



Maritime Administration (MARAD) Office of Ports & Waterways

Mission & Program Overview to the PAAC

September 13, 2022



Secretary of Transportation
Hon. Pete Buttigieg

The mission of the **Department of Transportation** is to: Ensure our nation has the safest, most efficient and modern transportation system in the world; that improves the quality of life for all American people and communities, from rural to urban, and increases the productivity and competitiveness of American workers and businesses.

MISSION: In Peace and In War

Strengthen the U.S. maritime transportation system including infrastructure, industry and labor to meet the economic and security needs of the Nation.

STRATEGIC GOALS

- **MARITIME CAPABILITIES:** Develop domestic and international transportation opportunities to modernize and sustain a competitive commercial U.S.-flag fleet that ensures the Nation's economic and national security
- **MARITIME READINESS:** Ensure the availability of a capable U.S. Merchant Marine fleet with modern U.S.-flag vessels, skilled labor and global logistics support to drive the Nation's economy and to meet national maritime transportation requirements in peacetime emergencies and armed conflicts. Drive innovation in the maritime industry.
- **INFRASTRUCTURE:** Support the development of America's ports, shipyards and related intermodal infrastructure as key integrated components of an efficient, resilient and sustainable national transportation system and freight network
- **ADVOCACY:** Advance awareness of the necessity and importance of a strong U.S. Maritime Transportation System

MISSION:

Improve the Maritime Transportation System, including Ports, Connectors and Marine Highways through Investment, Integration and Innovation to meet the current and future needs of the Nation.

VISION:

A capable, connected system – water, road and rail – to benefit every American.



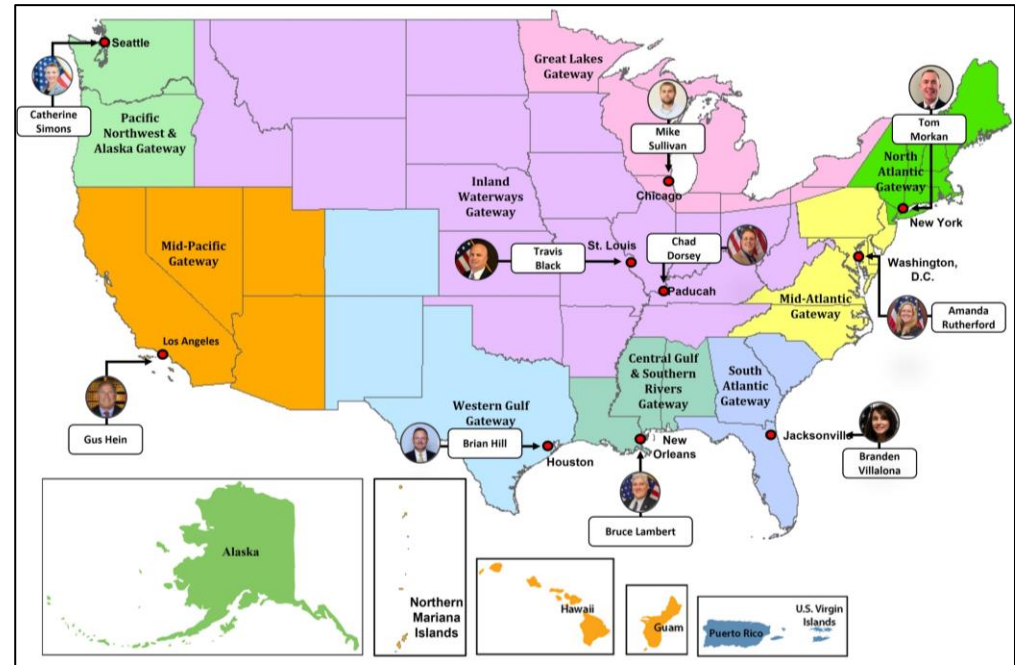
Critical Tasks:

- Port infrastructure
- Maritime & Intermodal Outreach

Mission Essential Tasks:

- The Deepwater Port (DWP) Licensing Program
- The Port Conveyance Program
- Port Infrastructure Development Program (PIDP)
 - PIDP Grant Program
 - Port Development & Intermodal Planning Program
- America's Marine Highway Program (AMHP)
- Federal Assistance Education & Engagement
- Maritime Transportation System National Advisory Committee (MTSNAC)

- **10 Offices – Outreach and engagement with:**
 - Port Authorities
 - Terminal Operators
 - Carriers
 - Rail roads
- **Day-to-day presence throughout the Maritime Transportation System**
- **Subject Matter Expertise**
 - Intermodal System
 - ✓ Connectors, Cargoes & Carriers
 - Commodity Sectors
 - ✓ Petroleum & Liquid Bulk
 - ✓ Agricultural Exports
 - ✓ Breakbulk & Project Cargo
 - Operational Sectors
 - ✓ Inland Waterways
 - ✓ Offshore Services Sector



- Functional Sectors
 - ✓ Infrastructure Finance & Grants
 - ✓ Transportation Planning & Development
 - ✓ Ice Breaking
 - ✓ Dredging & Aids to Navigation
 - ✓ Port Congestion
 - ✓ Transportation Disruption & Recovery
 - ✓ Data Driven Decision-making

The Office of Port Infrastructure Development was established to assist with port, terminal, waterway, and transportation network development issues and to develop supporting infrastructure for port and freight facilities and transportation needs through Federal assistance programs to include discretionary grants and loan programs.

