

What's Happening in Washington

The 118th Congress kicked off in anything but typical fashion. A cohort of 20 House Republicans upheld a relatively routine vote for Speaker of the House to express their discontent with the party selection of Rep. Kevin McCarthy (CA-20). After 15 rounds of gridlocked voting, Rep. McCarthy's team eventually secured enough votes for him to become the next Speaker.

The House GOP Leader has struck major concessions to placate the Republican conference and it underscores how delicate the party will have to move forward in a divided government. Some publicly listed concessions include:

- The threshold for a motion to vacate would be five members, then a simple majority vote to pass. If triggered it would need Republican support to pass.
- A new rule that says an attempt to raise the debt ceiling must also include spending cuts.
- The formation of a select committee on "the weaponization of the federal government."
- Individual votes on 12 appropriation bills versus one large omnibus spending bill.
- Reinstating the Holman rule, which permits lawmakers to amend federal appropriations legislation and reduce the salary of government officials.
- A new rule giving lawmakers 72 hours to review bills before they come onto the floor.
- A verbal promise to bring forth GOP issues onto the floor such as border security and abortion.

After the delay in the House of Representatives, members voted on a proposed rules package which will govern the body and lowers the bar to oust the Speaker of the House. The package passed 220 to 213, with all Democrats and one Republican, Rep. Tony Gonzales of Texas, opposing the measure. The Texas Congressman listed his opposition was due to proposed cuts in defense spending.

Over the weekend, President Biden visited the U.S.-Mexican border and met with border patrol officials to discuss the efforts made to detain illegal migrants. President Biden's schedule also includes a trip to Mexico City to visit the Mexican President Andres Manuel Lopez Obrador and Canadian Prime Minister Justin Trudeau. The USMCA countries are set to discuss border security, trade, and solutions regarding ongoing supply chain bottlenecks and other macroeconomic headwinds.

January

Early in 2022, our team met with AMI to discuss issues that had arisen around the Clean Vessel Program and the use of funds for education. We learned through our research that the program does include funding for education to "conduct a program to educate recreational boaters about the problem of sewage discharges from boats and inform them of the location of pumpout stations for marine sanitation devices."

The Sport Fish Restoration and Recreational Boating Safety Act of 2021, provisions which were included in the Infrastructure Investment and Jobs Act passed in November, reauthorized funding for several grant programs funded under the Sport Fish Restoration and Boating Trust Fund, including CVA, until 2026. Our team spoke with staff from the Senate Commerce Committee, which has jurisdiction over these programs, and learned that because the legislation didn't make major changes to any programs, they will be making several technical changes at the request of USFWS and USCG as riders on the Coast Guard Authorization Act later in 2022.

February

A major development for AMI this month was the release of funding from the Infrastructure Investment and Jobs Act (IIJA) for infrastructure development. To keep members informed of developments on this front, Lobbyit provided AMI with a personalized overview of grant funding available to businesses and local governments as well as funding for federal projects. These programs would provide billions of dollars in funding for key AMI priorities such as flood protection infrastructure, port electrification, environmental restoration, and natural disaster protection.

March

COAST GUARD REAUTHORIZATION

The biggest development this month was the introduction and passage of the Coast Guard Authorization Act of 2022. The bill authorized a level of support that enhances Coast Guard operations and helps the Service replace and modernize its cutters, and shoreside and cyber infrastructure. Notably, the House version of the bill included some of the reforms included in Senator Feinstein and Rep. Carbajal's Small Passenger Vessel Liability Fairness Act; the provision included in the bill would require owners of small passenger vessels to be held legally responsible for damages in future boating accidents and incidents, regardless of the value of the boat. The period during which victims can file a claim will also increase from 6 months to 2 years.

The bill was introduced and marked up in committee in early March and passed the House on March 29th. It was then assigned to the Senate Committee on Commerce, Science, and Transportation. Per our conversations with Senate Commerce staff, there was a possibility that



some changes may be made to certain US Fish and Wildlife Service programs if the agency requests it.

April

COAST GUARD REAUTHORIZATION

Per our discussions with staff, the Coast Guard Authorization Act of 2022, which passed the House in March, had not moved through the Senate Commerce Committee's ranks. The bill authorized a level of support that enhances Coast Guard operations and helps the Service replace and modernize its cutters, and shoreside and cyber infrastructure. Notably, the current version of the bill includes some of the reforms included in Senator Feinstein and Rep. Carbajal's Small Passenger Vessel Liability Fairness Act; the provision included in the bill would require owners of small passenger vessels to be held legally responsible for damages in future boating accidents and incidents, regardless of the value of the boat. The period when victims can file a claim will increase from 6 months to 2 years.

RENEWED PREPARE ACT MOMENTUM

In April, Representative Nancy Mace (R-SC), Co-Chair of the Congressional Boating Caucus, cosponsored the Providing Resources for Emergency Preparedness and Resilient Enterprises (PREPARE) Act (HR 3207/S 1621). The PREPARE Act would provide small businesses with capital to invest in disaster-resilient infrastructure and in implementation measures that protect against natural disasters. Since her co-sponsorship, the Congresswoman has made several public statements recently around the need to pass the legislation and highlighted the strong impact it would have on small marinas and coastal communities.

May

In May, our team monitored a House Financial Services Subcommittee hearing on insurance reform where NFIP was a main topic.

The <u>Ocean Shipping Reform Act</u> took a step closer to becoming law as the Senate unanimously voted to pass its bill. The legislation will head back to the House of Representatives (which passed a <u>different version of the bill</u> this past December) with the expectation that it will eventually make its way to the President's desk for signature following a conference committee between the House and Senate to hammer out the differences between the two chambers.

