Realize America’s Maritime Promise
Harbor Maintenance Trust Fund Fairness Coalition

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Harbor Maintenance Trust Fund

What is the Harbor Maintenance Trust Fund (HMTF)?

– An ad valorem tax equal to .125% on the declared value of imported commercial cargo and on passenger vessel tickets.

– The Harbor Maintenance Trust Fund was authorized in the Water Resources Development Act of 1986, P.L. 99-662, as a tax on channel users to pay for operations and maintenance costs on commercial waterways.

– This tax is collected by Customs on behalf of the Corps of Engineers.

– Last year this tax generated $1.6 billion, yet only $766 million was used for its intended purpose. The remaining $900 million was deposited into the General Treasury to offset the deficit.
## COMPARISON OF HMTF EXPENDITURES TO REVENUES

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>EXPENDITURES (millions)</th>
<th>REVENUES (millions)</th>
<th>EXP/REV (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2000</td>
<td>$631.2</td>
<td>$760.6</td>
<td>83.0%</td>
</tr>
<tr>
<td>FY 2001</td>
<td>$669.4</td>
<td>$810.8</td>
<td>82.6%</td>
</tr>
<tr>
<td>FY 2002</td>
<td>$645.2</td>
<td>$710.8</td>
<td>90.8%</td>
</tr>
<tr>
<td>FY 2003</td>
<td>$685.1</td>
<td>$804.5</td>
<td>85.2%</td>
</tr>
<tr>
<td>FY 2004</td>
<td>$681.4</td>
<td>$922.4</td>
<td>73.9%</td>
</tr>
<tr>
<td>FY 2005</td>
<td>$708.8</td>
<td>$1,123.0</td>
<td>63.1%</td>
</tr>
<tr>
<td>FY 2006</td>
<td>$697.2</td>
<td>$1,275.0</td>
<td>54.7%</td>
</tr>
<tr>
<td>FY 2007</td>
<td>$751.0</td>
<td>$1,416.0</td>
<td>53.0%</td>
</tr>
<tr>
<td>FY 2008</td>
<td>$766.0</td>
<td>$1,626.4</td>
<td>47.1%</td>
</tr>
</tbody>
</table>
Harbor Maintenance Trust Fund

Percent of Revenue

Fiscal Year

- % Expended
- % Not Expended
DREDGING COST DRIVERS

- FUEL
- STEEL
- LABOR
- LACK OF SUPPORT EQUIPMENT (e.g., Tugs, Barges)
- CONTINUING RESOLUTIONS
- NO REPROGRAMMING
- ENVIRONMENTAL REQUIREMENTS
Coastal Navigation Performance Standard

• **Standard**
  – Full project depth
  – Half project width, 95% of the time

• **Trend**
  – FY 2005: 38%
  – FY 2006: 35%
  – FY 2007: 32%
  – FY 2009 – 2013: FYDP get to 95%
What We Have Done

• Gathering coalition members – the list continues to grow – more than 180 organizations
• Prepared information papers
• Met with Senate and House members and staff
• Testified before T&I Subcommittee
• Prepared Draft Legislation
Current Status

• Dear Colleague Letters
  – Senate and House
  – 17 Senators and 52 Congressmen

• Presentations, briefings, calls

• Maritime Trade Department letter

• Congressman Boustany testimony

• Membership
NEXT STEPS

• Seek legislation in Water Resources Development Act of 2010

• Coordinate House members policy request – NEED YOUR HELP!

• Continue The Dialogue
WAITING FOR DREDGING $$ -- HOW LONG?
OUR GOAL

• Simple – Seek Legislation that will result in full access to annual revenues from Harbor Maintenance Trust Fund Tax, to be used for their intended purpose - operation and maintenance of Federal ports and harbors.

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