Additionally, the office provides port investment assistance where viable, as well as reports to inform future financial decisions and provide budgetary transparency.



- **Marine Highway Program**

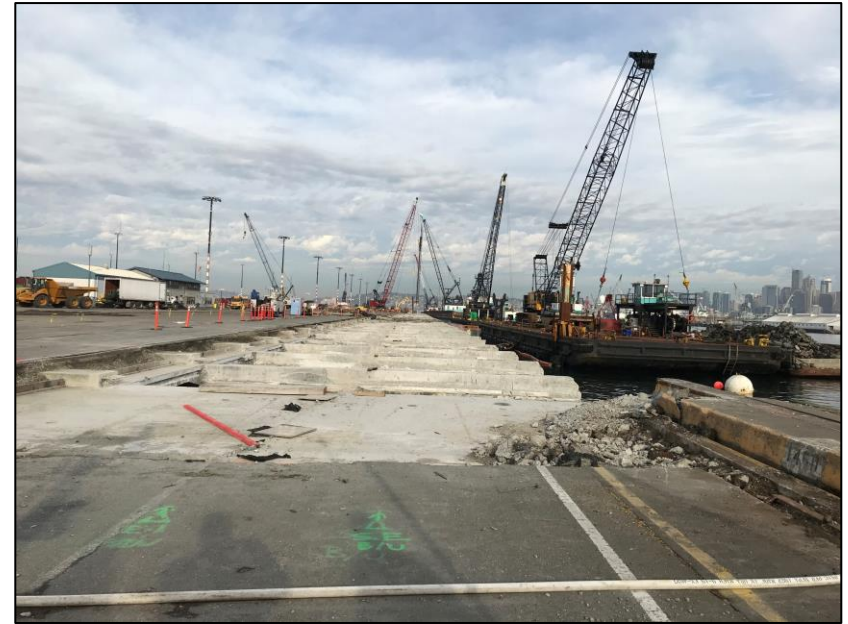
- ✓ Approve, direct and administer the Maritime Administration's Marine Highway Program Designation Process and Grant pre-award activities
- ✓ Encourage the use of available capacity in our nation's waterways to supplement congested landside routes for the transport of freight

- **Port Development & Intermodal Planning Program**

- ✓ Promote the development and improved utilization of ports and port facilities including intermodal connections, terminals and distribution networks for the reduction of traffic congestion
- ✓ Support development in advances of technologies, innovations, and applications for increasing waterborne transportation throughput, port readiness and resiliency etc
- ✓ Conduct outreach, providing materials, training, technical information and advice to internal and external maritime stakeholders

Grant Programs

- RAISE: Rebuilding American Infrastructure with Sustainability and Equity (old TIGER/BUILD)
- INFRA: Infrastructure for Rebuilding America (Freight)
- PIDP: Port Infrastructure Development Program
- AMH: America's Marine Highway Program



Loan Programs

- TIFIA: Transportation Infrastructure Finance and Innovation Act
- RIFF: Railroad Rehabilitation & Improvement Financing

- The PIDP, now in its fourth year, was established in FY2019 under 46 U.S.C. Section 50302
- The program works to improve the safety, efficiency or reliability of the movement of goods through ports and intermodal connections to ports
- To date, 58 grants have been awarded totaling more than \$713 million for projects in **25 States and 2 Territories**
- PIDP grants can be awarded to coastal seaports, inland river ports, or Great Lakes ports
- Consistent with the R.O.U.T.E.S. Initiative, the Department may consider how projects will address the challenges faced by rural areas under the PIDP
- **Under the Bipartisan Infrastructure Law, the PIDP has received \$450 million per year for FY22 – FY26**
- **Under the FY2022 Consolidated Budget Act the PIDP has received \$234 million**

RAISE Grant (Previously TIGER/BUILD)

- \$1 Billion available this year
- Provides Federal grant funding assistance to support the planning, construction, or reconstruction of infrastructure.
- \$8.9 billion awarded since program grants began in 2009.
- Highway, transit, railroad, intermodal, and port projects are all eligible for assistance.
- Grants may fund up to 80% of project costs in an urban area and up to 100% of project costs in rural areas (with approval of the Secretary of Transportation).
- The maximum grant award is \$25 million; the minimum grant award is \$5 million (urban area) and \$1 million (rural area).
- Not more than \$100 million can be awarded to a single State.

