

MARAD Announces \$500 Million Available for Port Infrastructure Projects

March 2024

The maritime transportation system's (MTS) critical role in the supply chain remains very much in focus, with the Maritime Administration (MARAD) publishing a Notice of Funding Opportunity (NOFO) for \$500 million in Federal Fiscal Year 2024 funding through MARAD's Port Infrastructure Development Program (PIDP).

The PIDP is a discretionary grant program administered by the MARAD. Funds for the PIDP are awarded on a competitive basis to projects that improve the safety, efficiency, or reliability of the movement of goods into, out of, around, or within a port. The current funding for the PIDP is part of the Bipartisan Infrastructure Law and is designed to increase efficiencies in the MTS and reduce costs.

The MARAD PIDP announcement contained the following comments from US Transportation Secretary Pete Buttigieg. "Ports are central to our supply chains, and when ports run smoothly, it helps keep prices down, shelves stocked, and American farms and businesses selling their goods around the world." "After helping our supply chains recover from pandemic disruptions, today President Biden is announcing \$500 million to further strengthen our ports and keep shipping costs down, now and for generations of Americans."

MARAD's PIDP grants help eligible applicants complete critical port and port-related infrastructure projects. Grants awarded in Fiscal Year 2023 were used by a variety of stakeholders to fund various projects, such as dock replacement in Alaska, on-dock rail improvements in California, pier infrastructure renovations in New Jersey, safety and capacity improvements at a tribal harbor in Oregon, a new barge terminal in Minnesota, safety improvements and electric vehicle charging infrastructure in North Carolina, a container yard expansion in Washington state, a wharf expansion at a port on the St. Lawrence Seaway in New York, and a new facility for mooring barges in Arkansas. A full list and descriptions of the 2023-awarded projects is available from MARAD.

"Projects selected to receive PIDP funding will support efforts by ports and industry stakeholders to modernize and expand port capacity to accelerate the movement of goods across the Nation," said Maritime Administrator Ann Phillips. "PIDP is a powerful investment tool that is uniquely geared toward improving port and related freight infrastructure to meet the Nation's freight transportation needs – while simultaneously ensuring our port infrastructure can support future growth, and enhance the safety, efficiency and reliability of the Nation's ports."

MARAD will host a series of webinars that describe PIDP/NOFO requirements and the PIDP application process. These webinars are an excellent resource for prospective PIDP applicants and will be announced in the near future on the PIDP webpage. Recordings of the webinars will be posted on the website for those who cannot participate in the live events. MARAD has also developed a list of FAQs that are also available on the webpage.

This program also complements the Environmental Protection Agency's Clean Ports Program, which just made \$3 billion available. This program will fund zero-emission port equipment and infrastructure to reduce mobile source emissions at US ports, which may include cargo handling equipment, harbor craft and vessels, electric charging and hydrogen fueling infrastructure, and a number of other technology investments.

The NOFO is available on <u>grants.gov</u> by searching on Catalog of Federal Domestic Assistance (CFDA) number 20.823 or opportunity number MA-PID-24-001. The deadline for applications is 11:59 p.m. Eastern Daylight Time on May 10, 2024.

Stakeholders interested in the PIPD grant program should consider retaining experienced counsel to guide them through the application process, given the looming application deadline. With an experienced multidisciplinary team, Squire Patton Boggs represents a variety of stakeholders in infrastructure projects. We represent public agencies, developers, builders, funders, investors, landlords and tenants in all phases of development projects, from initial acquisition, through to the planning and approval process, obtaining funding, and then on to construction, completion and post-completion matters. This understanding and experience of having acted for all the key stakeholders in development projects provides us with a unique insight into the key drivers of all parties.

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