

November 10, 2015

Major General Donald E. Jackson  
Deputy Commanding General for Civil Works and Emergencies  
U. S. Army Corps of Engineers  
Headquarters  
441 G Street, NW  
Washington, D.C. 20314-1000

Dear MG Jackson:

The undersigned ports request that as you finalize the Administration's fiscal year 2017 budget request, you include the \$50 million authorized in Section 2106 of the Water Resources Reform and Development Act (WRRDA) of 2014 for the U.S. Army Corps of Engineers' (USACE) navigation program to fund Harbor Maintenance Tax (HMT) donor and energy transfer ports.

WRRDA Section 2106 was developed to address Harbor Maintenance Tax (HMT) equity and tax fairness. In 2014, the six qualifying donor ports were responsible for over \$673 million, or 48 percent, of the total HMT collections and each of these ports receive less than 25 percent of the revenues attributed to that port in current appropriations. Similarly, the 14 qualifying energy transfer ports each processed over 40 million tons of commercial cargo, generating substantial HMT revenues. Two ports, Long Beach and New York/New Jersey, qualify as both donor and energy transfer ports.

Congress recognized the economic importance of these ports and established a means for them to receive funding for navigation channel related work, such as removal of contaminated sediments, environmental remediation, berth dredging or shipper rebates. The strong bipartisan support for WRRDA is seen as validation of Congress taking a good initial step towards donor equity.

In addition, we urge you to complete and issue implementation guidance for WRRDA's HMT funds distribution sections 2102 and 2106. We support the distribution language in the Senate Appropriations Committee report, which aligns with AAPA input provided to the Corps. We expect these sections will be funded in the fiscal year 2016 Energy and Water Development Appropriations Bill. With the fiscal year already underway, the implementation guidance will need to be in effect immediately upon receipt of funds so that the Corps and ports can successfully execute these programs in a timely manner.

We appreciate your leadership in recognizing the nexus between the Corps' navigation program, ports and economic prosperity. Especially in these challenging fiscal times, federal investments in port-related infrastructure are an essential, effective utilization of limited resources, paying dividends through increased trade and international competitiveness, sustainable job creation and more than \$340 billion annually in federal, state and local tax revenues. We welcome the opportunity to work with you and your staff in support of fulfilling maritime infrastructure's role as an economic engine for safe and efficient 21<sup>st</sup> century freight movement.

Similar letters are being sent to the Assistant Secretary of the Army for Civil Works and the Office of Management and Budget.

Sincerely,

American Association of Port  
Authorities  
Alabama State Port Authority  
Port of Greater Baton Rouge  
Port of Beaumont  
Port of Corpus Christi Authority  
Port of Houston Authority  
Lake Charles Harbor and Terminal  
District  
Port of Long Beach  
Port of Los Angeles

Maryland Port Administration  
PortMiami  
Port of New Orleans  
The Port Authority of New York & New  
Jersey  
Plaquemines Port, Harbor and  
Terminal District  
The Northwest Seaport Alliance  
Port of South Louisiana  
The Port of Texas City  
Port of Virginia

cc: [Major Steven Kreh](#)