 different types of eligible public and privately owned entities. These categories include over 10,000 individual eligible applicants in the NAICS codes that are listed in the law.

If appropriated, the conservative request for \$3.5B is expected to be oversubscribed. Applicants for funding will include more than the expected public port authorities and privately owned marine terminal operators and stevedores. Based upon numerous conversations held in the past

six months, harbor pilots; US flag vessel owner/operators, including tugboat, towboat and barge operators, small passenger vessels, and others; firms providing reefer equipment; utility companies serving port needs such as cold ironing; and more will be submitting applications for emergency relief. A copy of the law is included within this letter, with eligibility language highlighted.

To date, this pandemic has lasted for over one year and will continue for an uncertain amount of time. We have come together to ask for your consideration in allocating \$3.5B in emergency appropriations for this program. As the only program for which the maritime industry can apply, we expect demand to be high. Thank you for your continued efforts and dedication to our nation during these unprecedented times.

Sincerely,

American Association of Port Authorities (AAPA)
American Pilots Association (APA)
American Waterway Operators (AWO)
Association of Ship Brokers and Agents
Big River Coalition (BRC)
California Association of Port Authorities (CAPA)
California Maritime Academy
Columbia River Steamship Operators' Association, Inc.
Consortium of State Maritime Academies
Dredging Contractors of America (DCA)
Florida Harbor Pilots Association (FHPA)
Florida Ports Council (FPC)
Great Lakes Maritime Academy
Inland River Ports and Terminals (IRPT)
International Propeller Club of the United States
Louisiana Maritime Association
Maine Maritime Academy
Marine Exchange of Puget Sound
Maritime Exchange for the Delaware River and Bay
Maritime Association of the Port of NY/NJ
Massachusetts Maritime Academy
National Association of Maritime Organizations (NAMO)
National Association of Waterfront Employers (NAWE)
National Maritime Safety Association (NMSA)
Pacific Maritime Association (PMA)
Pacific Merchant Shipping Association (PMSA)
Passenger Vessel Association (PVA)
Texas A&M Maritime Academy
Shipbuilders Council of America (SCA)
SUNY Maritime Academy
United States Maritime Alliance, Ltd. (USMX)
U.S. Great Lakes Shipping Association
Virginia Maritime Association (VMA)

Source for below text: <https://www.congress.gov/bill/116th-congress/house-bill/6395/text>
[Congressional Bills 116th Congress]
[From the U.S. Government Publishing Office]
[H.R. 6395 Enrolled Bill (ENR)]

H.R.6395
One Hundred Sixteenth Congress
of the
United States of America
AT THE SECOND SESSION

Begun and held at the City of Washington on Friday,
the third day of January, two thousand and twenty

SEC. 3505. MARITIME TRANSPORTATION SYSTEM EMERGENCY RELIEF PROGRAM.

(a) In General.--Chapter 503 of title 46, United States Code, is amended by adding at the end the following:

Sec. 50308. Maritime transportation system emergency relief program

(a) General Authority.--The Maritime Administrator may make grants to, and enter into contracts and agreement with, eligible State and Tribal entities and eligible entities for--

(1) the costs of capital projects to protect, repair, reconstruct, or replace equipment and facilities of the United States maritime transportation system that the Maritime Administrator determines is in danger of suffering serious physical damage, or has suffered serious physical damage, as a result of an emergency; and

(2) eligible operating costs of United States maritime transportation equipment and facilities in an area directly affected by an emergency during--

(A) the one-year period beginning on the date of a declaration of an emergency referred to in subparagraph (A) or (B) of subsection (j)(4); and

(B) an additional one-year period beginning one year after the date of an emergency referred to in subparagraph (A) or (B) of subsection (j)(4), if the Maritime Administrator, in consultation with the Administrator of the Federal Emergency Management Administration, determines there is a compelling need arising out of the emergency for which the declaration is made.

(b) Allocation.--

(1) In general.--The Maritime Administrator shall determine an appropriate method for the equitable allocation and distribution of funds under this section to eligible State and Tribal entities and eligible entities.

(2) Priority.--To the extent practicable, in allocating and distributing funds under this section, the Maritime Administrator shall give priority to applications submitted by eligible State or Tribal entities.

