

Maintaining and Deepening our Maritime Highways

Seaports serve as a critical gateway to domestic and international trade, connecting large and small U.S. businesses to the global marketplace. Handling two billion tons of domestic, import and export cargo annually, seaports are a critical component of our nation's transportation infrastructure system. As we prepare for increasing cargo volumes and the future generation of bigger cargo and passenger vessels, our maritime highways must be improved to allow ships to transit safely and efficiently to deliver the goods that businesses depend on both in the U.S. and abroad.

Our nation's maritime highways have been neglected by the federal government, the entity responsible for the maintenance and deepening of federal navigation channels. Maintaining these channels should be a top priority in order for the United States to remain competitive.

Seaports and the Economy

Modern, navigable seaports are vital to international trade and our nation's economic prosperity.

- Seaports facilitate the export of American-made goods, which are essential to employment and the recovery of our economy, and for every \$1 billion in exports, an estimated 15,000 new jobs are created in the U.S.
- U.S. seaports generate more than \$3 trillion in economic activity and handle approximately 2 billion tons of international and domestic cargo each year.
- America's seaports are investing more than \$2 billion a year to maintain and improve their infrastructure. However, many of the land and water connections to seaports are insufficient and outdated – hindering their ability to move consumer goods and other cargo into and out of the U.S.
- Most U.S. ports do not have naturally deep harbors and, according to the U.S. Army Corps of Engineers, almost 30 percent of the nearly 96,000 annual vessel calls at U.S. ports are constrained by inadequate channel depths.

A Necessary Investment

Federal investment to maintain and improve (deepening and widening) navigation channels is critical to keeping the U.S. competitive in the global economy.

- More than 90 percent of the nation's busiest seaports require regular maintenance dredging in order to move the 99.4 percent of America's overseas cargo that arrives and departs by ocean-going vessels. Without routine dredging, ships are limited from entering certain waterways or cannot sail with full cargo loads, which ultimately increases costs to consumers.
- The federal government does not fully utilize the Harbor Maintenance Tax (HMT) for its intended purpose – which is to pay for navigation dredging. Since its inception in 1986, the tax, by importers and domestic shippers, has not been fully utilized while critical dredging needs have been neglected. AAPA urges the federal government to utilize 100% of the HMT for its intended purpose.
- Users of our nation's harbors are currently paying between \$1.3 billion and \$1.6 billion annually but, in a typical year, less than \$800 million is appropriated for channel maintenance, leaving a growing balance of \$5.6 billion (as of November 2010). This results in increased costs for waterborne transportation, higher prices to consumers and reduced competitiveness of U.S. exports in the global marketplace.
- Greater federal appropriations are required to deepen and widen federal navigation channels to keep the U.S. globally competitive.

- AAPA is a strong supporter of a national program in which the private sector and the Army Corps of Engineers reserve fleets that expand and maximize our dredging capabilities when needed.
- Recovered sediments from deep-draft dredging are an essential resource for the restoration of degraded environmental coastal resources. There are numerous environmental protections in current law such as limiting dredging to certain times of year, called environmental windows to protect sea life such as turtles.
- Dredged material disposal is also carefully managed to ensure contaminated sediments are contained and not harmful.