



# INTERNATIONAL SHIPMASTERS' ASSOCIATION

## DETROIT LODGE NO. 7

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February 4, 2012

**To: ISMA GRAND LODGE & ALL MEMBER LODGES**

The following proposal was approved by the membership of Detroit Lodge No. 7 at its regular membership meeting of February 4, 2012, and is to be presented to the Grand Lodge meeting in session at Owen Sound, Ontario in February 2012.

**WHEREAS:** Since 1986, the United States has imposed a 'Harbor Maintenance Tax', an ad valorem duty on imported and domestic waterborne cargo, and

**WHEREAS:** The Harbor Maintenance Trust Fund, the depository for the Harbor Maintenance Tax, has accrued over 5 billion dollars due to years of inadequate appropriations for maintenance dredging, and

**WHEREAS:** The maritime industry is paying enough into the Trust Fund to adequately maintain the U.S. navigation system, and

**WHEREAS:** U.S. ports on the Great Lakes are gathering silt at an increasing rate, and

**WHEREAS:** The subsequent reduction of channel depths has reduced both safety and efficiency within the marine transportation system, and

**WHEREAS:** The port of Dunkirk, New York has already closed due to lack of dredging, and other ports in Western Michigan are currently in danger of closing, and

**WHEREAS:** To correct the lack of dredging, legislation known as the RAMP Act (H.R. 104) has been introduced in the United States House of Representatives, and a similar bill, S. 412, has been introduced in the Senate, which would require that annual revenue coming into the Harbor Maintenance Trust Fund be spent for its intended purpose (maintenance dredging of U.S. harbors), therefore

**BE IT PROPOSED:** In the interest of safe and efficient navigation, the Grand Lodge affirm support of both H.R. 104 and S. 412, and instruct the Navigation, Legislative and Engineering Committee to contact members of Congress, particularly Great Lakes members of the House Transportation and Infrastructure, Subcommittee on Water Resources and Environment, and urge passage of this legislation.

Respectfully submitted,

Paul M. Jagenow  
Secretary-Treasurer



## **Realize America's Maritime Promise** **Harbor Maintenance Trust Fund Fairness Coalition**

- The Harbor Maintenance Trust Fund (HMTF) was established in 1986 to fund the operation and maintenance of ports and harbors and is funded by the Harbor Maintenance Tax (HMT).
- Appropriations from the HMTF, which are primarily used by the Army Corps of Engineers for maintenance dredging, dredged material disposal areas, jetties, and breakwaters, have lagged behind revenues into the HMTF for several years. The resulting HMTF surplus was approximately \$5.65 billion at the end of FY10 and continues to grow by hundreds of millions of dollars each year.
- Due to inadequate appropriations from the HMTF, navigation channels are getting narrower and shallower due to sediment accumulation. The U.S. Army Corps of Engineers recently reported that almost 30 percent of commercial vessel calls at U.S. ports are constrained due to inadequate channel depths. This means vessels laden with American-made goods cannot carry all they are capable of holding because they cannot get through channels that are not being adequately maintained, nor can ships with imports for the U.S. market enter many ports fully laden due to the same concerns. This drives up the cost of our nation's exports and imports and increases the risk of vessel grounding and associated oil spills.
- Inadequately maintained harbors are becoming like blocked arteries, threatening to choke off the lifeblood of our economy. With our economy trying to recover from a major recession, America's international trade must not be run aground because available funding that was collected for needed and regular dredging of America's commercial waterways is being withheld.
- Thousands of good-paying American jobs would be created or maintained by using HMTF revenues for their intended purpose: maintaining America's waterways.
- Enough HMT revenue is collected each year to meet all of the nation's authorized harbor maintenance needs, but less than two-thirds of it is appropriated for harbor maintenance. Charging maritime commerce this tax while failing to provide the service for which it was established is grossly unfair.
- To ensure that HMT revenue entering the HMTF is spent for its intended purpose, Congressmen Charles Boustany (R-LA) and Joe Courtney (D-CT) introduced H.R.104, bipartisan legislation with 26 original cosponsors. Senator Carl Levin (D-MI) and Senator Kay Bailey Hutchinson (R-TX), with 12 original cosponsors have introduced S. 412, a companion bill in the Senate. (HR-104 currently has 118 cosponsors, S 412 has 25 cosponsors)
- This bill solves this problem the same way the Congress did for the Airports and Airways Trust Fund in AIR-21. It legislatively ties HMTF appropriations to HMTF revenue through a guarantee and a point of order without incurring a CBO "pay go" score or being subject to new "cut go" rule that apply to mandatory spending. It would address only future HMTF revenues, not the existing surplus.

- This bipartisan legislation is supported by a broad national coalition ranging from the U.S. Chamber of Commerce, the American Petroleum Institute, and the Agriculture Transportation Coalition to ports and major labor unions.

***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

112TH CONGRESS  
1ST SESSION

# H. R. 104

To ensure that amounts credited to the Harbor Maintenance Trust Fund  
are used for harbor maintenance.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 2011

Mr. BOUSTANY (for himself, Mr. COURTNEY, Mr. GENE GREEN of Texas, Mr. SIMPSON, Ms. BORDALLO, Mr. PAUL, Mr. SCALISE, Mr. NADLER, Mrs. McMORRIS RODGERS, Mr. McCAUL, Mr. OLSON, Ms. RICHARDSON, Mr. ALEXANDER, Mr. LYNCH, Mrs. MILLER of Michigan, Mr. BRADY of Texas, Mr. CUMMINGS, Ms. SUTTON, Mr. CAPUANO, Mrs. CAPPs, Mr. SIREs, Mr. THOMPSON of California, Ms. FUDGE, Mr. BONNER, Mr. CALVERT, Mr. STARK, and Ms. LEE of California) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To ensure that amounts credited to the Harbor Maintenance  
Trust Fund are used for harbor maintenance.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Realize America’s Mar-  
5 itime Promise Act” or the “RAMP Act”.

