



Realize America's Maritime Promise

Harbor Maintenance Trust Fund Fairness Coalition

About

The Problem

The Harbor Maintenance Trust Fund ("the Trust Fund") and its Harbor Maintenance Tax ("the Tax") were authorized in the Water Resources Development Act of 1986, P.L. 99-662. The purpose of the Tax, a

0.125% ad valorem tax levied on cargo imported or domestically moved through Federally maintained channels and harbors, is to pay for Army Corps of Engineers operations and maintenance dredging. The Tax is collected by the Bureau of Customs and Border Protection and directed to the Trust Fund. However, the monies are not immediately eligible for dredging activities. Those monies can only be spent if the funding is actually appropriated by Congress.

The problem with the Trust Fund is that far more money is being collected from shippers under the Tax than is actually being spent on dredging projects. In a typical recent year, for example, the Trust Fund collected \$1.3 billion but spent between \$700 and \$800 million. The under-spending problem is so acute that the Trust Fund now has a surplus of

RELATED LINKS

[RAMP/HMTF Coalition Members](#)

[Frequently Asked Questions](#)

more than \$4.7 billion. As such, a significant portion of the Tax revenue is not being used for its intended purpose. Those funds that are collected but not spent on dredging are being held "on the books" for the apparent sole purpose of reducing the size of the Federal debt and deficit.

Unfortunately, this under-spending comes at a time when there is a desperate need for additional Federal operations and maintenance dredging. The U.S. Department of Transportation estimates that world trade, the vast majority of which is transported by ship, will double in the next 20 years. Ships have become bigger, requiring more sustained dredging. Some regions in the United States have maintenance dredging backlogs totaling hundreds of millions of dollars, backlogs that impact both commercial efficiencies and military readiness. One recent publication summarized the situation with the headline, "Waterway Dredging Runs Aground."

The Proposed Solution

A national coalition of shipping companies, shippers, labor organizations, dredging contractors, ports and other waterway users ("the Coalition") has come together in an effort to address the inherent unfairness of a system that collects revenues but does not use them for their intended purpose. The Coalition proposes an approach similar to that taken recently with the Highway Trust Fund and the Airport and Airway Trust Fund, where the Congress legislatively enacted "firewalls" around them guaranteeing minimum levels of spending that could only be used to support eligible projects. The Coalition also proposes to follow the precedents set in the Highway Trust Fund and Airport and Airway Trust Fund initiatives by including a funding mechanism to ensure revenues into the Trust Fund are expended on an ongoing basis. Such an approach with the Trust Fund would ensure that monies from the Tax would be used for their intended purpose of dredging and not merely

for deficit reduction.

© 2008 Harbor Maintenance Trust Fund Fairness Coalition. All Rights Reserved. | [Privacy](#)

[Statement](#) | [Contact](#) |



Realize America's Maritime Promise

Harbor Maintenance Trust Fund Fairness Coalition

RAMP is a coalition of maritime companies formed to seek a legislative fix to the maintenance dredging crisis facing the nations ports and waterways. The crisis is such that our shipping channels are being neglected and continue to offer much less service than they are intended to. Ironically, Federal taxes are being collected to pay for this overdue maintenance dredging yet only half of what is collected is being spent for its intended purpose. RAMP seeks to emphasize and remind Congress about the importance of the maritime infrastructure to the US economy and seek legislation that will make sure our shipping channels are maintained as intended. Given the fact that a taxing mechanism and revenue stream already exist for this purpose, our plan is to mobilize the U.S. maritime community to make sure that these tax collections are spent as they were intended, on Maintenance Dredging!!!!!!

The Harbor Maintenance Trust Fund and its Harbor Maintenance Tax were authorized in the Water Resources Development Act of 1986. The purpose of the Tax, a 0.125% ad valorem tax levied on cargo imported or domestically moved through Federally maintained channels and harbors, is to pay for Army Corps of Engineers operations and maintenance of these ports and harbors. The Tax is collected by the Bureau of Customs and Border Protection and directed to the Trust Fund. However, the monies are not immediately eligible for

dredging activities. Those monies can only be spent if the funding is actually appropriated

by Congress. In Fiscal Year 2007, the tax revenues collected amounted to \$1.4 billion, yet only \$751 million was actually allowed to be used by the Corps.

Monies collected under the Harbor Maintenance Tax should be used for their intended purpose - maintenance dredging of our Nation's ports and harbors - and not simply to mask the federal debt and deficit. The need is particularly acute now, at a time when the volume of trade is exploding and so many Federal dredging needs are going unmet.

