

October 31, 2016

The Honorable Jim Inhofe  
Chairman  
Committee on Environment and Public Works  
U.S. Senate  
Washington, DC 20510

The Honorable Barbara Boxer  
Ranking Member  
Committee on Environment and Public Works  
U.S. Senate  
Washington, DC 20510

The Honorable Bill Shuster  
Chairman  
Committee on Transportation and Infrastructure  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Peter DeFazio  
Ranking Member  
Committee on Transportation and Infrastructure  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairmen Inhofe and Shuster and Ranking Members Boxer and DeFazio:

The undersigned organizations applaud your commitment to U.S. waterway and port infrastructure and your success in gaining approval in each chamber of your respective Water Resources Development Acts of 2016. In particular, we would like to highlight our support for Section 2003 of S. 2848, the Water Resources Development Act, a provision that demonstrates continued commitment to the health of our nation's ports and harbors.

Ports serve a critical function in the maritime infrastructure. They are the primary embarkation and entry points for more than 95% (by volume) of overseas trade produced or consumed by the U.S. Physical impediments to the movement of goods through ports, such as shallow depths that limit the size of ships, the lack of access to interconnecting modes of transportation, or the narrowing of channels that increase the risk of ship collisions can cause significant delays and impose tremendous costs on shipping. Therefore, funding for the adequate maintenance of the waterway systems in the U.S. is critical to ensuring that products that consumers want and need can continue to safely and efficiently be delivered without incident, and is paramount to maintaining and enhancing U.S. competitiveness in the global marketplace.

For many years, waterways users paid a tax into the HMTF based on the value of their cargo, but the funds were underutilized for the intended purpose of paying for the maintenance and dredging of critical waterways. The U.S. Army Corps of Engineers has reported that almost 30 percent of commercial vessel calls at U.S. ports are constrained due to inadequate channel depths, and yet the HMTF currently has a surplus of \$9 billion of unreachable funds.

We applaud your leadership to pass WRRDA 2014, in which you made great progress towards correcting this long-standing issue by including a schedule that increases yearly the percentage of HMTF authorized funds to be appropriated from total payments into the fund. These percentages increase until 2025, when 100 percent of the payments made into the fund are to be appropriated. S. 2848 takes the next step to address an unintended consequence of a percentage-based allocation. The Administration's estimate of HMT revenues can change significantly, as it did this year, resulting in a funding target that was less than the FY 2016 appropriation. This could result in funding reductions and then large jumps in the HMT target when revenue estimates increase, making the target harder to achieve. Section 2003 corrects for this unintended result to ensure appropriations from the fund continue on pace.

The undersigned organizations strongly support your leadership to improve our nation's infrastructure, and we urge you to include Section 2003 in the final conferenced WRDA agreement.

Sincerely,

American Association of Port Authorities  
American Chemistry Council  
American Farm Bureau Federation  
American Forest and Paper Association  
American Fuel and Petrochemical Manufacturers  
American Great Lakes Ports Association  
American Iron and Steel Institute  
American Petroleum Institute  
American Society of Civil Engineers  
American Waterways Operators  
Big River Coalition

Dredging Contractors of America  
Great Lakes Metro Chambers Coalition  
Lake Carriers' Association  
National Association of Manufacturers  
National Grain and Feed Association  
National Mining Association  
National Retail Federation  
National Stone, Sand and Gravel Association  
Portland Cement Association  
The Fertilizer Institute  
Waterways Council, Inc.  
U.S. Chamber of Commerce