

PNWA - 2021 INFRASTRUCTURE PRIORITIES



Ports and navigation stakeholders in the Northwest stand ready to support Congress as they develop a broad infrastructure package in 2021. House Democrats previously proposed a \$1.5 Trillion infrastructure package for transportation, water, and energy projects. Our roads, rails, rivers and airports need to be at the forefront of conversations this year and well into the future, as we look to modernize U.S. ports and ensure our nation remains a global leader in reliable, safe and efficient goods movement.

Harbor Maintenance Trust Fund (HMTF)

In 1986, Congress established a user fee for coastal ports and harbors—the Harbor Maintenance Tax (HMT). The HMT is levied on the value of imported goods and was designed to provide 100% of the operations and maintenance (O&M) costs for deep draft and coastal waterways throughout the U.S. Since 2003, HMT collections have far exceeded funds appropriated for harbor maintenance. The surplus of collections over expenditures has grown to over \$9 Billion. Over the past few years, there has been a tremendous effort to develop a comprehensive fix for the Harbor Maintenance Trust Fund (HMTF). This includes working to fully spend annual collections, address the needs of “donor” ports, and ensure funding for small ports.



Clamshell work at Everett Harbor, WA

Working on a comprehensive solution. Significant HMTF reforms were included in the Water Resources Reform & Development Act (WRRDA) of 2014 and the Water Resources Development Act (WRDA) of 2016. Congress set annual spending targets, established a 10% set-aside for small ports, and authorized \$50M for donor and energy transfer ports. There was more work to be done to ensure annual HMT revenues provided to the Corps addressed the needs of donor ports. Spending formula set-asides were revised in WRDA 2020 which increased spending formulas to include 15% for small ports, 12% for donor and energy transfer ports, and 17% for commercial strategic seaports. It also implemented full spending of the annual HMT collections and a plan to incrementally spend down the surplus, unlocking this funding to be spent on its intended purpose. With access to the full annual collections and a portion of the HMTF surplus, as well as the possibility of a comprehensive infrastructure package in 2021, PNWA is actively participating in conversations about maintaining and modernizing our nation’s navigation and multimodal freight movement infrastructure.



Coos Bay Rail Line

Beyond Dredging - Additional PNWA Priorities for 2021

As Congress works to build on improvements made in the Fixing America’s Surface Transportation (FAST) Act and other pieces of legislation, consider:

Establish a specific freight element in any new transportation initiative. PNWA advocates for freight funding programs that are truly multimodal. The freight programs created in the FAST Act have limitations on non-highway projects. Caps should be raised or eliminated for multi-modal projects.

Develop additional infrastructure programs. BUILD, INFRA, RRIF, PIDP, and other programs have been critical to facilitating port, rail, and highway improvements, and we encourage Congress to enhance or expand them.

Increase the passenger facility charge (PFC). Increasing the PFC will help offset the cost of building and modernizing airport infrastructure, and support improvements to aviation facilities, technology and equipment. This will allow airports to better meet current air traffic demands and prepare for the future needs of the nation’s aviation transportation network.

Increase broadband opportunities. Investments in publicly-owned open access fiber networks are essential to addressing the near- and long-term broadband needs of Pacific Northwest communities. Current federal policies are very restrictive in terms of the types of projects that can be funded and the communities that can be served. These policies should be revisited to ensure that future federal investments are as impactful as possible.

Include resiliency efforts in infrastructure planning. Investing in resilient port infrastructure should be a priority as Congress considers both current operations and the ability of our ports and harbors to withstand natural or manmade disasters. In the Northwest, for example, the possibility of a 9.0 Cascadia Subduction Zone earthquake and associated tsunami along the Washington and Oregon coasts drives resiliency planning. Around the nation, ports are on the front lines of search and rescue operations, recovery efforts, and the ability to bring in medical and rebuilding equipment. It is important for port infrastructure to be ready when disaster strikes rather than seek relief after a catastrophic event.

Address regulatory system challenges. A range of issues including lack of staffing capacity to process permits in a timely fashion, inconsistent implementation of policies and law, and disagreements between Regulatory agencies, can lead to project cost increases, critical delays, deferred maintenance, and decreased competitiveness.