

October 25, 2019

Honorable Peter DeFazio
Chairman
House Transportation and Infrastructure Committee
2165 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman DeFazio:

By way of a brief introduction, I am the new President & CEO of the American Association of Port Authorities (AAPA). We briefly met in your offices during AAPA's legislative fly-in back on September 26.

AAPA thanks you for your leadership to fully use the Harbor Maintenance Tax (HMT), including the \$9 billion surplus in the Harbor Maintenance Trust Fund. We applaud your vision to invest in port infrastructure by releasing all Harbor Maintenance Tax Funds to bring our system closer to full maintenance. A well-maintained port system is vital to the manufacturers, consumers, U.S. importers, and exporters, including farmers, who count on U.S. ports to move their products to market. Allowing full-use of the revenues paid by shippers and placed into the Harbor Maintenance Trust Fund is important to ensure a steady flow of goods into and out of U.S. ports and via a well-maintained navigation system for our nation.

As a first step to solve the problems with the HMT, *AAPA supports passage of H.R. 2440*, which, as you know, is scheduled for a House floor vote next week. Use of a budget cap adjustment mechanism is one AAPA strongly endorses to encourage full-use of the HMT funds in the future.

In June, over 100 organizations signed a letter to Congressional leaders urging Congress to enact a comprehensive solution to fix the HMT for good. H.R. 2440 is a solution to free up HMT funds through a budget cap adjustment mechanism, and we believe, and hope you would agree that more needs to be done. Other important changes to fix the HMT include a fair and equitable allocation framework that provides minimum spending protections for the Great Lakes Navigation system and emerging ports. Additionally, we must expand and make permanent donor and energy transfer provisions. Some of these should be

incorporated into H.R. 2440 as it moves to the Senate. We will seek some modest revisions to ensure donor and energy transfer fund provisions are made permanent, and the use of these funds is slightly expanded for in-water use. If there is an ability to add these provisions to H.R. 2440, we would appreciate the inclusion.

AAPA appreciates your willingness at our September meeting to work with us on addressing these issues in the upcoming Water Resources Development Act (WRDA) reauthorization. We believe that the next WRDA would be the best venue to address these reform issues and look forward to working with you to fix the broken HMT system. It is imperative for ports and the nation.

The bottom line, AAPA urges all Members of the House to vote "yes" on H.R. 2440.

Thank you again for your unwavering support of critical infrastructure investments that keep America moving.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris J. Connor". The signature is stylized and fluid, with a long horizontal stroke at the end.

Christopher J Connor
President & CEO
American Association of Port Authorities