(c) Applications.--An applicant for assistance under this section shall submit an application for such assistance to the Maritime Administrator at such time, in such manner, and containing such information and assurances as the Maritime Administrator may require.

“(d) Coordination of Emergency Funds.--

“(1) Use of funds.--Funds appropriated to carry out this section shall be in addition to any other funds available under this chapter.

“(2) No effect on other government activity.--The provision of funds under this section shall not affect the ability of any other agency of the Government, including the Federal Emergency Management Agency, or a State agency, a local governmental entity, organization, or person, to provide any other funds otherwise authorized by law.

“(e) Grant Requirements.--A grant awarded under this section that is made to address an emergency referred to in subsection (j)(4)(B) shall be--

“(1) subject to the terms and conditions the Maritime Administrator determines are necessary;

“(2) made only for expenses that are not reimbursed under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) or any Federal, State, or local assistance program; and

“(3) made only for expenses that are not reimbursed under any type of marine insurance.

“(f) Federal Share of Costs.--The Federal share payable of the costs for which a grant is made under this section shall be 100 percent.

“(g) Administrative Costs.--Of the amounts available to carry out this section, not more than two percent may be used for administration of this section.

“(h) Quality Assurance.--The Maritime Administrator shall institute adequate policies, procedures, and internal controls to prevent waste, fraud, abuse, and program mismanagement for the distribution of funds under this section.

“(i) Reports.--On an annual basis, the Maritime Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the financial assistance provided under this section during the year covered by the report. Each such report shall include, for such year, a description of such assistance provided and of how such assistance--

“(1) affected the United States maritime transportation system;

“(2) mitigated the financial impact of the emergency on the recipient of the assistance; and

“(3) protected critical infrastructure in the United States.

“(j) Definitions.--In this section:

“(1) Eligible state or tribal entity.--The term ‘eligible State or Tribal entity’ means--

“(A) a port authority; or

“(B) a vessel owned and operated by a State or Tribal government and facilities associated with the operation of such vessel.

“(2) Eligible entity.--The term ‘eligible entity’ means a public or private entity that is created or organized in the United States or under the laws of the United States, with significant

operations in and a majority of its employees based in the United States, that is engaged in--

“(A) vessel construction, transportation by water, or support activities for transportation by water with an assigned North American Industry Classification System code beginning with 3366, 483, 4883, or 6113, or in the case of such construction, transportation, or support activities conducted by a fish processing vessel, such an assigned code beginning with 3117; or

“(B) as determined by the Secretary of Transportation--

“(i) construction or water transportation related to activities described in subparagraph (A); or

“(ii) maritime education and training.

“(3) Eligible operating costs.--The term ‘eligible operating costs’ means costs relating to--

“(A) emergency response;

“(B) cleaning;

“(C) sanitization;

“(D) janitorial services;

“(E) staffing;

“(F) workforce retention;

“(G) paid leave;

“(H) procurement and use of protective health equipment, testing, and training for employees and contractors;

“(I) debt service payments;

“(J) infrastructure repair projects;

“(K) fuel; and

“(L) other maritime transportation system operations, as determined by the Secretary of Transportation;

“(4) Emergency.--The term ‘emergency’ means a natural disaster affecting a wide area (such as a flood, hurricane, tidal wave, earthquake, severe storm, or landslide) or a catastrophic failure from any external cause, that impacts the United States maritime transportation system and as a result of which--

“(A) the Governor of a State has declared an emergency and the Maritime Administrator, in consultation with the Administrator of the Federal Emergency Management Administration, has concurred in the declaration;

“(B) the President has declared a major disaster under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170);

“(C) national emergency declared by the President under the National Emergencies Act (50 U.S.C. 1601 et seq.) is in effect; or

“(D) a public health emergency declared pursuant to section 319 of the Public Health Service Act (42 U.S.C. 247d) is in effect.”.

(b) Clerical Amendment.--The analysis for such chapter is amended by adding at the end the following:

“50308. Port development; maritime transportation system emergency relief program.”.

(c) Inclusion of COVID-19 Pandemic Public Health Emergency.--For purposes of section 50308 of title 46, United States Code, as added by subsection (a), the public health emergency declared pursuant to section 319 of the Public Health Service Act (42 U.S.C. 247d) resulting from the COVID-19 pandemic shall be treated as an emergency.