



COMMISSION
AGENDA MEMORANDUM

Item No.	<u>8d</u>
Date of Meeting	<u>January 9, 2018</u>

ACTION ITEM

DATE: January 2, 2018

TO: Dave Soike, Interim Executive Director

FROM: Pearse Edwards, Government Relations Director
 Eric Schinfeld, Sr. Manager, Federal & International Government Relations
 Ryan McFarland, Manager, Federal Government Relations

SUBJECT: 2018 Federal Legislative Agenda Approval

ACTION REQUESTED

Request Commission approval of the Port’s 2018 federal policy priorities and for staff to engage with federal officials in support of these priorities.

EXECUTIVE SUMMARY

Since January of this year, Port of Seattle government relations staff has worked with Commissioners, executive team members, and internal subject-matter experts to execute the 2017 maritime and aviation federal agenda approved at your January meeting. In one of the most unique years in federal government history, the Port has been able to both make progress on core, long-held priorities while simultaneously adjusting to the new realities that this Congress and Administration present. While many of the 2017 agenda items remain as part of the proposed 2018 agenda, a number of items have been reprioritized in reaction to local and national activity.

Staff presented the draft 2018 federal agenda to Commission on November 28, and have incorporated suggested changes below. Staff is now requesting approval of the 2018 federal legislative agenda.

PROPOSE FEDERAL LEGISLATIVE AGENDA

Priority Agenda Items

Portwide

- **Welcoming and Competitive Immigration & Trade Policies:**
 - a. Support permanent legal protections for immigrant children currently eligible for the Deferred Action for Childhood Arrivals (DACA) program.
 - b. Stay engaged in policy and legal decisions related to immigrants and refugees from countries targeted by the “travel ban” executive order.
 - c. Be a leading voice on immigration policies that ensure the Port, its partner and its customers have the workforce to succeed in the global economy.

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Aviation

- **Sufficient Infrastructure Funding and Flexibility:**
 - a. Advocate for more federal dollars for airport infrastructure projects, via a long-term FAA Reauthorization and/or a federal infrastructure investment package.
 - b. Provide leadership on 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.

- **Efficient and Safe Airport Operations:**
 - a. Support TSA efforts to increase the number of deployed passenger screening canine teams, while advocating for airports to be allowed to procure and train canines for local TSA use.
 - b. Preserve TSA funding for Law Enforcement Officer reimbursement grants.
 - c. Increase funding for Customs and Border Protection officers, as well as increasing allocation of current CBP officers to airport-specific jobs.

- **Increased Community Focus:**
 - a. Support and engage in federal efforts to study future regional air capacity.
 - b. Increase FAA responsibility for direct engagement with local communities near airports, both to respond to community concerns as well as inform residents of any proposed changes.
 - c. Confirm the eligibility of airport-area public schools for FAA AIP noise insulation grant funding.
 - d. Support efforts to have the FAA and other federal agencies research the relationship between aviation activity and ultrafine particulate emissions, as well as their associated impacts.
 - e. Support changes to regulations that would create greater flexibility for airports to address community needs – including workforce & economic development, Project Labor Agreements, and disadvantaged business contracting.

- **Expanded Aviation Biofuels Deployment:**
 - a. Ensure clarity and authority for airports to use airport revenue to support the air quality and carbon reduction benefits of fuel switching.
 - b. Seek new and expanded incentives for the development of relevant feedstock and production facilities.

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Maritime

- **Harbor Maintenance Tax (HMT) Reform:**
 - a. Continue efforts to reform the HMT to ensure US tax policy does not disadvantage US ports and to provide greater equity for HMT donor ports through expanded use of Harbor Maintenance Trust Fund revenues.
 - b. Support \$50 million appropriation for the “donor port” HMT rebate 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.

- **Fishing Fleet Modernization:**
 - a. Advocate for reforms to NOAA’s Fisheries Finance Program (FFP) that would remove prohibitions on loans and loan guarantees for the construction and reconstruction of fishing vessels and that would include safeguards that prevent overfishing, including limitations on the use of replaced vessels in international fisheries; support increasing the FFP loan authority, which is presently \$100 million annually.
 - b. Support other policies and programs that improve access to financing in order to facilitate modernization of the North Pacific fleet.

- **Seattle Harbor Deepening:**
 - a. Support authorization and appropriation for design and construction to deepen the federal channels serving T-18, T-30 and T-5.

- **Hiram M. Chittenden Locks Funding:**
 - a. Support funding for continued federal operation and maintenance of the locks, as well as additional funding for priority, non-routine maintenance like the filling culvert valve replacement.

- **National Freight Policy and Funding:**
 - a. Support implementation and increased federal funding for a strengthened national multimodal freight strategy and related grant programs, including continued authorization and funding for the TIGER Discretionary Grant program.

- **Terminal 5 Modernization Project:**
 - a. Support federal funding for the Terminal 5 Modernization Project to meet changing container industry requirements, ensure the long-term competitiveness of the gateway and meet our environmental and community goals.