- **\$30 million available for planning grants with \$10 million of that amount designated for Areas of Persistent Poverty.**

- **Eligible Applicants**
 - State and/or local governments
 - Transit agencies
 - Port authorities
 - A collaboration of such entities

- **Eligible Projects**
 - Highway or bridge projects under Title 23 U.S.C.
 - Public transportation projects under Ch. 53, Title 49 U.S.C.
 - Passenger and freight rail transportation projects
 - Port infrastructure investments (incl. inland ports)

■ Grant evaluation (merit) criteria

- Safety
- Environmental Sustainability – new climate change and environmental justice technical review criteria
- Quality of Life – new racial equity and barriers to opportunity technical review criteria
- Economic Competitiveness
- State of Good Repair
- Partnership – new racial equity and barriers to opportunity technical review criteria
- Innovation

■ Other considerations

- Project readiness
- Project cost and benefits (BCA)
- Geographic diversity
- 50/50 distribution of grants to urban and rural areas

■ What is the INFRA Grant Program?

- INFRA Grants (known statutorily as the Nationally Significant Multimodal Freight & Highway Projects) awards competitive grants for multimodal freight and highway projects of national or regional significance to improve the safety, efficiency, and reliability of the movement of freight and people in and across rural and urban areas.

■ Eligible applicants for an INFRA grant?

- a State or group of States;
- a metropolitan planning organization that serves an urbanized area (as defined by the Bureau of the Census) with a population of more than 200,000 individuals;
- a unit of local government or group of local governments;
- a political subdivision of a State or local government;
- a special purpose district or public authority with a transportation function, including a **port authority**;
- a tribal government or a consortium of tribal governments;

■ What is the Mega program?

- The Mega Program (known statutorily as the National Infrastructure Project Assistance program) will support **large, complex projects** that are difficult to fund by other means and likely to generate national or regional economic, mobility, or safety benefits.
- **Funding Amount:** \$5,000,000,000 (total available FY22 – FY26)
- **Eligible Uses include —**
 - a highway or bridge project carried out on—
 - the National Multimodal Freight Network of title 49, United States Code;
 - the National Highway Freight Network, United States Code; or
 - the National Highway System, United States Code;
 - a freight intermodal (**including public ports**) or freight rail project that provides a public benefit;
 - a railway-highway grade separation or elimination project;
 - an intercity passenger rail project

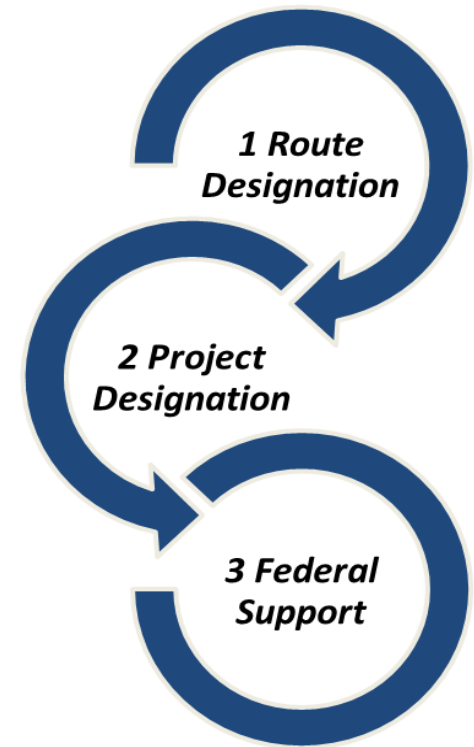
What is the Rural Grant Program?

- The Rural Surface Transportation Grant Program will support projects to improve and expand the surface transportation infrastructure in rural areas to increase connectivity, improve the safety and reliability of the movement of people and freight, and generate regional economic growth and improve quality of life.
- **Funding amount:** \$2,000,000,000 (total available FY22 – FY26)
- Highway, bridge, or tunnel projects eligible under the National Highway Performance Program, Surface Transportation Block Grant Program, or the Tribal Transportation Program; highway freight project eligible under the National Highway Performance Program; highway safety improvement project; **project on a publicly-owned highway or bridge improving access to certain facilities that support the economy of a rural area;** integrated mobility management system, transportation demand management system, or on-demand mobility services

- Notice of Funding Opportunity (NOFO) Published 3 March 2022 for BIL funding (\$25 M) - Original deadline 29 April 2022
- NOFO amended 26 April 2022, adding Appropriations funding (\$14,819,000)
 - New deadline of 17 June 2022
 - Total NOFO amount is \$39,819,000
 - Total funding available for awards under this NOFO is \$38,624,430 (minus grant administration and oversight)
- Awards were announced in September.