Join

© 2008 Harbor Maintenance Trust Fund Fairness Coalition. All Rights Reserved. | [Privacy](#)

[Statement](#) | [Contact](#) |



Realize America's Maritime Promise

Harbor Maintenance Trust Fund Fairness Coalition

About

The Problem

The Harbor Maintenance Trust Fund ("the Trust Fund") and its Harbor Maintenance Tax ("the Tax") were authorized in the Water Resources Development Act of 1986, P.L. 99-662. The purpose of the Tax, a

0.125% ad valorem tax levied on cargo imported or domestically moved through Federally maintained channels and harbors, is to pay for Army Corps of Engineers operations and maintenance dredging. The Tax is collected by the Bureau of Customs and Border Protection and directed to the Trust Fund. However, the monies are not immediately eligible for dredging activities. Those monies can only be spent if the funding is actually appropriated by Congress.

The problem with the Trust Fund is that far more money is being collected from shippers under the Tax than is actually being spent on dredging projects. In a typical recent year, for example, the Trust Fund collected \$1.3 billion but spent between \$700 and \$800 million. The under-spending problem is so acute that the Trust Fund now has a surplus of

RELATED LINKS

[RAMP/HMTF Coalition Members](#)

[Frequently Asked Questions](#)

more than \$4.7 billion. As such, a significant portion of the Tax revenue is not being used for its intended purpose. Those funds that are collected but not spent on dredging are being held "on the books" for the apparent sole purpose of reducing the size of the Federal debt and deficit.

Unfortunately, this under-spending comes at a time when there is a desperate need for additional Federal operations and maintenance dredging. The U.S. Department of Transportation estimates that world trade, the vast majority of which is transported by ship, will double in the next 20 years. Ships have become bigger, requiring more sustained dredging. Some regions in the United States have maintenance dredging backlogs totaling hundreds of millions of dollars, backlogs that impact both commercial efficiencies and military readiness. One recent publication summarized the situation with the headline, "Waterway Dredging Runs Aground."

The Proposed Solution

A national coalition of shipping companies, shippers, labor organizations, dredging contractors, ports and other waterway users ("the Coalition") has come together in an effort to address the inherent unfairness of a system that collects revenues but does not use them for their intended purpose. The Coalition proposes an approach similar to that taken recently with the Highway Trust Fund and the Airport and Airway Trust Fund, where the Congress legislatively enacted "firewalls" around them guaranteeing minimum levels of spending that could only be used to support eligible projects. The Coalition also proposes to follow the precedents set in the Highway Trust Fund and Airport and Airway Trust Fund initiatives by including a funding mechanism to ensure revenues into the Trust Fund are expended on an ongoing basis. Such an approach with the Trust Fund would ensure that monies from the Tax would be used for their intended purpose of dredging and not merely

for deficit reduction.

© 2008 Harbor Maintenance Trust Fund Fairness Coalition. All Rights Reserved. | [Privacy](#)

[Statement](#) | [Contact](#) |



Realize America's Maritime Promise

News

GICA Annual Meeting

RAMP CONTINUES TO GAIN SUPPORT!

The Gulf Intracoastal Canal Association (GICA) passed a resolution in support of RAMP at its annual meeting last week in New Orleans. GICA has long been a strong supporter of the maritime industry and associated dredging issues. The HMTF Fairness Coalition welcomes the support of this 212 member association that includes most of the ports in the Gulf as well as port users, vendors, and support companies. [View the resolutions adopted at the 103rd annual convention.](#)

The GICA meeting also included an address by Congressman Charles Boustany of Louisiana, who spoke clearly and eloquently about using all of the HMTF revenue for its intended purpose, maintenance dredging.

Articles

•
August 2008

[Trusting to the Future - DPC magazine](#)



Permission to display these pages is granted only for the RAMP website and should not be used in connection with any other site nor printed out nor distributed to any third party without the prior written consent of Lloyd's Register – Fairplay

Press Releases

•

April 30, 2008

Harbor Maintenance Tax Reform Can End Nation's Dredging Crisis

•

April 2008

Harbor Maintenance Trust Fund Fairness Initiative Paper: | Pdf | | > Doc |

Speeches & Testimony

•

April 30, 2008

Testimony of James H.I. Weakley: Proposals for a Water Resources Development Act of 2008

•

May 07, 2008

Presentation before 2008 Corps of Engineers National Dredging Meeting.

© 2008 Harbor Maintenance Trust Fund Fairness Coalition. All Rights Reserved. | [Privacy](#)

[Statement](#) | [Contact](#) |



Realize America's Maritime Promise

Harbor Maintenance Trust Fund Fairness Coalition

Join

Name:

Title:

Address:

Address2:

City:

State:

Zip Code:

Email:

Phone:

Please provide

a brief paragraph describing your organization, association or

company, and your website if available:

© 2008 Harbor Maintenance Trust Fund Fairness Coalition. All Rights Reserved. | [Privacy](#)

[Statement](#) | [Contact](#) |



Realize America's Maritime Promise

Harbor Maintenance Trust Fund Fairness Coalition

Contact Us

Barry Holliday

Chairman

503 D Street NW

Washington, DC 20001-2728

(202) 415-1332

email: info@ramphmtf.org



