

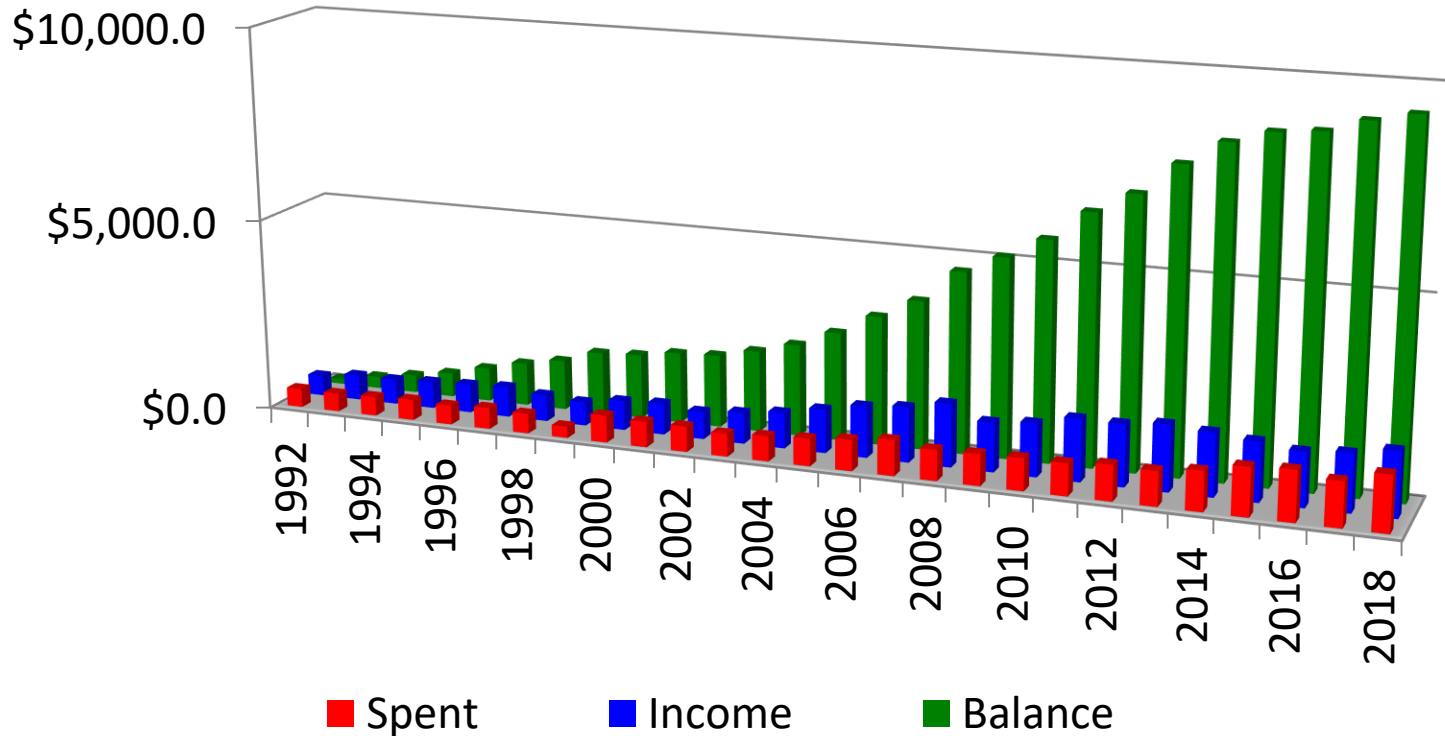
# AAPA Topics

## *Harbors and Navigation Committee Meeting*

*Susan Monteverde*  
*Vice President, Government Relations*

**October 2, 2019**

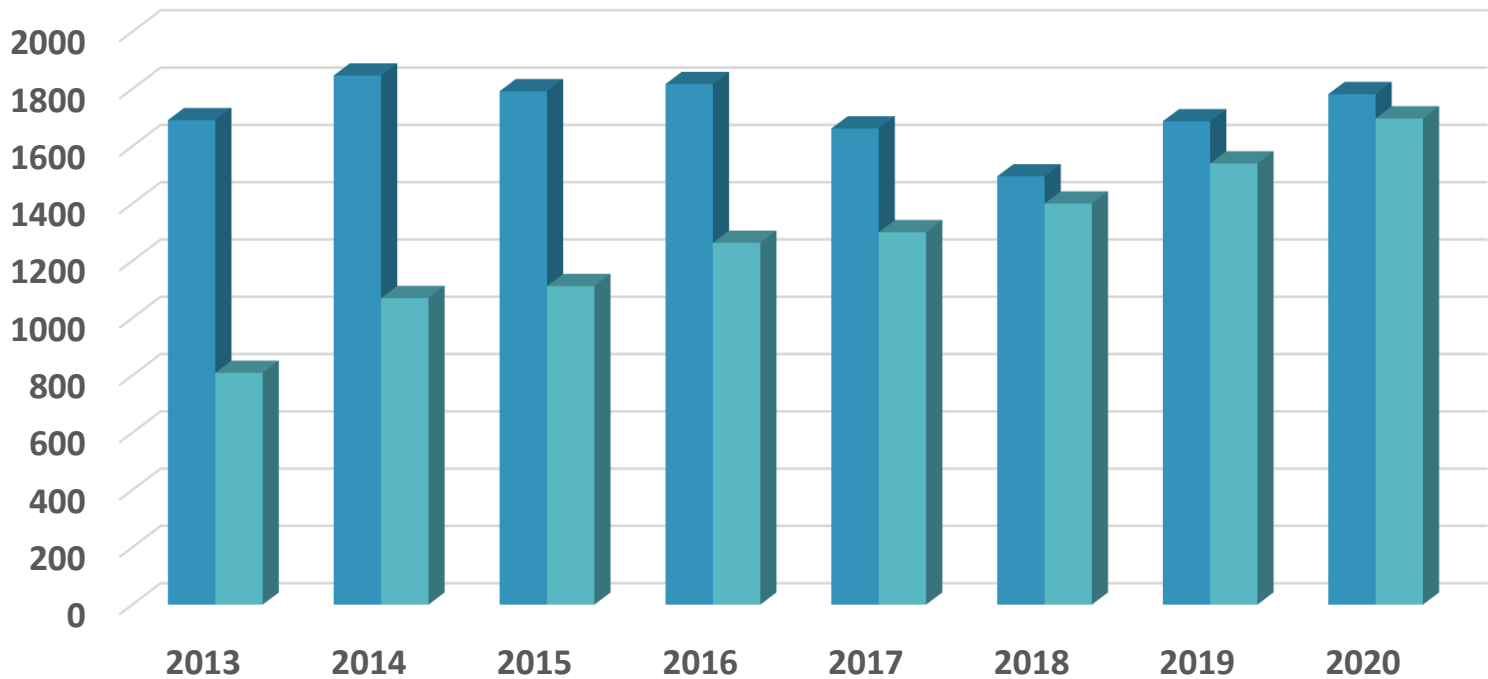
