

PNWA's 74th Annual Mission to Washington, D.C.

**“Collectively Pursuing a Maritime
Industry Agenda on Capitol Hill”**

Kurt Nagle, President & CEO
American Association of Port Authorities
March 3, 2008



Alliance of the Ports of Canada, the Caribbean, Latin America and the United States



PNWA, AAPA Shared Interests

Examples include:

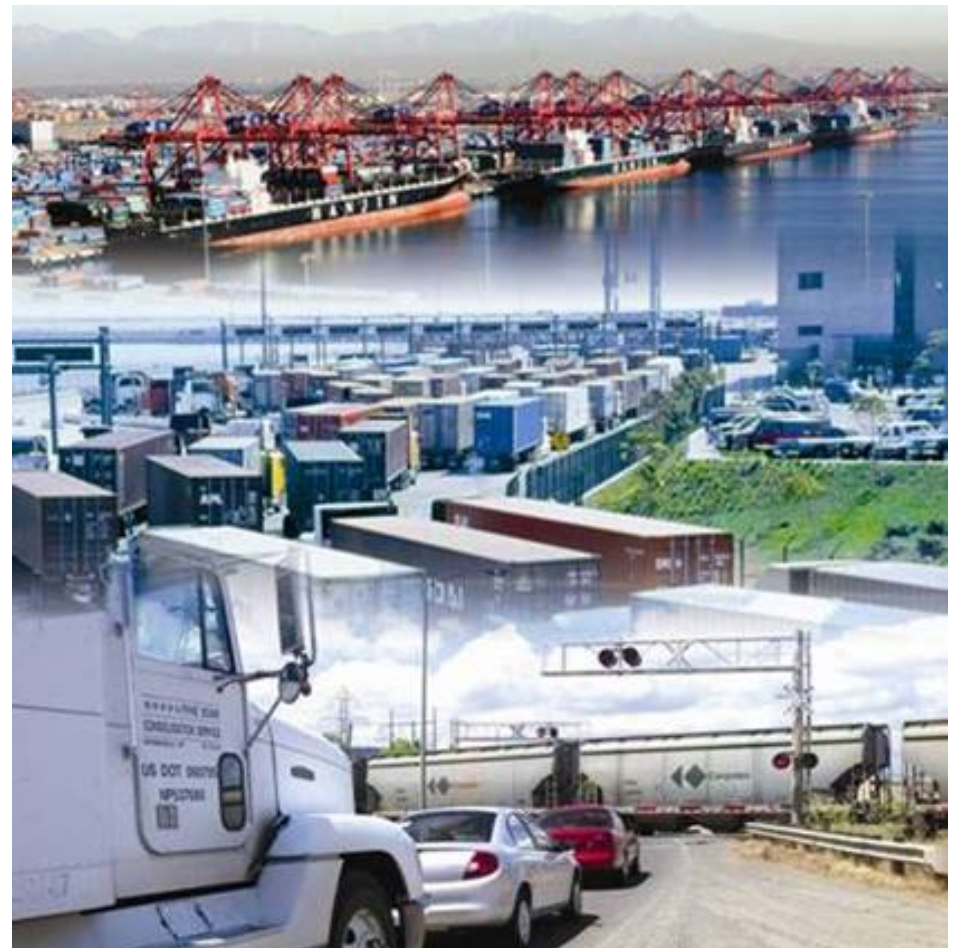
- Federal deep-draft dredging authorizations and appropriations
- Passing biennial WRDA, including removing hopper dredge fleet restrictions
- Keeping PSG funding at \$400 million level
- Full funding for grant programs like DERA.



- Opposition to CBP's proposed "cruise rule"

Shared Transportation Agenda

- Navigation improvements and policy considerations
- Freight mobility improvements, legislation and policy changes
- Improving freight rail capacity



Shared Transportation Agenda

Corps of Engineers Annual Budget

\$\$ For Dredging Maintenance, Studies & Construction

- Corps' FY'08 Civil Works budget funded at \$5.4b; \$500m more than President's request, but \$500m less than needed



- For FY'08, many feared Corps would get another C.R.
- FY'08 spending bill removes prohibition on multi-year maintenance dredging contracts

Shared Transportation Agenda

Navigation System Performance

AAPA-Corps of Engineers Quality Partnership Initiative (QPI)

QPI
established in
2003/2004 to
meet trade
growth
challenges



Partnership
goals are to
influence key
organizational,
policy changes;
resolve
dredging issues

Shared Transportation Agenda

Navigation System Performance

Recent Corps Changes Due to QPI

- “Low use” ports designation dropped
- Annual funding up to \$730m
- Port views now sought in annual budget requests