- The Marine Highway System consists of the **vast majority of the Nation's navigable waterways**
- Includes inland waterways, coastlines, U.S. territories, and the Great Lakes/St Lawrence Seaway System
- The Marine Highway Program has three steps:
 1. Designating Marine Highway Routes
 2. Designating Marine Highway Projects
 3. Awarding Marine Highway Grants*

** Grants can be used to alleviate the upfront capital risk associated with starting new services...*



- Educates and graduates USCG credentialed mariners with officer endorsement (About 225-250/year)
- Issues Bachelor of Science degree, U.S. Coast Guard credential, and commission in the U.S. Armed Forces
- USMMA Grads make up
 - 25% of licensed officers in the U.S. merchant marine
 - 75% of licensed mariners with military obligations

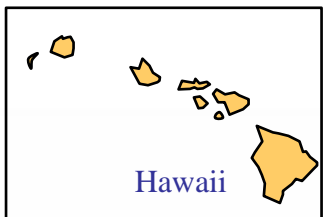
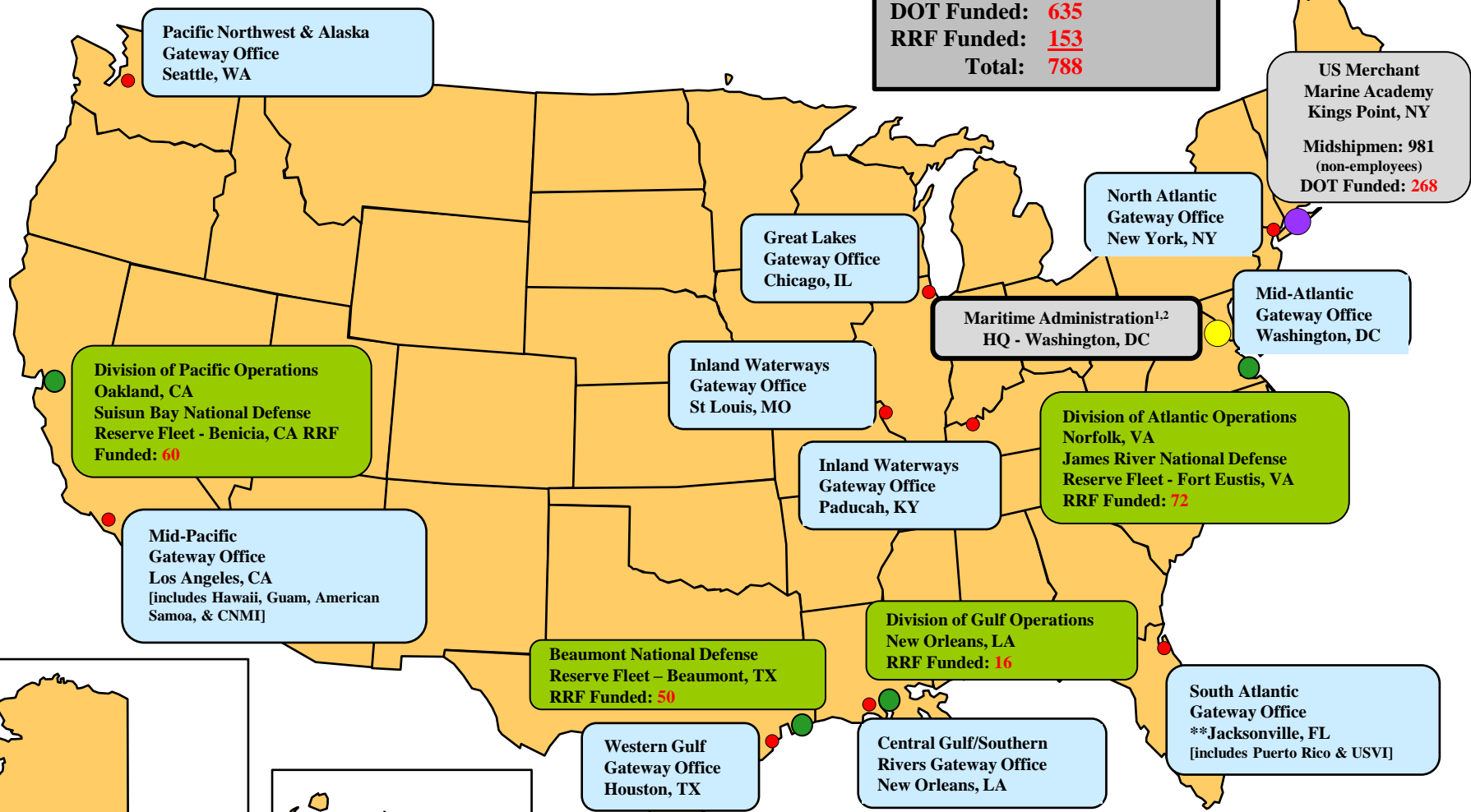


- MARAD provides training vessels and limited funding to SMAs in California, Maine, Massachusetts, Michigan, New York and Texas
- Provide education for men and women who wish to serve in the American merchant marine
- Collectively provide 70% of licensed officers in the U.S. merchant marine



MARAD Main Locations

Total Number of Positions
 DOT Funded: **635**
 RRF Funded: **153**
 Total: **788**



Key

- = Gateway Office
- = Fleet Office
- = US Merchant Marine Academy
- = Maritime Administration HQ

Notes:
 1. Joint Chiefs of Staff DoD LNO, Pentagon
 2. U.S. TRANSCOM LNO, Scott AFB, Illinois
 ** Office recently moved from Miami, FL

RRF/NDRF/Training Ships

- RRF consists of 41 cargo ships
 - 41 vessels in a 5-day readiness status
 - Pre-positioned around the United States
 - Average age 46

- NDRF consists of 32 ships no longer completely useful, but kept in retention
 - Stored in VA, TX, and CA
 - Placed in line for dismantling and sale upon downgrade

- 8 NDRF vessels used for training as training ships for our academes in ME, MA, NY(2), TX, MI, CA, and including training facility in MD.