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- **Safe and Efficient Cargo Screening:**
 - a. Support adequate Customs and Border Patrol (CBP) staffing levels to ensure efficient movement of cargo through the Puget Sound gateway. The port seeks increased federal funding for CBP staffing at maritime ports of entry and reforms to expedite the hiring of new CBP officers.
 - b. Pursue efforts to ensure that the federal government retains responsibility for funding CBP services, equipment and facility development.

- **Puget Sound Restoration:**
 - a. Support increased federal resources for Puget Sound restoration, including 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.

Additional Priority Issues the Port of Seattle is Supporting or Engaging on:

Port-wide

- **Sufficient Infrastructure Funding and Flexibility:**
 - a. Participate in relevant discussions with key members of Congress regarding overarching changes to current US tax code as it relates to solutions that would create revenue to fund infrastructure programs, reduce Port bond financing costs and address the competitive imbalances caused by the Harbor Maintenance Tax.

- **Welcoming and Competitive Immigration & Trade Policies:**
 - a. Advocate for trade policies that open new markets and level playing fields for Washington employers and others who use the Port as their international gateway, while creating verifiable, measureable and enforceable standards to protect workers and the environment.

- **Increased Community Focus:**
 - a. Secure additional federal funding and policies that support and enhance the Port's economic development, tourism development and workforce development programs.
 - b. Ensure federal support for efforts to improve the environmental impact of the Port's maritime and aviation activities, including funding for the port's emissions reduction and water quality programs.
 - c. Partner with federal agencies to improve human trafficking prevention and intervention efforts.

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Aviation

- **Sufficient Infrastructure Funding and Flexibility:**
 - a. Ensure that federal agencies and members of Congress are supportive of in-progress (such as NorthStar and IAF) and future (including SAMP and South Satellite) capital projects and plans.
- **Efficient and Safe Airport Operations:**
 - a. Oppose changes to our nation’s Air Traffic Control (ATC) system that 1) negatively impact a fully functioning statewide airport ecosystem; 2) create uncertainty or reduction in job quality for current federal employees; 3) reduce responsiveness to community needs related to aircraft impacts; and 4) reduce funding and long-term investment predictability for ATC infrastructure.
 - b. Encourage FAA to provide structure and systemic context to safety management, and to require airports to establish and maintain a Safety Management System to manage airfield risk.
- **Increased Community Focus:**
 - a. Ensure federal support for a broad range of innovative strategies to offset the local air quality impacts and greenhouse gas emissions associated with increased air traffic growth.
- **Welcoming and Competitive Immigration & Trade Policies:**
 - a. Coordinate with federal agencies on a reasonable timeframe for implementation of REAL ID.

Maritime

- **Diesel Emissions Reductions and DERA:**
 - a. Support authorization and full funding for the EPA Diesel Emissions Reduction Act (DERA) program, which provides funding for emissions reduction programs.
- **Pebble Mine at Bristol Bay:**
 - a. The Port of Seattle Century Agenda commits the Port to actions and policies to ensure the long-term vitality of the Northwest fishing industry and to being the greenest, most energy efficient port in North America. The EPA has determined the proposed Pebble Mine at Bristol Bay would jeopardize one of the world’s last wild salmon nurseries, a finding the fishing industry has endorsed. The Port believes the proposed activity is inconsistent with its Century Agenda goals. The Port of Seattle opposes mining activity and other development proposals in the Bristol Bay watershed that put Bristol Bay fisheries at risk.
- **Jones Act:**
 - a. Support the Jones Act and its crucial role in providing the institutional framework that helps keep the US domestic maritime industry viable. The Port endorses maintaining limited flexibility to grant waivers from Jones Act regulations in extraordinary cases when domestic shipping capacity is insufficient to respond to

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a given need and when Puget Sound domestic maritime stakeholders validate that a waiver is necessary to support the vitality of their industry.

Additional Priority Issues the Port of Seattle is Monitoring:

Port-wide

- **Increased Communities Focus:**

- a. **Local Government Partnerships:** Play a supportive role on key federal priorities of our local partners that have a Port nexus, such as increasing federal funding for homelessness & housing affordability, securing federal transportation investments, and policies that improve the environment and quality of life for our region’s residents.

Aviation

1. **Efficient and Safe Airport Operations:**

- a. Support TSA efforts to expand PreCheck, as well as additional technology solutions – such as self-service/remote bag drop – that maximize security and efficiency.

2. **Increased Community Focus:**

- a. Follow the potential 2018 release of the comprehensive, multi-year FAA study evaluating changes to the current 65 DNL standard for noise mitigation.

Maritime

- **Goods Movement User Fees:**

- a. Support the concept of establishing a sustainable source for freight infrastructure and monitor individual user fee proposals to ensure that 1) fees should not hurt the competitiveness of the Northwest trade corridor relative to others in North America; 2) fees should be mode neutral; and 3) funds should spent on improvements that benefit users who pay the fees and not diverted to other uses.

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides
- (2) 2017 Federal Maritime Agenda
- (3) 2017 Federal Aviation Agenda

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

October 10, 2017 – The Commission was briefed on the 2018 State Legislative Agenda.

October 24, 2017 – The Commission authorized staff to pursue legislative priorities during the 2018 state legislative session.

November 28, 2017 – The Commission was briefed on the 2018 Federal Agenda.