

BILL ANALYSIS

Senate Research Center
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S.C.R. 37
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Transportation
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Seaport activities generate more than \$4 trillion in economic activity each year, representing more than a quarter of U.S. gross domestic product and yielding more than \$41 billion in federal, state, and local tax revenue.

To support this critical component of international trade, the United States Congress established the Harbor Maintenance Tax on shippers in 1986 as a means of funding the maintenance and improvement of vital harbor infrastructure.

HMT revenues deposited into the Harbor Maintenance Trust Fund now total about \$1.6 billion annually, but in recent years, Congress has appropriated less than half of those funds for the intended purpose, leading to a decline in dredging and maintenance by the U.S. Army Corps of Engineers; the consequence is an accumulation of sediment that leaves navigation channels narrower and shallower, and when silted channels constrain vessels from carrying full loads or force them to wait for high tide, the costs of imports and exports rise, as does the risk of vessel grounding and associated oil spills; the Corps of Engineers has estimated that the full depth and width of our coastal ports is available less than 35 percent of the time, costing the economy billions of dollars annually.

Each year, the HMT provides an amount sufficient to meet all of the nation's authorized harbor maintenance needs, but as a result of lagging appropriations, the Harbor Maintenance Trust Fund had a balance of more than \$9 billion at the start of 2016; in Texas alone, less than 25 percent of the HMT revenue collected in the state has been appropriated for harbor maintenance.

Our nation's ports are vital to our economic prosperity and global competitiveness, and these funds, which were collected for the express purpose of the maintenance and improvement of the ports, should be put to work.

RESOLVED

That the 85th Legislature of the State of Texas hereby respectfully urge the United States Congress to increase appropriations from the Harbor Maintenance Trust Fund to ensure that the nation's ship channels are appropriately maintained and safe.

That the Texas secretary of state forward official copies of this resolution to the president of the United States, to the president of the Senate and the speaker of the House of Representatives of the United States Congress, and to all the members of the Texas delegation to Congress with the request that this resolution be entered in the Congressional Record as a memorial to the Congress of the United States of America.