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Ports score big win in Senate

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Small ports across the nation, like those in Chinook and Ilwaco, are on the cusp of a major victory in Congress that could give them more reliable access to federal dredging and harbor maintenance funds.

Washington's two U.S. Senators, Patty Murray and Maria Cantwell, announced Thursday that they have secured critical reforms to the Harbor Maintenance Trust Fund in the Senate version of the Water Resources Development Act of 2016, a budget bill that pays for water projects.

The Harbor Maintenance Trust Fund, created in 1987, is financed by a harbor tax paid by importers and domestic shippers, passengers and other sources. It is intended to pay for harbor maintenance, but small ports have had a hard time competing for the funds, partly because Congress has historically raided the fund for other uses. The Pacific Northwest Waterways Association estimates that lawmakers over the years have siphoned off \$9 billion for non-harbor purposes.

The House has yet to adopt the reforms in its version of the of the budget bill. If they are finally adopted, the reforms to the trust fund would:

Permanently set aside 10 percent of Harbor Maintenance money for small port dredging. Ports like Chinook and Ilwaco in recent years have had difficulty getting the U.S. Army Corps of Engineers to dredge their federally-authorized access channels because so much of the trust fund money has been skimmed off for non-harbor causes.

"Dedicated federal funding for our smaller ports means that Washington residents will continue to have access to the open ocean, one of the state's most important natural resources," Kristin Meira, executive director of the Pacific Northwest Waterways Association, said in a prepared statement. "This is critical for commercial and recreational fishing, as well as so many other industries that support our coastal communities."

Guarantee a set-aside of \$25 million annually for "donor ports" to pay rebates to importers and shippers' if the ports can show that the harbors taxes are steering shippers to competing ports in Canada and Mexico. "Donor ports" have naturally deep harbors — like those in Seattle and Tacoma — that don't need much dredging and therefore only get small amounts of trust fund money, even though their customers pay the harbor tax.

Seattle and Tacoma, which have joined forces as the Northwest Seaport Alliance, are losing business to ports in Canada. Even goods ultimately bound for U.S. destinations are not subject to a harbor tax in Canada, said Port of Longview spokeswoman Ashley Helenberg. This puts American ports at a competitive disadvantage, she said.

“Ports are critical to the Washington state economy, but the current system has put them at a competitive disadvantage for far too long,” Sen. Murray said in a prepared statement. “With this legislation, small ports get the certainty they need, and we take another step toward ensuring greater equity in the Harbor Maintenance Trust Fund to help donor ports maintain operations and keep customers coming back.”

“Washington state is a major player in international trade,” Cantwell said in a press release. “The Northwest Seaport Alliance alone impacts almost 50,000 jobs in our state and supports nearly \$380 million in state and local. With so much at stake, we need to ensure American ports of all sizes have the tools and resources they need to move Washington products across the globe.”

The reforms will not have a direct effect on the Port of Longview, which relies on continued federal dredging of the Columbia River to remain open and therefore is not a “donor” port, Helenberg said.

However, she added, “we’re pleased to see reform of the Harbor Maintenance Trust fund.”

Port of Longview’s priority is making sure that money collected for the fund is used for harbor projects as intended, she said, noting that “the Columbia River requires annual maintenance dredging ... to remain at our federally authorized depth of 43 feet.”

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