Ready Reserve Force Locations

**5 and 10 Day Vessels: R - RO/RO (35) T – TACS (5)
 A – TAVB (2)
 Readiness: -5, -10 days from notice to activate**

Tacoma, WA (2)
 R-5 - CAPE INTREPID
 R-5 - CAPE ISLAND

Philadelphia, PA (1)
 A-5 - WRIGHT

Suisun Bay (0)
 OP-10 – PETERSBURG

Baltimore, MD (4)
 R-5 - CAPE WRATH (Pier 6)
 R-5 - CAPE WASHINGTON (Pier 6)
 R-5 - ANTARES (Pier 8)
 R-5 - DENEbola (Pier 8)

San Francisco, CA (5)
 R-5 - CAPE HORN (Pier 50)
 R-5 - CAPE HUDSON (Pier 50)
 R-5 - CAPE HENRY (Pier 96)
 R-5 - ALGOL (Pier 80)
 R-5 - CAPELLA (Pier 80)

Newport News, VA (2)
 T-5 - CORNHUSKER STATE (Pier 23)
 T-5 - FLICKERTAIL STATE (Pier 23)
 T-5 - GOPHER STATE (Pier 23)

Alameda, CA (4)
 R-5 - ADM CALLAGHAN (Pier 2 S)
 R-5 - CAPE ORLANDO (Pier 1 S)
 T-5 - GEM STATE (Pier 2 S)
 T-5 - GRAND CANYON ST (Pier 2 S)
 T-5 - KEYSTONE STATE (Pier 2 S)

Portsmouth, VA (3)
 R-5 - CAPE RACE
 R-5 - CAPE RAY
 R-5 - CAPE RISE

Port of Beaumont (3)
 R-5 - CAPE TAYLOR
 R-5 - CAPE TEXAS
 R-5 - CAPE TRINITY

Norfolk, VA (0)
 S-5 - CAPE MAY

Oakland, CA (0)
 S-5 Cape Mohican

MARAD Layberth Facility (4)
 Berth 1: TBD & TBD
 Berth 2: TBD & TBD
 Berth 3
 R-5 REGULUS
 R-5 POLLUX
 Berth 4:
 R-5 - CAPE VICTORY
 R-5 - CAPE VINCENT

Marrero, LA (2)
 R-5 - BELLATRIX
 R-5 - ALTAIR

New Orleans, LA (2)
 R-5 - CAPE KENNEDY
 R-5 - CAPE KNOX

Long Beach, CA (2)
 R-5 - CAPE INSCRIPTION
 R-5 - CAPE ISABEL

Charleston, SC (6)
 R-5 - CAPE DUCATO (Pier S)
 R-5 - CAPE EDMONT (Pier S)
 R-5 - CAPE DIAMOND (Pier T)
 R-5 - CAPE DOUGLAS (Pier T)
 R-5 - CAPE DECISION (Pier U)
 R-5 - CAPE DOMINGO (Pier U)

San Diego, CA (1)
 A-5 - CURTISS

Beaumont Reserve Fleet, TX (0)

■ MSP:

- 60 military useful ships
- Actively sailing internationally
- All receive a government stipend (\$5.23M in FY 2021)
- Access to worldwide networks of intermodal transportation
- Best value for DoD transport capability
- 25 Internationally trading non-MSP ships

■ Cargo preference

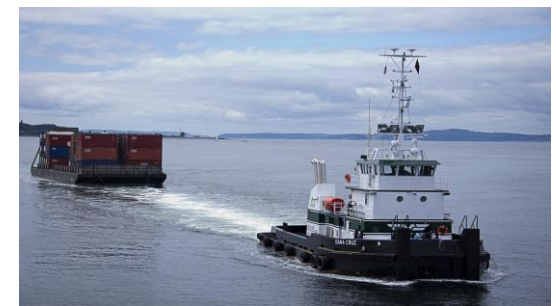
- 100% of Military cargo must be transported on U.S.-flagged ships.
- At least 50% of U.S. food aid and other Government civilian agencies must be transported on U.S.-flagged ships.
- Export-Import Bank cargo is generally 100% transported on US flagged ships.

