



A bold voice for transportation workers

CONGRESS MUST PASS WRDA AND REFORM HARBOR MAINTENANCE SPENDING

In the past several months, both the House and the Senate have moved to reform and enhance spending on U.S. ports, harbors and waterways in an effort to reverse decades of neglect and to put thousands of construction workers back on the job. TTD supports these funding reforms and the broader Water Resources and Development Act (WRDA) reauthorization and urges Congress to overcome the tea party-driven austerity politics and pass this common sense legislation.

TTD's Executive Committee has already spoken on the need to better fund our nation's maritime infrastructure and specifically has called for money collected in the Harbor Maintenance Trust Fund (HMTF) to be used primarily for the operation and maintenance of channels, ports and harbors. As noted in a prior policy statement, Congress has consistently diverted nearly half of the money collected through the Harbor Maintenance Tax (HMT) for purposes other than harbor maintenance.

This short-sighted practice has led to a backlog of critical maintenance projects. In its 2013 report card the American Society of Civil Engineers (ASCE) rated our ports a C. Data from the Army Corps of engineers echo this grade, as it estimates that the full channel dimensions at the nation's 59 busiest ports are available less than 35 percent of the time. As a result almost 30 percent of vessels traveling through U.S. ports are constrained due to the inadequate conditions of our navigation channels, resulting in billions of dollars in lost economic activity and job growth opportunities.

This lack of investment in our maritime infrastructure is making America less competitive as our international competitors invest billions to boost their maritime transportation capabilities. China, which boasts 7 of the world's top 10 container ports, plans to invest over \$40 billion dollars in its ports over the next five years, more than the U.S. has invested over the past 50 years. Mexico's Transport and Communications Authority announced it will invest \$454 million in three Gulf of Mexico ports over three years to ready that nation's port infrastructure for when the expanded Panama Canal opens for commercial traffic in 2015.

It is this reality that caused Congressional leaders on both sides of the aisle to make WRDA reauthorization an early priority. Harkening back to a time when the need to invest in transportation infrastructure transcended party lines, the Senate came together to introduce the Water Resources and Development Act of 2013 (S. 601), which passed the full Senate with an overwhelming majority of 83-14. Likewise, this month the House passed the Water Resources Reform and Development Act (H.R. 3080) with a nearly unheard of (in this Congress at least) majority of 417-3. Coming on the heels of the acrimonious government shutdown and debt ceiling fiasco, and despite the opposition of several extremist organizations, the House vote



showed that there is the leadership and political will needed to pass critical transportation infrastructure investment legislation and overcome the fringe politics and ideology of the far right. We hope that this continues for other important transportation investment bills in the coming months.

While neither of these bills is perfect, both make substantial improvements to our flawed HMTF spending mechanism. S. 601 establishes a framework to bring harbor maintenance funding to a sustainable level. Specifically, it would authorize a minimum of \$1 billion for harbor maintenance in FY 2014, with an increase of \$100 million each year from FY 2015-2019. Beginning in 2020, HMTF expenditures would be no less than the amount of revenue raised by the HMT, which in recent years has totaled about \$1.6 billion. In the immediate term, the \$1 billion authorization would provide an increase of \$174 million over 2011 funding levels for harbor maintenance.

Similarly, H.R. 3080 states that HMTF spending must meet or exceed 65% of the HMT tax received in the previous fiscal year. This percentage increases each year until it reaches 80% in 2020. While slightly different in their approach, both S. 301 and H.R. 3080 would create thousands of construction jobs and bring much needed investment in a maritime industry that supports 500,000 jobs, plays a critical role in expanding U.S. exports and is the gateway to international trade and humanitarian aid.

TTD urges both chambers to come together to negotiate and pass a conference report that addresses our nation's critical maritime infrastructure needs. Any further delay will undermine America's competitiveness, weaken our economy and ports, and threaten the jobs of thousands of U.S. maritime and construction workers in the middle of a slow economic recovery.

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