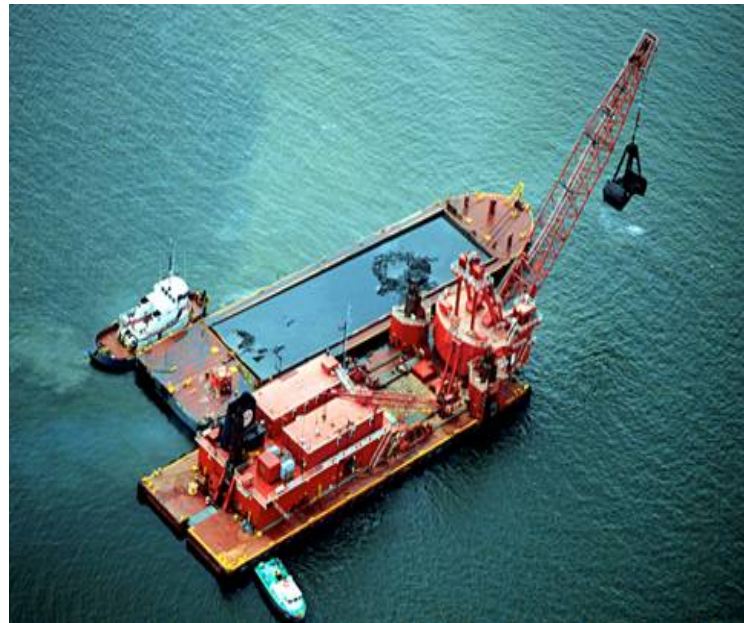
- Favorable PCA changes included in 2007 WRDA
- Positive developments in dredge permitting
- Annual Project Managers workshop

Shared Transportation Agenda

WRDA Legislation

2007 WRDA and Beyond

2007 WRDA's projects and provisions address important navigation waterway infrastructure needs



AAPA and PNWA will continue advocating to get future WRDA bills on biennial cycle

Shared Transportation Agenda

Freight Mobility

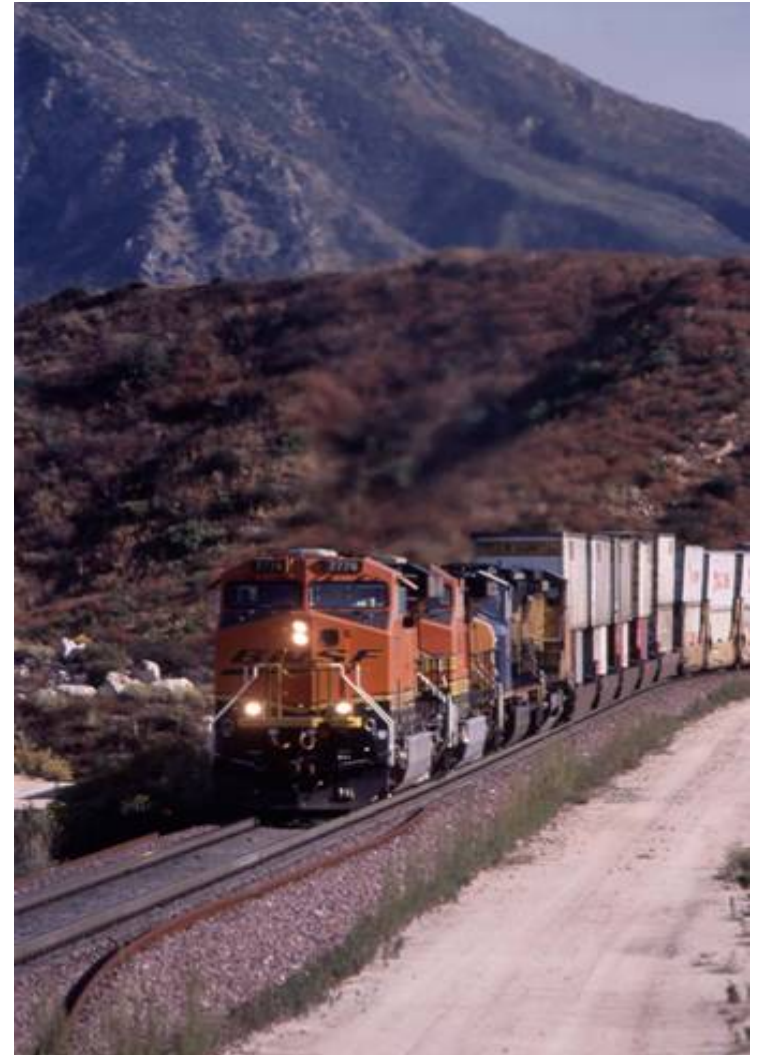
- Like PNWA, AAPA focusing on multi-modal goods movement
- AAPA has adopted new goods movement resolution
- Resolution cites freight mobility as important to economic development, stability and growth
- Focusing on next surface transportation bill in Congress



Shared Transportation Agenda

Rail Access Improvements

- Freight Rail Infrastructure Act of 2007 would encourage rail capacity development
- 25% tax credit available to any taxpayer making qualified improvements
- Encourages projects to be built such as rail spurs and truck-rail intermodal facilities



