

# A Long-Term Funding Solution for Port Maintenance

## GOOD FOR PORTS, GOOD FOR THE NATION



### FOR U.S. PORTS, MAINTENANCE IS THE HIGHEST PRIORITY

Responsible for over a quarter of United States GDP and more than 23 million American jobs, a well-maintained port system is vital to the manufacturers, exporters and farmers who count on U.S. ports to move their products to market. Eliminating the diversion of HMT funds away from their intended purpose is important to ensure a steady flow of U.S. goods to international markets.

### A PORT INDUSTRY SOLUTION TO FIX A BROKEN SYSTEM

After years of underutilizing Harbor Maintenance Tax (HMT), guaranteeing funds collected are dedicated to the U.S. Army Corps of Engineers (Corps) will result in the long-term sustainability of our nation's harbor maintenance needs.

The port industry has agreed on a fair and equitable framework that guarantees full use of the HMT by the Corps, ensures year-to-year funding sustainability and provides the most efficient use of collected harbor maintenance funds.

### ENSURING TAX FAIRNESS

The port industry has agreed on a plan that devotes 100 percent of the tax paid by shippers to our ports, while providing no additional tax burden on the industry or taxpayers. It assures a fair, equitable and reliable way to ensure the health of this critical part of America's transportation infrastructure.

Under this plan, HMT yearly revenues would be guaranteed to the Corps. The plan includes several funding phases to prioritize maintenance, while providing more equity for all ports.

### AAPA'S HARBOR MAINTENANCE FRAMEWORK

- A permanent solution that ensures 100% of taxes collected from shippers go to maintain our nation's seaport infrastructure and international competitiveness.
- A long-term solution that fixes an unfair system and addresses the health and wellbeing of our seaport water highways that are critical for delivering goods to Americans.
- Applies all HMT collections to restore and maintain U.S. water highways that will complement the \$155 billion in port-related capital investments planned to assure safe and efficient freight movement.
- A fair and equitable approach that enables water transportation cost savings to be fully realized by American consumers and U.S. exporters competing in the global marketplace.



- **Six U.S. port regions receive a minimum of 10% of HMT collections for maintenance of high, moderate and emerging harbors – protecting historic shares.**
- **Emerging harbors nationwide would receive a minimum of 10% of HMT collections.\*\***

\*\* Emerging harbors are defined as those harbors that handle less than 1 million tons of cargo annually.

Support the AAPA plan to restore and fully maintain the nation's water highways – with no new taxes!



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1010 Duke Street · Alexandria, VA · 22314-3589  
703.684.5700 · [aapa-ports.org](http://aapa-ports.org)