# Harbor Maintenance Trust Fund, 1992-2018



HMT surplus was **\$9.3** billion at the end of FY18

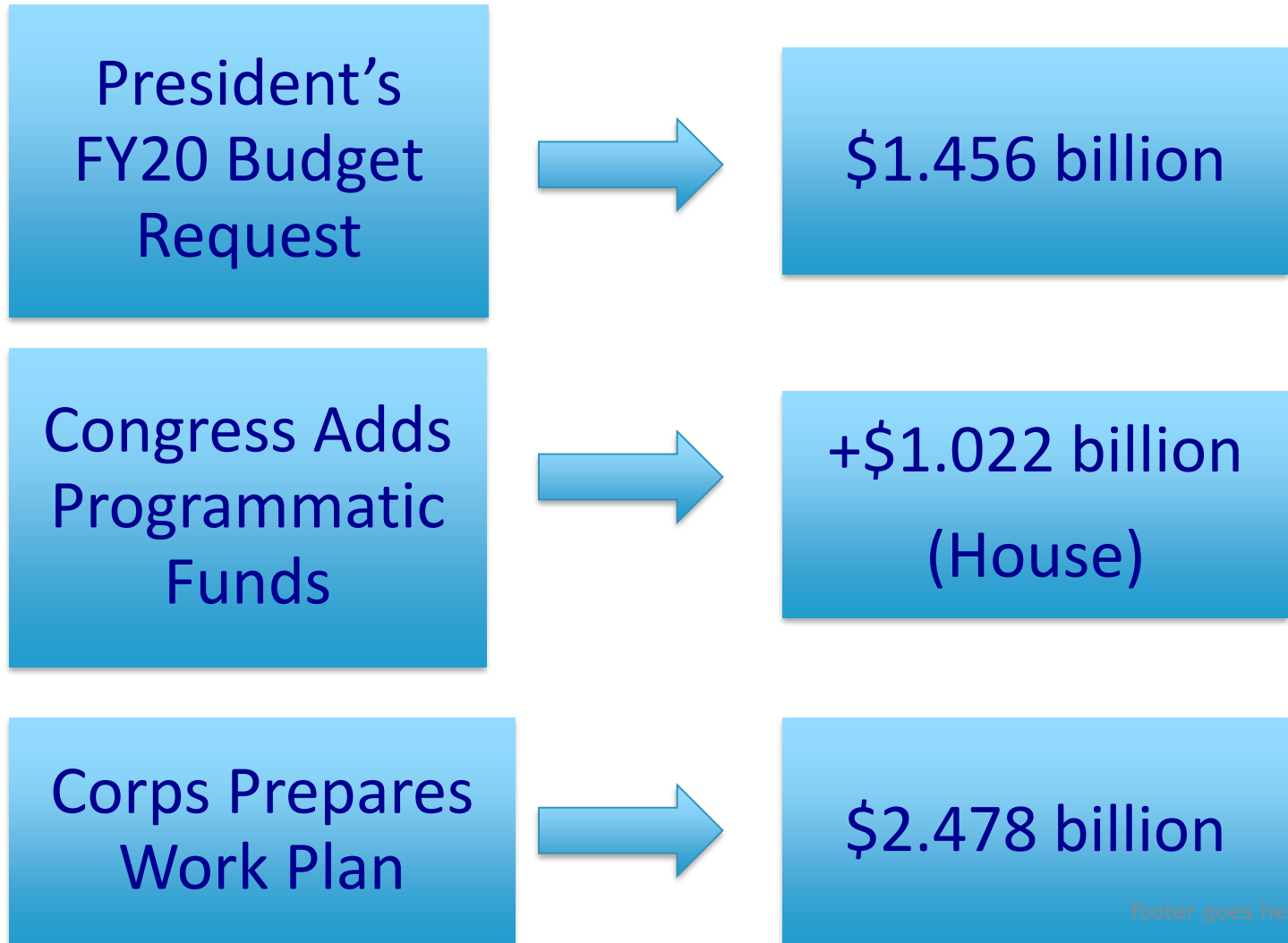
# HMTF Annual Revenues & Funding, 2013 - 2020