1 **SEC. 2. FUNDING FOR HARBOR MAINTENANCE PROGRAMS.**

2 (a) HARBOR MAINTENANCE TRUST FUND GUAR-  
3 ANTEE.—

4 (1) IN GENERAL.—The total budget resources  
5 made available from the Harbor Maintenance Trust  
6 Fund each fiscal year pursuant to section 9505(c) of  
7 the Internal Revenue Code of 1986 (relating to ex-  
8 penditures from the Harbor Maintenance Trust  
9 Fund) shall be equal to the level of receipts plus in-  
10 terest credited to the Harbor Maintenance Trust  
11 Fund for that fiscal year. Such amounts may be  
12 used only for harbor maintenance programs de-  
13 scribed in section 9505(c) of such Code.

14 (2) GUARANTEE.—No funds may be appro-  
15 priated for harbor maintenance programs described  
16 in such section unless the amount described in para-  
17 graph (1) has been provided.

18 (b) DEFINITIONS.—In this section, the following defi-  
19 nitions apply:

20 (1) TOTAL BUDGET RESOURCES.—The term  
21 “total budget resources” means the total amount  
22 made available by appropriations Acts from the Har-  
23 bor Maintenance Trust Fund for a fiscal year for  
24 making expenditures under section 9505(c) of the  
25 Internal Revenue Code of 1986.

1           (2) LEVEL OF RECEIPTS PLUS INTEREST.—The  
2           term “level of receipts plus interest” means the level  
3           of taxes and interest credited to the Harbor Mainte-  
4           nance Trust Fund under section 9505 of the Inter-  
5           nal Revenue Code of 1986 for a fiscal year as set  
6           forth in the President’s budget baseline projection as  
7           defined in section 257 of the Balanced Budget and  
8           Emergency Deficit Control Act of 1985 (Public Law  
9           99–177) for that fiscal year submitted pursuant to  
10          section 1105 of title 31, United States Code.

11          (c) ENFORCEMENT OF GUARANTEES.—It shall not be  
12          in order in the House of Representatives or the Senate  
13          to consider any bill, joint resolution, amendment, motion,  
14          or conference report that would cause total budget re-  
15          sources in a fiscal year for harbor maintenance programs  
16          described in subsection (b)(1) for such fiscal year to be  
17          less than the amount required by subsection (a)(1) for  
18          such fiscal year.

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112TH CONGRESS  
1ST SESSION

# S. 412

To ensure that amounts credited to the Harbor Maintenance Trust Fund  
are used for harbor maintenance.

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 17, 2011

Mr. LEVIN (for himself, Mrs. HUTCHISON, Mr. VITTER, Ms. LANDRIEU, Mr. SHELBY, Ms. STABENOW, Mrs. BOXER, Ms. KLOBUCHAR, Mr. WYDEN, Mr. FRANKEN, Mr. LIEBERMAN, Mr. BROWN of Ohio, Mrs. GILLIBRAND, and Mr. CORNYN) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

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## A BILL

To ensure that amounts credited to the Harbor Maintenance  
Trust Fund are used for harbor maintenance.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Harbor Maintenance  
5 Act of 2011”.

6 **SEC. 2. FUNDING FOR HARBOR MAINTENANCE PROGRAMS.**

7 (a) HARBOR MAINTENANCE TRUST FUND GUAR-  
8 ANTEE.—

1           (1) IN GENERAL.—The total budget resources  
2           made available from the Harbor Maintenance Trust  
3           Fund each fiscal year pursuant to section 9505(c) of  
4           the Internal Revenue Code of 1986 (relating to ex-  
5           penditures from the Harbor Maintenance Trust  
6           Fund) shall be equal to the level of receipts plus in-  
7           terest credited to the Harbor Maintenance Trust  
8           Fund for that fiscal year. Such amounts may be  
9           used only for harbor maintenance programs de-  
10          scribed in section 9505(c) of such Code.

11          (2) GUARANTEE.—No funds may be appro-  
12          priated for harbor maintenance programs described  
13          in such section unless the amount described in para-  
14          graph (1) has been provided.

15          (b) DEFINITIONS.—In this section, the following defi-  
16          nitions apply:

17               (1) TOTAL BUDGET RESOURCES.—The term  
18               “total budget resources” means the total amount  
19               made available by appropriations Acts from the Har-  
20               bor Maintenance Trust Fund for a fiscal year for  
21               making expenditures under section 9505(c) of the  
22               Internal Revenue Code of 1986.

23               (2) LEVEL OF RECEIPTS PLUS INTEREST.—The  
24               term “level of receipts plus interest” means the level  
25               of taxes and interest credited to the Harbor Mainte-

1 nance Trust Fund under section 9505 of the Inter-  
2 nal Revenue Code of 1986 for a fiscal year as set  
3 forth in the President's budget baseline projection as  
4 defined in section 257 of the Balanced Budget and  
5 Emergency Deficit Control Act of 1985 (Public Law  
6 99–177; 99 Stat. 1092) for that fiscal year sub-  
7 mitted pursuant to section 1105 of title 31, United  
8 States Code.

9 (c) ENFORCEMENT OF GUARANTEES.—It shall not be  
10 in order in the House of Representatives or the Senate  
11 to consider any bill, joint resolution, amendment, motion,  
12 or conference report that would cause total budget re-  
13 sources in a fiscal year for harbor maintenance programs  
14 described in subsection (b)(1) for such fiscal year to be  
15 less than the amount required by subsection (a)(1) for  
16 such fiscal year.

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