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American Association of Port Authorities

AAPA 2016 Presidential Platform: *Building America's 21st Century Seaport Infrastructure*

Seaports Deliver Prosperity

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AAPA is the unified and collective voice of the seaport industry in America. Seaports are critical for the prosperity of American communities, regional economies and our overall standard of living. Throughout our nation's history, seaports have served as vital economic engines that connect American farmers, manufacturers and consumers to the world marketplace. They deliver critical goods and services to consumers, ship U.S. exports, create jobs, support our military, and promote local and national economic growth. Now more than ever, seaports deliver prosperity.

Cargo activity at America's seaports accounts for:

- Over 23 million jobs
- 26% of the U.S. economy
- \$1.5 billion in total personal income and local consumption, and
- Over \$320 billion in federal, state and local tax revenues

With ninety-five percent of the world's population and 80 percent of global consumption located outside of the U.S., sustained investment in modern, well-maintained seaports and connecting infrastructure is vital to America's prosperity and global trade competitiveness.

Building America's 21st century seaport infrastructure requires:

- Infrastructure improvements
 - Landside investments are critical to competitiveness
 - Waterside investments are needed to meet the trade and safety needs of the future
- Securing America's ports and borders
- Investing in the environment

Build America's 21st Century Seaport Infrastructure to Ensure a Strong Economy for Americans and the Nation

Support Infrastructure Improvements

Strong and sustainable federal investment in seaport-related infrastructure is critical to the economic health of our nation.

Landside investments are critical to competitiveness.

They drive improvements in productivity and safety, and lessen the impact of transporting freight through local communities.

- Federal funding of freight projects is lacking. A dedicated, sustainable program for freight is essential.
- Robust investments, through use of highway funds and focused discretionary grant programs, are vital to enhancing international competitiveness.
- Landside connections into and out of ports are critical links to our nation's manufacturing base, consumer markets, and military readiness. Investment in these connections can drive port productivity improvements that address congestion in local communities.
 - In a recent AAPA survey, one-third of respondents said congestion on their port's intermodal connectors over the past 10 years has caused port productivity to decline by 25% or more.
 - Nearly 80% of AAPA U.S. ports said they anticipate a minimum of \$10 million investment being needed in their port's intermodal connectors through 2025, while 30% anticipate at least \$100 million will be needed.
 - There is an identified current need of \$28.9 billion in 125 port-related freight network projects. These projects include intermodal connectors, gateway and corridor projects, marine highways and on-dock rail projects.

Waterside investments are needed to meet the trade and safety needs of the future.

- Fully use the Harbor Maintenance Tax, paid by port users, to ensure all federal navigation channels are fully maintained and that tax fairness and equity are provided.
- Port channel deepening and widening projects must be well-funded and completed quickly for America to stay competitive.
- Exporters benefit from a modern, well-maintained system that allows them to sell more goods overseas and create additional U.S. jobs.
- Underinvestment by the federal government could lead to U.S. job losses, with maritime jobs moving to Canada or Mexico.
- Federal agencies like the U.S. Coast Guard, Army Corps of Engineers and NOAA must be properly funded to ensure our waterways are modern and safe.

Investment in seaports and related infrastructure could generate:

- 3.5 million new American jobs by 2020
- A \$3,000 increase in annual household discretionary income

Without these investments, the U.S. faces:

- A \$9.3 billion U.S. trade loss from the use of undersized vessels in shallow harbors and narrow channels by 2020
- \$14 billion in added costs to traded products by 2040 due to shallow ports
- A \$4 trillion loss to the U.S. GDP by 2040

Secure America's Ports and Borders

Safe and secure seaports are fundamental to protecting our borders and moving goods.

- Maintaining federal support and control of seaport security is critical to ensuring our nation's homeland security.
- More DOT and DHS funds should be devoted to port sustainability and resilience to ensure natural disasters or acts of terror do not block port operations for an expanded period of time.
- Protecting critical transportation assets like seaports from cyber threats is vital.

Invest in the Environment

Federal investments help improve the environment in and around seaports and their communities.

Seaports are investing millions of dollars each year to develop wetland sites; create, restore or enhance coastal habitats; monitor water quality; and recycle materials like paper, oil, paint, glass and aluminum.

Ports have undertaken hundreds of projects to reduce emissions and improve waste management programs.

- Environmental programs that reduce air emissions include the EPA Diesel Emissions Reduction Act (DERA) funding, and the highway-related Congestion Mitigation and Air Quality (CMAQ) program.
- 57% of AAPA U.S. member ports applied for the EPA Diesel Emissions Reduction Act funding to improve air quality. This includes encouraging ports to fund clean truck, shoreside vessel power, cleaner yard equipment and locomotive programs.
- 45% of AAPA U.S. members applied for Congestion Mitigation and Air Quality funds to pay for reducing emissions and congestion while improving air quality in and around ports.

For more information about seaports' role in the American economy and as part of the nation's critical transportation infrastructure, please visit aapa-ports.org or follow us on Twitter: @AAPA_Seaports.