Shared Transportation Agenda

Freight Stakeholders Coalition



American Association of Port Authorities



ASSOCIATION OF AMERICAN RAILROADS



American Association of State Highway and Transportation Officials



AMPO Association of Metropolitan Planning Organizations



AMERICAN TRUCKING ASSOCIATIONS



Coalition for America's Gateways and Corridors



Intermodal Association of North America



Inland Rivers Ports and Terminals Association



National Association of Manufacturers



Building Regional Communities

National Association of Regional Councils



National Association of Waterfront Employers



THE NATIONAL INDUSTRIAL TRANSPORTATION LEAGUE

The National Industrial Transportation League



National Retail Federation®



Retail Industry Leaders Association



U.S. Chamber of Commerce



Waterfront Coalition



WORLD SHIPPING COUNCIL PARTNERS IN TRADE

Shared Port Security Agenda



- Maintain \$400 million federal appropriations level for port security grants
- Advocate for thorough TWIC card reader technology testing before implementation
- Ensure cargo scanning requirements don't bog down freight movements
- Oppose new user fees

Shared Port Security Agenda

TWIC Implementation

LM Field Coordinator Regions

- District 1: Glenn Graham
- District 5: Jamie Hannold
- District 7: Brian Abrameky
- District 8: Dmitri Haynes
Shonda Castillo
- District 9: Don Porochoński
- District 11: Veronica Riggs
- District 13: Herman Clark
- District 14:
District 17: Michael Bourke

District 7 includes the Caribbean
District 14 includes the Pacific Territories



Shared Port Security Agenda

Cargo Scanning

100% Density
Scanning



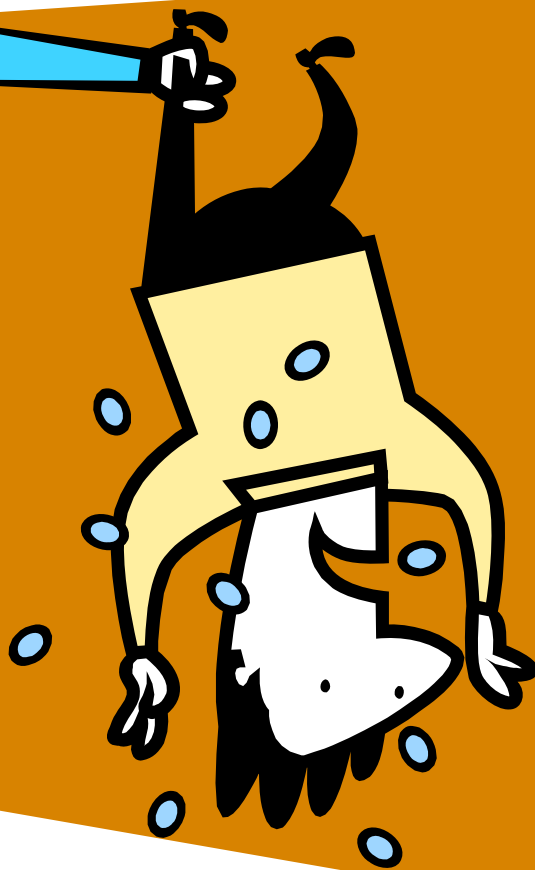
AND

100% Radiation
Scanning



Shared Port Security Agenda

Opposing New Taxes



- Congress is seeking ways to pay for port security
- Maritime community already paying billions in user fees and taxes
- Customs duties a good source of dedicated funding
- PSGs should also pay for personnel costs

Shared Trade Agenda

- Restore President's Trade Promotion Authority for international agreements
- Oppose punitive trade embargoes, quotas and economic boycotts



Shared Trade Agenda



- Since 2001, U.S. has negotiated trade agreements with 12 countries, most lately with Peru, Panama and Colombia
- Currently negotiating agreement with Korea.

- As maritime industry associations, AAPA/PNWA must continue to extol the benefits of free and fair trade
- Trade is indispensable component of our quality of life

Shared Environmental Agenda

AAPA & PNWA helping to improve coastal and inland waterway environment by:

- Working to expand list of beneficial dredged material uses in federal projects
- Supporting increased DERA grant funding to replace older diesel engines
- Advocating ratification of MARPOL Annex VI to more strictly limit air emissions from vessels
- Urging passage of national ballast water management legislation

Shared Environmental Agenda

Beneficial Use of Dredged Materials



Poplar Island Restoration Project by Port of Baltimore

Shared Environmental Agenda

Environmental Grant Funding

- AAPA and PNWA support full funding for Diesel Emissions Reduction Act
- DERA received only \$12 million in FY'06 and FY'07
- For FY'08, Congress appropriated \$50 million
- Administration's FY'09 budget requests includes \$15 million targeted to ports



Shared Environmental Agenda

MARPOL Annex VI Ratification

- House has approved Annex VI implementing legislation; still waiting on Senate



- AAPA advocating for MARPOL Annex VI implementation, and supports more stringent air emissions standards through IMO

Shared Environmental Agenda

Ballast Water Management Legislation

Actions Needed:

- Ratify IMO ballast water treaty
- Adopt uniform discharge standards
- Preempt state regulations
- Urge funding for shipboard testing program



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