



**Statement on
Harbor Maintenance Funding
and Maritime Tax Issues**

**Submitted to the
United States House of Representatives
Committee on Ways and Means
Subcommittee on Select Revenue Measures
Subcommittee on Oversight**

February 14, 2012

On behalf of its 5,000 member firms and public agencies nationwide, the American Road and Transportation Builders Association (ARTBA) would like to thank Oversight Subcommittee Chairman Boustany and Ranking Member Lewis, and Select Revenue Measures Subcommittee Chairman Tiberi and Subcommittee Ranking Member Neal for calling the February 1 joint hearing on harbor maintenance funding and maritime tax issues. The committees' review of: H.R. 104, "Restore America's Maritime Promise;" H.R. 1533, the "Short Sea Shipping Act of 2011;" and H.R. 1031, the "American Shipping Reinvestment Act of 2011," begins an important discussion about how to address the nation's water transportation challenges.

The ARTBA membership comprises various groups within the intermodal transportation design, safety, and construction industries. The association brings together contractors, engineers, product suppliers, equipment manufacturers, public officials and financial experts to advance a singular mission: improving the nation's transportation infrastructure network. The industry we represent generates more than \$200 billion annually in U.S. economic activity and sustains more than 2.5 million American jobs.

The ARTBA Ports and Waterways Council (PWC) includes members of the engineering, heavy construction, material and supply, and dredging sectors. Its primary mission is to develop and advocate consensus transportation design and construction policy positions, recommendations and programs aimed at growing a well-funded and efficient infrastructure market for the U.S. Marine Transportation System (MTS).

ARTBA applauds Chairman Boustany for introducing H.R. 104, which would link annual spending from the Harbor Maintenance Trust Fund (HMTF) each year to fund receipts, plus interest. ARTBA enthusiastically embraces this concept and continues to advocate maximum investment in all segments of the nation's intermodal transportation system, including maritime.

ARTBA also commends Chairman Tiberi for introducing H.R. 1533 and H.R. 1031. Both proposals would provide an opportunity to tackle important tax-related issues in the domestic shipping arena. ARTBA agrees with the goal of relieving congestion throughout our transportation network and encouraging further growth and investment in this important component of our nation's freight network.

The U.S. MTS is an integral component of the nation's intermodal transportation network. Ports, waterways and related-landside intermodal connectors serve as vital links for international and domestic trade, and play an important role in the nation's economic future. Port and waterway improvement projects support substantial, long-term employment and growth in the manufacturing, agriculture, mining and logistics sectors.

According the U.S. Army Corps of Engineers, for every dollar invested to improve navigation infrastructure, U.S. gross domestic product (GDP) increases more than \$3 dollars. The lack of an efficient, secure, and globally competitive supply chain to move bulk commodities, containerized goods and large capital intensive products will severely hinder the drive to reclaim America's export heritage. Improvements in all modes of transportation infrastructure are critical to reducing the national trade deficit—a chronic economic disease that must be addressed to ensure continued economic growth.

International trade through U.S. ports, directly and indirectly supports 25-30 percent of U.S. GDP and 13 million jobs. However, many exportable products from the U.S., cannot compete in the global marketplace as a result of national export supply chain limitations. Inadequate port and waterway infrastructure and short comings in other components of the nation's transportation network undermine the export supply chain and overall competitiveness of the nation.

Ultimately, the U.S. transportation system is only as strong as its weakest link. We must continually assess and improve federal transportation policy and ensure adequate investment to better maintain and strengthen our MTS. The bills discussed during the February 1 joint hearing represent important steps to improve the nation's maritime transportation infrastructure and in turn bolster economic growth, promote job creation, and improve our global competitiveness. Thank you for the opportunity to make these views part of the hearing record.

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