

# Harbor Maintenance Trust Fund

*AAPA Harbors and Navigation  
Meeting  
Washington, DC*

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US Army Corps of Engineers  
**BUILDING STRONG®**



# Corps Navigation Mission

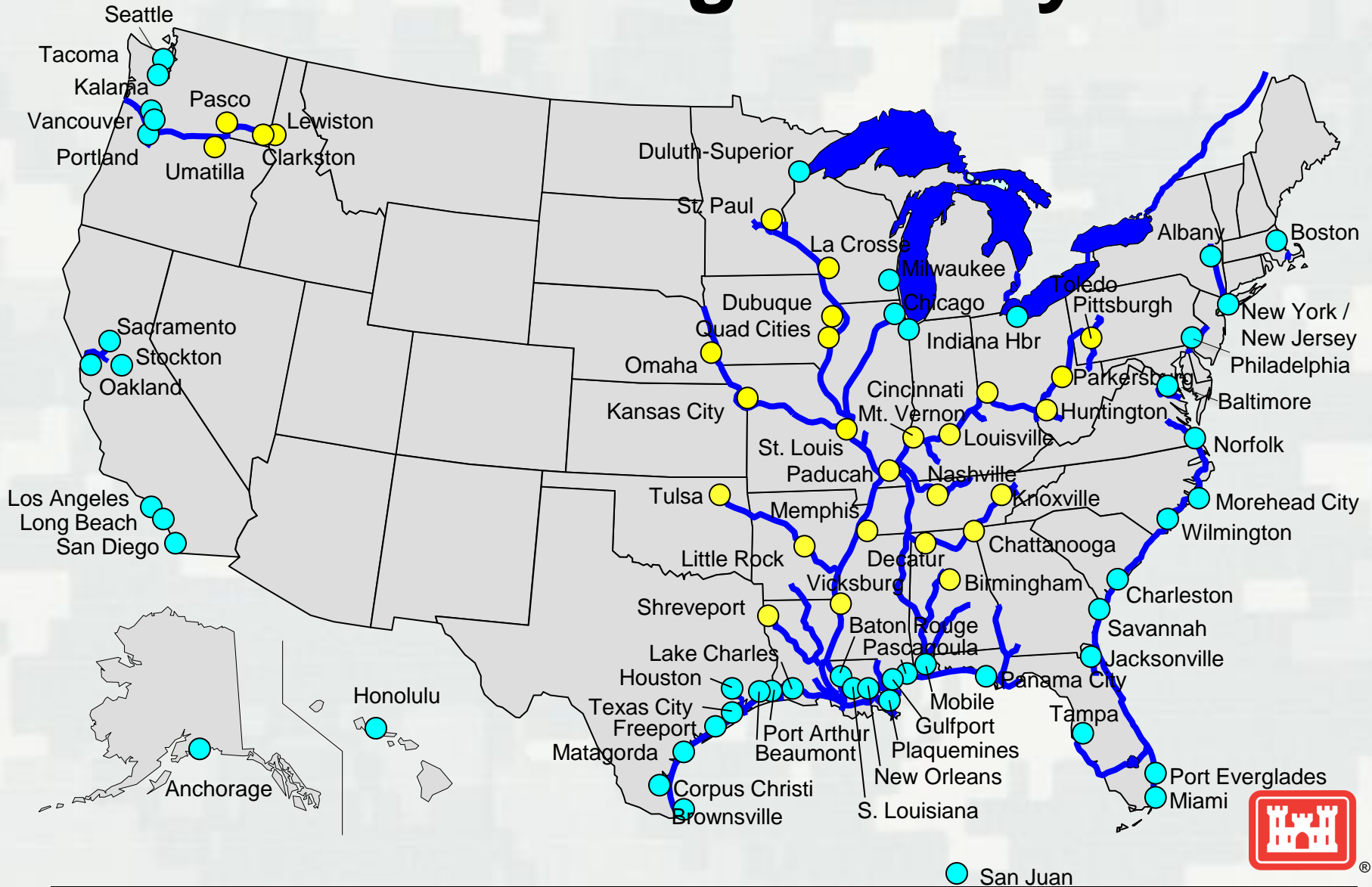
Provide safe, reliable, efficient, effective and environmentally sustainable waterborne transportation systems for movement of commerce, national security needs, and recreation.