■ Jones Act

- 100% of domestic cargo and passengers (between U.S. ports) must be transported on U.S.-flagged, U.S.-built, U.S.-owned, and U.S.-crewed ships

■ Future Programs

- Cable Security Fleet Program
 - Includes \$10M for two cable repair vessels in FY 2021
 - To be retained at an annual cost of \$5M each for up to FY 2035
- Tanker Security Program
 - For 10 handy-size product tankers at \$6M for up to FY 2035



An American Jobs Machine:

- Nearly 650,000 American jobs
- \$54 billion in GDP

Initiatives:

- Defend the Jones Act
- Invest in America's Marine Highways
 - \$33 million in competitive grants



Ship Disposal Program

MARAD is the disposal agent for Federally-owned merchant-type ships >1,500 gross tons

Dismantling/recycling of non-retention worst-condition NDRF ships, as well as vessels from other Federal agencies transferred to MARAD for disposition, is the most expedient, cost-effective and environmentally safe disposal method available

- *Non-retention NDRF ships in MARAD's 3 fleet anchorages; awaiting disposal, at historic low #*
- *Navy/Military Sealift Command is largest provider of vessels to MARAD for disposal*

Ship recycling using MARAD-qualified domestic ship recycling facilities

- *Competitive solicitations for award of fixed-price best value sales, or*
- *Fee-for-service recycling contracts when:*
 - *Collapsed scrap steel market results in no vessel sales*
 - *Recycler's dependent on service contracts to subsidize costs*

MARAD uses 5 qualified ship recycling facilities located in Texas (3) and Louisiana (2)

- *Qualified Recycler base has decreased due to market factors*

The Office of Deepwater Port Licensing & Port Conveyance is responsible for the formulation, direction, and coordination of national policies designed to evaluate and render decisions on proposals for the construction and utilization of deepwater port oil and natural gas import and export facilities.



The Office also administers the Port Conveyance Program which transfers surplus Federal property to eligible state and local governments for the development or operation of a port facility.

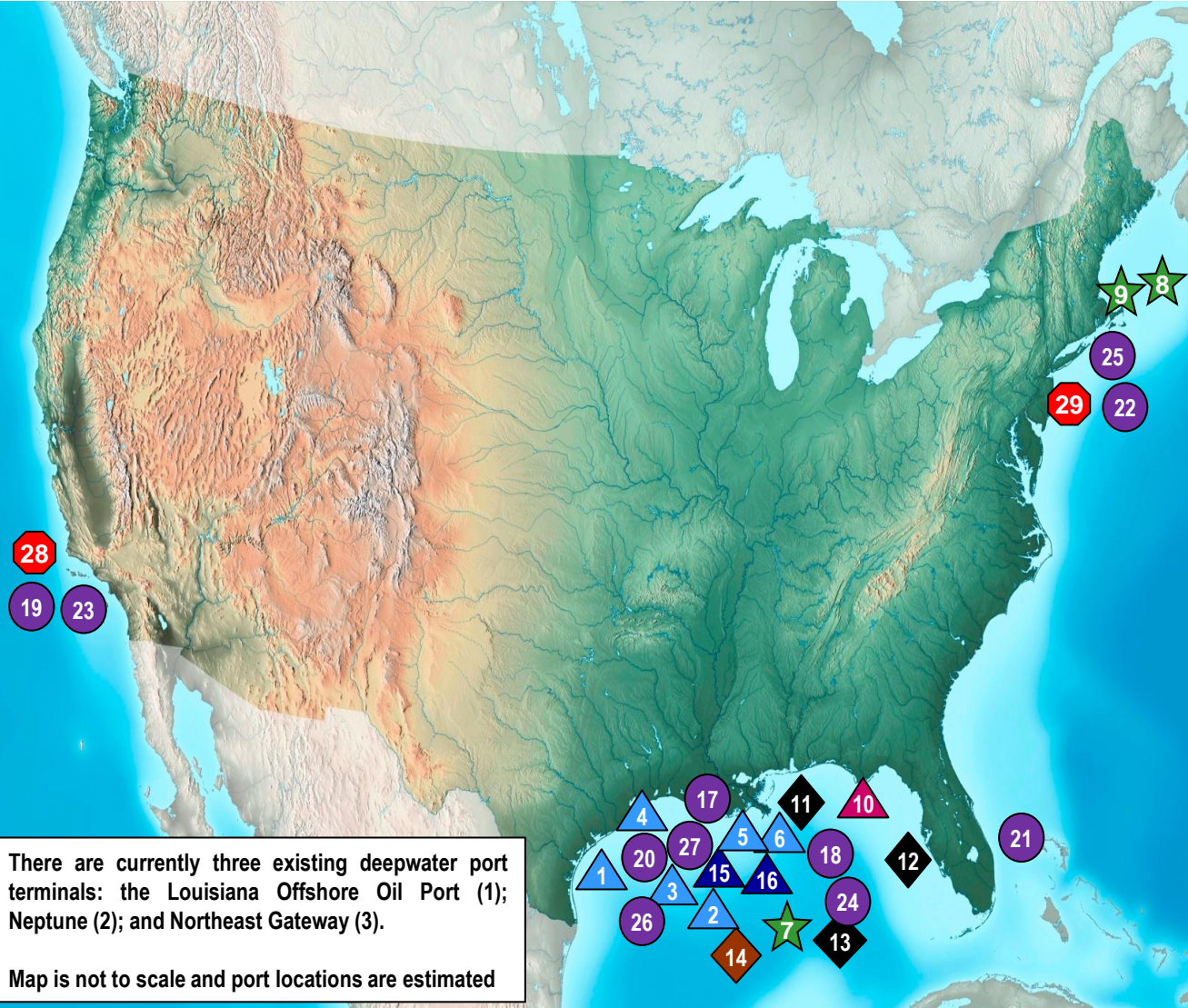
- The Deepwater Port Act of 1974, as amended, authorizes a licensing system for the construction, operation, and eventual decommissioning of deepwater ports located beyond State seaward boundaries (3 to 9 U.S. nautical miles) for the offshore import and export of oil and natural gas.
- MARAD collaborates with the U.S. Coast Guard, Federal resource agencies and State Governors to evaluate and render decisions within the required 356-day review process.
- The Deepwater Port Act requires the prior approval or presumptive approval of the proposed project by the Adjacent Coastal State or State(s) (ACS) before a decision is rendered by the Administrator. ACS Governors have a veto power for Deepwater Port Act projects. No response from an ACS Governor is considered a presumption of license approval.
- License decisions are rendered by the Maritime Administrator based on 9 license criteria outlined within the Deepwater Port Act. These criteria address environmental, financial, safety, security and other requirements.