The Senate Energy and Public Works Committee passed the Water Resources Development Act (S 4136) in May. The Water Resources Development Act is bi-annual legislation that authorizes flood control, navigation, and ecosystem restoration projects for the U.S. Army Corps of

Engineers (Corps). The draft legislation that was marked up was developed in partnership with Senator Ben Cardin (D-Md.), Chairman of the EPW Transportation and Infrastructure Subcommittee, and Senator Kevin Cramer (R-N.D.), Ranking Member of the EPW Transportation and Infrastructure Subcommittee.

June

Ocean Shipping Reform Act

President Biden signed the Ocean Shipping Reform Act into law in mid-June. The bill:

- Stop international ocean carriers from unreasonably declining American cargo, as determined by the FMC in new required rulemaking.
- Direct the FMC to self-initiate investigations of ocean carrier business practices and apply enforcement measures.
- Shift the burden of proof regarding overcharging certain fees, called "demurrage and detention" charges, from the complainant to the international ocean carriers to help level the playing field and improve the FMC's enforcement capacity.
- Improve transparency of movement of U.S. agricultural and other exports by requiring international ocean carriers to report to the FMC regarding how many empty containers are being transported.
- Stop retaliation by international shipping companies against exporters and importers.
- Formally establish the FMC Office of Consumer Affairs and Dispute Resolution Services to improve the complaint and investigation process for American businesses seeking assistance from the FMC.
- Improve management of chassis, the specialized trailer used to transport ocean containers over the road, by authorizing the Bureau of Transportation Statistics to collect data on dwell times for chassis; and initiate a National Academy of Sciences study on best practices of chassis management.
- Provide the FMC with temporary emergency authority to collect data during times of emergency congestion, among other improvements.

We offered assistance in case AMI wanted to weigh in and reply to any FMC rulemaking that may be of relevance to membership.

July

Water Resources Development Act

The Senate passed their version of the Water Resources Development Act by a vote of 93-1 in late July. The House's version (H.R. 7776) passed on June 8 with a 384-37 vote.

Other Updates



We also had discussions with AMI about representing the association on coalition meetings as they work to develop a CVA-related education program.

August

Coast Guard Authorization Act

The Senate Commerce Committee moved forward with the Coast Guard Authorization Act, and a hearing took place in August on the topic. Additionally, Senators Maria Cantwell (D-Wash.), Chair of the Committee on Commerce, Science, and Transportation, Ranking Member Roger Wicker (R-Miss.) and Subcommittee Chair Tammy Baldwin (D-Wis.) introduced the legislation which would reauthorize the Coast Guard for Fiscal Years 2022 and 2023.

The bill, as we were told by Committee staff in late spring, included technical modifications to the Sport Fish Restoration Act (which funds programs like CVA). These changes were minor and had little impact on the administration of the program.

September

NFIP and CR

On September 30, 2022, the president signed legislation passed by Congress (the continuing resolution) that extends the National Flood Insurance Program's (NFIP's) authorization to Dec. 16, 2022.

Coast Guard Authorization Act

The Senate Commerce Committee approved the Coast Guard Authorization Act on September 14, 2022, on a bipartisan basis. A substitute amendment with some technical changes, led by Senators Cantwell (D-WA), Wicker (R-MS), and Baldwin (D-WI), was added.

October

On October 5, FEMA approved a waiver that will allow some NFIP policyholders flooded by Hurricane Ian to receive advance payments of as much as \$20,000. Florida's chief financial officer, Jimmy Patronis, announced that the NFIP had accepted his and the Florida governor's request for the waiver, which the program often agrees to after major flood events. The plan can grant a \$5,000 payment before an inspection, with minimal documentation, or \$20,000 with more documentation.

November

In a November 7th press release, the Biden administration stated is has delivered over \$2 billion in grants for Hurricane Ian recovery including an additional \$770 million to households and \$322 million towards the state's recovery fund. The SBA has provided \$631 million in disaster loans and the NFIP has paid claims totaling \$351 million.

December

WRDA 2022

The Senate Committee on Environment & Public Works released the legislative text of the Water Resources Development Act of 2022 (WRDA 2022) which authorizes projects and programs of the U.S. Army Corps of Engineers (Corps) throughout the country. The bill includes funds for revamped waterways and the creation of new dredging in targeted regions. It passed as part of 2022's National Defense Authorization Act by a vote of 83-11.

National Flood Insurance Program

Hurricane Ian has brought nearly 50,000 through the National Flood Insurance Program and FEMA aid has surpassed \$1 billion in payments. Following a busy hurricane season, Florida and Puerto Rico's hurricanes once again underscored the importance of the NFIP and lawmakers were quick to

include the NFIP in a week-long Continuing Resolution (C.R.) to avoid a lapse in the program. Lobbyit will monitor any potential re-introduction of the Flood Insurance Pricing Transparency Act (S. 3829) as a bipartisan coalition of Senators are requesting that FEMA detail its pricing structure with clarity for its policyholders. The new pricing structure, Risk Rating 2.0, was criticized by Louisiana Senator John Kennedy.

Omnibus

Congress passed the federal omnibus which funds the government through 2023. Some language relevant to AMI includes: SHASTA-TRINITY MARINA FEE AUTHORITY AUTHORIZATION EXTENSION SEC. 424. Section 422 of division F of Public Law 110–161 (121 Stat 1844), as amended, shall be applied by substituting "fiscal year 2023" for "fiscal year 2019". & Fishery Resource Disaster Relief which includes "'(EE) an owner of a related fishery infrastructure or business affected by the disaster, such as a marina operator, recreational fishing equipment retailer, or charter, headboat, or tender vessel owner, operator, or crew;"