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# The U.S. Navigation System



# USACE Navigation Assets

## INLAND NAVIGATION

27 Inland River Systems

207 lock chambers @ 171 lock sites

12,000 miles of inland river channels

## COASTAL NAVIGATION

1067 Navigation Projects

19 lock chambers

13,000 miles of channels

929 navigation structures

844 bridges



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# Current Infrastructure Situation

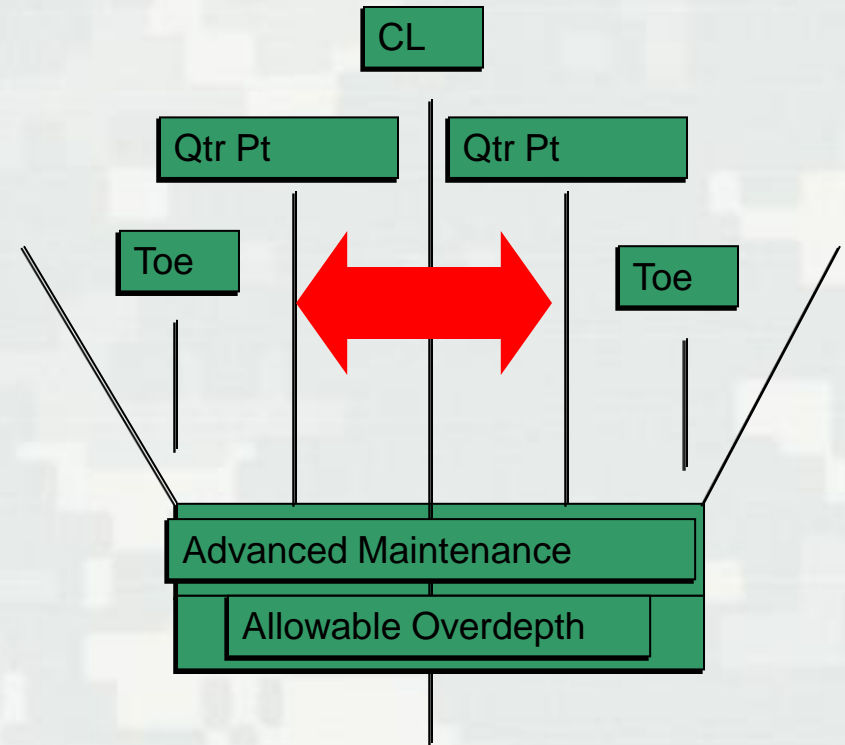
- Channels and harbors are not maintained to authorized dimensions
- Much of our economic and physical security and quality of life depends on infrastructure that is wearing out faster than it is being replaced or rehabilitated.
- Decreasing reliability of locks and other navigation infrastructure impedes transportation of goods.
- A direct relationship exists between increasing age and increasing needs for maintenance, rehabilitation, replacement and repurposing.
- 21st Century needs are different or greater than those of the last century.





# Coastal Navigation Channel Performance

- High Use Projects, >10M tons/year
- Goal: Half channel width, 95% of time
- Actual: 35% of time



Analogy to building a 2-lane road; Present funding allows one lane, one-third of the year



# President's Budgets

(\$millions)

Pres Bud	Coastal	Inland	Nav	CW total	Nav Percent
<b>FY13</b>	<b>\$967</b>	<b>\$780</b>	<b>\$1,747</b>	<b>\$4,731</b>	<b>37</b>
<b>FY12</b>	<b>\$832</b>	<b>\$744</b>	<b>\$1,575</b>	<b>\$4,631</b>	<b>34</b>
<b>FY11</b>	<b>\$873</b>	<b>\$779</b>	<b>\$1,652</b>	<b>\$4,939</b>	<b>33</b>
<b>FY10</b>	<b>\$971</b>	<b>\$796</b>	<b>\$1,767</b>	<b>\$5,125</b>	<b>35</b>
<b>FY09</b>	<b>\$969</b>	<b>\$931</b>	<b>\$1,900</b>	<b>\$4741</b>	<b>40</b>
<b>FY08</b>	<b>\$957</b>	<b>\$1052</b>	<b>\$2,009</b>	<b>\$4,900</b>	<b>41</b>