Deepwater Port Licensing Authorities:

- ***Statutory Authority:*** Deepwater Port Act of 1974, as amended
- ***Regulatory Authority:*** Program regulations promulgated by the U.S. Coast Guard in 33 CFR Parts 148, 149 and 150
- ***Related Laws:*** National Environmental Policy Act (NEPA), and other related Federal and State Environmental Laws

Deepwater Port Location and Status Map

There are three constructed deepwater ports: LOOP, Neptune and Northeast Gateway.



Applications Currently Under Review

1. Bluewater SPM (Oil [Export])
2. Blue Marlin Offshore Project (Oil [Export])
3. GulfLink (Oil [Export])
4. SPOT Terminal Services (Oil [Export])
5. West Delta LNG (LNG [Export])
6. NFE Louisiana FLNG (LNG [Export])

Approved: Constructed Facilities

7. Louisiana Offshore Oil Port (Oil [Bidirectional])
8. Neptune (LNG [Import])
9. Northeast Gateway (LNG [Import])

Approved: License Issuance Pending

10. Delfin (LNG [Export])

Approved: Surrendered License

11. Gulf Landing (LNG [Import])
12. Port Dolphin (LNG [Import])
13. Port Pelican (LNG [Import])

Approved: Decommissioned

14. Gulf Gateway (LNG [Import])

Approved: Withdrawn After Record of Decision and Prior to License Issuance

15. Bienville (LNG [Import])
16. Main Pass Energy Hub (LNG [Import])

Withdrawn Prior to Record of Decision

17. Beacon Port (LNG [Import])
18. Calypso (LNG [Import])
19. Clearwater Port (LNG [Import])
20. COLT (Oil [Export])
21. Compass Port (LNG [Import])
22. Liberty Natural Gas (LNG [Import])
23. Oceanway Secure Energy (LNG [Import])
24. Pearl Crossing (LNG [Import])
25. Safe Harbor Energy (LNG [Import])
26. Texas Gulf Terminals (Oil [Export])
27. Texas Offshore Port System (Oil [Import])

Disapproved Prior to Record of Decision

28. Cabrillo Port (LNG [Import])
29. Port Ambrose (LNG [Import])

There are currently three existing deepwater port terminals: the Louisiana Offshore Oil Port (1); Neptune (2); and Northeast Gateway (3).

