



# MARITIME TRADES DEPARTMENT

AMERICAN FEDERATION OF LABOR and CONGRESS OF INDUSTRIAL ORGANIZATIONS

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International Brotherhood of Boilermakers,  
Iron Ship Builders, Blacksmiths,  
Forgers and Helpers  
Communications Workers of America  
International Brotherhood of Electrical  
Workers  
International Union of Elevator Constructors  
International Union of Operating Engineers  
International Association of Fire Fighters  
Glass, Molders, Pottery, Plastics and Allied Workers  
International Union, AFL-CIO/CLC  
International Association of Bridge, Structural,  
Ornamental and Reinforcing Iron Workers  
International Longshoremen's  
Association, AFL-CIO  
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United Mine Workers of America  
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International Union  
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of the United States and Canada  
Operative Plasterers' and Cement Masons'  
International Association of the United States  
and Canada  
United Association of Journeymen and  
Apprentices of the Plumbing and  
Pipe Fitting Industry of the  
United States and Canada  
Seafarers International Union of  
North America  
Sheet Metal Workers International Association  
American Federation of State, County  
and Municipal Employees  
United Steel, Paper and Forestry, Rubber,  
Manufacturing, Energy, Allied Industrial &  
Service Workers International Union  
Transportation • Communications Union, IAM

August 14, 2009

The Honorable James L. Oberstar  
United States House of Representatives  
Washington, D.C. 20515

Dear Mr. Chairman:

On behalf of the Maritime Trades Department, AFL-CIO, I would like to address an issue of crucial importance to the nation's economic security, particularly its international commerce sector. As you are aware, the Harbor Maintenance Trust Fund (HMTF) was established as a repository for fees collected through the Harbor Maintenance Tax. This revenue was to be allocated for maintaining America's ports and harbors through navigational channel dredging, improving berthing sites, developing dredge spoils disposal areas and constructing or repairing jetties and breakwaters. .

Utilizing HMTF revenues for the purpose that they were intended supports economic development by making American ports more efficient. It also provides environmental benefits by insuring that cargo is handled quickly, thereby reducing emissions both from vessels and shore side elements of the U.S. intermodal triad: trucking and railroads.

However, a failure to appropriate adequate funding from the HMTF has left more than half of the nation's ports with navigation channels that are at less than their authorized depths. This means that large ships entering many U.S. ports must do so with less than full capacity loads, which results in higher transportation costs for all consumers. This situation can be easily corrected through legislation that compels HMTF appropriations to more closely reflect annual receipts into the trust fund.

. As of fiscal year 2007, the HMTF had a surplus of \$4.7 billion. Similarly in 2008, less than half of all HMTF revenues were spent on harbor maintenance. The HMTF receives enough annual revenue to maintain full authorized depth and width for all federally maintained navigation channels, but it all needs to be spent for its intended purpose. Both the short-term job generating opportunities associated with improvements to port infrastructure and the longer-term economic benefits resulting from improved transportation efficiencies are being forsaken at a time when they are most needed.

Problems of this type are not new, as in the past the Highway Trust Fund and the Airways Trust Fund were similarly abused. In those cases, congressional action to require that accrued funds were dispersed in accordance with legitimate needs was undertaken. It is essential that the HMTF be addressed in a similar manner.

In these uncertain economic times expedient action on this issue is both logical and prudent. We urge you to act with dispatch in addressing this serious and growing problem and stand ready to assist you in achieving this worthwhile goal.

Sincerely yours,

A handwritten signature in black ink that reads "Michael Sacco". The signature is written in a cursive, slightly slanted style.

Michael Sacco  
President

cc: The Honorable John Mica