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# Navigation Budget by Appropriation (\$millions)

Pres Bud Fiscal Year	Investigations	Construction	O&M	MR&T	Total Nav
<b>FY 13</b>	<b>\$25</b>	<b>\$352</b>	<b>\$1,326</b>	<b>\$44</b>	<b>\$1,747</b>
<b>FY 12</b>	<b>\$18</b>	<b>\$283</b>	<b>\$1,237</b>	<b>\$37</b>	<b>\$1,575</b>
<b>FY 11</b>	<b>\$19</b>	<b>\$291</b>	<b>\$1,297</b>	<b>\$45</b>	<b>\$1,652</b>
<b>FY 10</b>	<b>\$19</b>	<b>\$288</b>	<b>\$1,411</b>	<b>\$48</b>	<b>\$1,767</b>
<b>FY 09</b>	<b>\$20</b>	<b>\$495</b>	<b>\$1,346</b>	<b>\$39</b>	<b>\$1,900</b>
<b>FY 08</b>	<b>\$19</b>	<b>\$572</b>	<b>\$1,383</b>	<b>\$35</b>	<b>\$2,009</b>





# FY 13 Navigation by Account (\$millions)

	Investigations	Construction	O&M	MR&T	Total Nav
<b>Pres Bud</b>	<b>\$25</b>	<b>\$352</b>	<b>\$1,326</b>	<b>\$44</b>	<b>\$1,747</b>
<b>House</b>	<b>\$22</b>	<b>\$359</b>	<b>\$1,469</b>	<b>\$43</b>	<b>\$1,893</b>
<b>Senate</b>	<b>\$36</b>	<b>\$438</b>	<b>\$1,351</b>	<b>\$47</b>	<b>\$1,872</b>



# Navigation Funding Needs

- Estimated \$1.5 B needed over 5 years to restore authorized dimensions for high and moderate commercial use coastal channels and harbors
- Additional \$500 M needed for low commercial use projects
- Estimated \$1.2 B needed after that to maintain authorized dimensions for high and moderate commercial use coastal channels and harbors
- Additional \$300 M needed for low commercial use projects



# Harbor Maintenance Trust Fund

- Established in WRDA 1986
- Ad valorem tax of .125% on cargo value
- HM Tax collected on imports and domestic cargo
- Reimburses Treasury for 100% of harbor O&M since 1990, and DMPFs, Beneficial Use, Sand Mitigation
- Also supports St. Lawrence Seaway operations, Customs data collection
- Revenue:
  - ▶ FY 11 Revenues \$1.6 B
  - ▶ FY 11 Reimbursements \$827 M
  - ▶ Increasing balance - \$6.2 billion at end FY 11





# Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP 21)

- Enacted July 6, 2012
- Section 1536 - Sense of Congress on HMTF:
  - ▶ Administration should request full use of HMTF
  - ▶ HMTF should be fully expended
  - ▶ Congress should ensure that other programs, projects, and activities of the Corps Civil Works Program are not adversely impacted
- Requires increase in E&WDA Act or redistribution between Federal agencies
- Not binding on Congress or Administration



# Outlook

- How should Congress address the critical need for additional port and inland waterway modernization?
  - ▶ Asking the question indicates a willingness to consider alternative approaches to the project by project historical method.
- White House Navigation Task Force and National Exports Initiative
- Possible National Freight Policy?
  - ▶ Coastal and Inland navigation
  - ▶ Intermodal considerations
  - ▶ Urgency of resolving the Harbor Maintenance and Inland Waterways Trust Funds issues



# Summary

- Navigation funding is an essential component for the Nation's Global trade
- HMTF needed for future channel maintenance
- America's Marine Transportation System infrastructure must become a National priority in order to get adequate funding
- Need national commitment to shipping, global trade and navigation infrastructure
- Navigation funding is key to Economy, Jobs, and Exports!

