



In This Issue April 19, 2013

**WRDA negotiations on
HMTF with Appropriations
leaders!**

**SENATOR VITTER SEEKS
OUR SUPPORT**

**DRAFT LETTER TO SENATE
APPROPRIATIONS
LEADERSHIP**

BULLETIN!!

**Senate Environment and Public Works Ranking Member
David Vitter (R-LA) seeks our help
~
regarding Harbor Maintenance Trust Fund
Point of Order language in Sections 8003 and 8005 in
WRDA Act**

According to Senator Vitter, now is the time to reach out to the Senate Appropriations Committee leadership, specifically Chairwoman Barbara Mikulski (D-MD), Vice Chairman Richard Shelby (R-AL), and the Chairman of the Energy and Water Development Subcommittee, Diane Feinstein (D-CA). Tell them you strongly support the guarantee language in S 601. the Water Resources Development Act of 2013, for the Harbor Maintenance Trust Fund that ensures the nation's federally-maintained harbor navigation channels are fully maintained and that the annual revenues into the HMTF are fully expended for their authorized purposes.

The attached letter from the Senate Appropriations leadership continues to oppose the use of a point of order that would guarantee all annual HMTF tax revenues would be appropriated for their intended purpose. See letter here:



AppropslettertoEPWonHMTF.pdf

The arguments focus on just the Energy and Water Development budget allocation, when in reality the additional amount for the HMTF could be drawn from the entire Federal budget. It is time to emphasize that Congress has lost its way with respect to Maritime Transportation funding prioritization. The Appropriations letter acknowledges the "Our Nation's ports and harbors are critical to our economy and America's future competitiveness depends on adequately maintaining them." Yet, they are not willing to work within the \$3+

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trillion Federal budget and make this happen. We need to ask this Senate to make the hard choices and ensure our ports and harbors will be maintained.

I have included a draft letter that you are welcome to use and/or edit to your personal position. Thank you for your help and support!

Barry Holliday, Chairman, HMTF Fairness Coalition

Dear Senator Shelby, Mikulski, and Feinstein :

I understand that there are discussions ongoing between the Senate Appropriations Committee and the Environment and Public Works Committee regarding the Harbor Maintenance Trust Fund (HMTF) language in Sections 8003 and 8005 in the Water Resources Development Act (WRDA). The intent of these Sections is to ensure that the Corps of Engineers Civil Works budget is not reduced and that all of the annual HMTF tax revenues are appropriated each year for their intended purpose – operation and maintenance of our Nation’s ports and harbors.

As our nation’s businesses continue to face many economic challenges, Congress must support policies that encourage development and growth domestically. I believe that this is one of the most important responsibilities Congress has. There is a profound need to fully allocate funding to keep America’s ports and harbors competitive. The Harbor Maintenance Trust Fund adequately generates the needed tax revenues to fund our Nation’s navigation channel maintenance requirements. Full expenditure of these funds can play a pivotal role in ensuring our country remains a global leader in trade.

Federal ports and harbors are a critical component of America’s infrastructure and economy, requiring regular maintenance to ensure their efficient use. According to the Army Corps of Engineers, nearly 1000 federal ports and harbors have not been adequately maintained due to inadequate budget requests and appropriations. In addition, the Army Corps has estimated that top-priority harbors (those that handle about 90 percent of the commercial traffic) are dredged to their authorized depths and widths only about 35 percent of the time. Inadequate funding has resulted in channels getting narrower and shallower due to inadequate dredging, requiring ships to light-load. Light-loading increases the cost of shipping and the risk of vessel grounding and collisions. Lack of adequate maintenance has far reaching consequences on both the general public and the economy at-large.

The Harbor Maintenance Trust Fund (HMTF) was created in 1986 to establish a dedicated funding source for dredging and other required maintenance of the nation’s coastal harbors. Cargo vessels are assessed a user fee on imported and domestic cargo arriving at U.S. ports and harbors. While recent annual revenue from these fees has totaled approximately \$1.5 billion, only about half of that amount, on average, has been spent on its intended purpose. At the beginning of Fiscal Year 2014, the balance of the trust fund is estimated to total approximately \$8.09 billion. Revenues collected into the HMTF are not being utilized for their intended purposes.

We believe inadequately maintained harbors are like blocked arteries, threatening to choke off the lifeblood of our economy. With the Water Resources Development Act (WRDA) moving forward in both the House and Senate, it is now time for the federal government to honor its commitments to our nation’s federal ports and harbors. By allocating the funds already currently available for maintenance and operation costs of our nation’s ports, we will get our ports back to full capacity.