## Harbor Maintenance Trust Fund



	2013	2014	2015	2016	2017	2018	2019	2020*
Funding	809	1070	1112	1263	1300	1400	1540	1697
Prior Yr HMT est.	1691	1847	1792	1817	1662	1495	1687	1782
Percent	48%	58%	62%	70%	78%	94%	91%	95%

# The Funding Process – Corps Coastal Navigation Program



# Current Situation

- HMT Funding has significantly improved
- FY20 House is 95% of FY19 HMTF estimated revenue plus interest
- **Is this sustainable?**
- Education and advocacy with Congress has them ready to solve the HMTF problem
- Now is the time for a **permanent solution!**

# 2019 HMTF Highlights

- Sen. Richard Shelby, Appropriations Committee Chairman, proposed HMTF funding mechanism as part of Disaster Supplemental Appropriation
- Cong. Peter DeFazio introduced H.R. 2440, Full Utilization of the Harbor Maintenance Trust Fund Act
- AAPA focusing on a 2-step approach to use the Appropriations funding mechanism and WRDA legislated funds distribution
- AAPA's legislative proposal has been briefed to House and Senate WRDA committees and Appropriations Committees

# AAPA HMT Funds Distribution

## AAPA's '4 Pillars'

- Appropriation of full prior Fiscal Year's HMTF full revenues, tax payments plus HMT interest, focused on channel maintenance
- Expanded permanent Donor and Energy Transfer program
- Emerging Harbor funding assurances
- Great Lakes funding assurances

# HMT Funding Mechanism

## ‘Budget Cap Adjustment’

- Each Appropriations Subcommittee gets their spending allocation, the sum of which is within the budget cap
- Language developed that if the Committee appropriates the full prior year HMT revenues the amount is exempt from their spending cap.
- Budget Caps are controversial, but Sen Shelby is Approps Committee Chairman
- AAPA seeks linkage of Budget Cap Adjustment with funds distribution approach



# WRDA Schedules

## SENATE

- Moving out with WRDA development
- EPW Committee Member requests due Oct 4
- Other Senator requests due in early Nov

## HOUSE

- Pushing for floor time for T&I Chairman DeFazio's HMT bill this fall
- WRDA bill development anticipated in early 2020

# Recruiting all Ports...

- **HMT reform is highly likely in WRDA 2020**
- **We must have united support for the HMT proposal**
- **No waivers, no last minute changes**
- **Be ready for the big push!**



**Thanks for all you do!**

# AAPA 2-Step HMT Summary

	Original Agreement	Revise in 2-step?	Revision	Reason
1	Full use of HMT revenues	No*	*Funding mechanism is Budget cap adjustment in Approps bill	2-step: WRDA funds distribution; Approps funding mechanism
2	10% Regional funding floors	Yes	Great Lakes (GL) only	Approps objected to use this in all Regions. GL in existing law
3	10% Emerging Harbors	No		
4	3-Phase, 10, 15 and 20%	Yes	Start w/15% based on HMT revenues, pursue 20% later	Approps and Authorizers had issues w/fully maintained, FACA, etc.

# AAPA 2-Step HMT Summary

	Original Agreement	Revise in 2-step?	Revision	Reason
5	Donor and Energy Transfer	No		
a	Permanent Program	No		
b	HMT eligible	No		
c	Expand authorized uses	No		
d	Full estimate of HMT – include imports, domestic and cruise	No		
e	Qualify based on 3-year average	No		
6	Simplify legislative changes	Yes	About 8 paragraphs;	Easier to adopt; Original was 34 pages