



# The House Committee on Transportation & Infrastructure

Chairman Peter A. DeFazio  
Ranking Member Sam Graves

## **Fact Sheet: H.R. 2440, the Full Utilization of the Harbor Maintenance Trust Fund Act** *DeFazio, Sam Graves, Napolitano, Westerman, Kelly and 17 bipartisan cosponsors*

### **Background and Need**

- In 1986, Congress enacted the Harbor Maintenance Tax (HMT) to recover the operation and maintenance dredging costs for Federally-authorized ports from maritime shippers. The HMT is directly levied on importers and domestic shippers using coastal or inland ports as a 0.125 percent *ad valorem* tax on the value of imported cargo (e.g., \$1.25 per \$1,000 value) and is typically passed along to U.S. taxpayers on the purchase of imported goods or services.
- These revenues are deposited into the Harbor Maintenance Trust Fund within the U.S. Treasury from which Congress currently appropriates funds to the U.S. Army Corps of Engineers (Corps) for harbor maintenance dredging. Unfortunately, what is collected and what is spent on Harbor Maintenance is not the same.
- According to the Corps, navigation channels at our Nation's busiest 59 ports are available less than 35 percent of the time—and the conditions of our midsize and emerging harbors are far worse. The American Society of Civil Engineers estimates that our Nation's ports and harbors will need additional investment of \$15.8 billion between now and 2020 just to meet the demands of larger and heavier ships that will use the Panama Canal.

### **H.R. 2440**

- **Ensures the Harbor Maintenance Trust Fund is used for its intended purpose**—maintaining our Federally-authorized harbors. This will allow the Corps to dredge **all** Federal harbors to their constructed widths and depths.
- **Provides approximately \$34 billion in infrastructure investment** for our coastal and inland harbors over the next decade **without raising one more dime in taxes** – including:
  - Authority to expend **the expected \$24.5 billion in new revenue (including interest) collected in the Trust Fund over the next decade** for our critical port and harbor needs.
  - Authority to appropriate additional funds for harbor maintenance needs from the existing **\$9.5 billion balance in the Trust Fund**.

### **Staff Contacts and Phone Number**

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