Map is not to scale and port locations are estimated

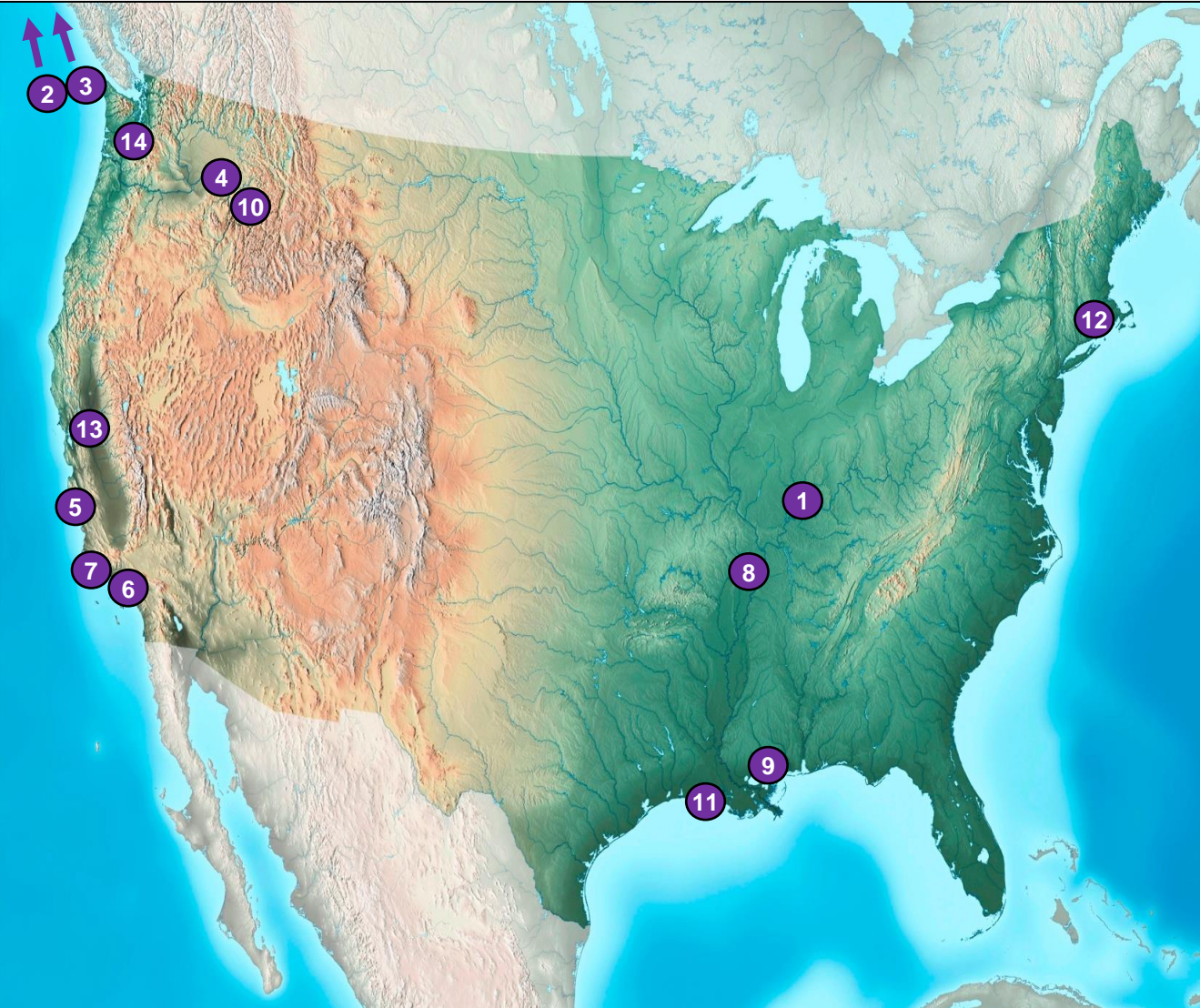
This map is current as of August 24, 2022

- Pursuant to the National Defense Authorization Act for Fiscal Year 1994 (40 U.S.C. 554), the Port Conveyance Program transfers surplus Federal land to states/ local governments at no cost for use as a port facility in perpetuity.
- MARAD approves applications, then submits recommendations to the landowning Federal agency and oversees properties after conveyance.
- Since 1996, MARAD has transferred twelve properties (totaling over 3,000 acres) to coastal and inland river port entities.
- MARAD is developing interests in four additional properties, totaling approximately 841 acres of land for future port use.

Deepwater Port Licensing Authorities:

- ***Statutory Authority:*** The National Defense Authorization Act for Fiscal Year 1994 (40 U.S.C. 554)
- ***Regulatory Authority:*** 46 CFR 387.

Regional Areas: Pacific Coast, Inland waters: Columbia River, Mississippi River



- 1: America's Central Port**
752 Acres: Granite City, IL
- 2: City of Dillingham**
2.38 Acres: Dillingham, AK
- 3: City and Borough of Juneau**
1.91 Acres: Juneau, AK
- 4: Port of Benton**
71.15 Acres: Richland, WA
- 5: Port of Hueneme**
33 Acres: Hueneme, CA
- 6: Port of Long Beach**
407.35 Acres: Long Beach, CA
- 7: Port of Los Angeles**
48.32 Acres: Los Angeles, CA
- 8: Port of Memphis**
42.64 Acres: Memphis, TN
- 9: Port of New Orleans**
12.87 Acres: Jefferson Parish, LA
- 10: Port of Pasco**
2.16 Acres: Pasco, WA
- 11: Orange County Navigation & Port District**
13.73 Acres: Orange, TX
- 12: Rhode Island Commerce Corporation**
96 Acres: Davisville, RI
- 13: Port of Stockton**
1,433 Acres: Stockton, CA
- 14: Port of Tacoma**
9.03 Acres: Tacoma, WA



- Oversight for the Maritime Transportation System National Advisory Committee (MTSNAC), a chartered, non-federal body, to advise the Secretary of Transportation on Maritime Transportation System issues.
- The 27 member MTSNAC is comprised of leaders from commercial transportation and supply-chain firms, port and water stakeholders, labor, academia, and Federal, state, and local public entities.

Questions?

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