
SENATE JOINT MEMORIAL 8009

State of Washington

68th Legislature

2024 Regular Session

By Senators Hasegawa and Wagoner

Prefiled 12/22/23.

1 TO THE HONORABLE JOSEPH R. BIDEN, JR., PRESIDENT OF THE UNITED
2 STATES, AND TO THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE
3 HOUSE OF REPRESENTATIVES, AND TO THE SENATE AND HOUSE OF
4 REPRESENTATIVES OF THE UNITED STATES, IN CONGRESS ASSEMBLED:

5 We, your Memorialists, the Senate and House of Representatives of
6 the State of Washington, in legislative session assembled,
7 respectfully represent and petition as follows:

8 WHEREAS, The federal harbor maintenance tax is assessed on the
9 value of goods being shipped into United States ports; and

10 WHEREAS, The harbor maintenance tax is not collected on
11 transpacific and transatlantic cargo shipped to the United States via
12 rail or roads from ports in Mexico and Canada; and

13 WHEREAS, The ability to move transpacific and transatlantic cargo
14 through Canadian ports and avoid paying the harbor maintenance tax is
15 an incentive to divert cargo away from United States ports; and

16 WHEREAS, The federal maritime commission inquiry into the harbor
17 maintenance tax found that up to half of United States bound
18 containers coming into Canada's west coast ports could revert to
19 using United States west coast ports if United States importers were
20 relieved from paying the tax; and

21 WHEREAS, Current United States law does not require the revenues
22 raised through the harbor maintenance tax to be fully spent on harbor
23 maintenance-related investments, collections have far exceeded fund

1 appropriation and surplus collections, resulting in a surplus of
2 billions of dollars in the harbor maintenance trust fund; and

3 WHEREAS, Revenue raised through the harbor maintenance tax pays
4 for dredging and other maintenance costs, with significant amounts
5 being spent for dredging at east coast, gulf coast, and Columbia
6 river ports; and

7 WHEREAS, Certain deep water ports on the west coast that require
8 no or little dredging, including the Northwest Seaport Alliance
9 consisting of the ports of Seattle and Tacoma, receive just over a
10 penny on every dollar of harbor maintenance tax paid by shippers who
11 use their ports; and

12 WHEREAS, The Columbia river channel is critical to maintain
13 global trade and the port of Vancouver USA serves as the largest
14 wheat export gateway in the nation; and

15 WHEREAS, With the recent widening of the Panama Canal, Washington
16 ports face increasing competition for maritime goods bound for the
17 United States; and

18 WHEREAS, Washington ports are ready to compete on a level playing
19 field to efficiently move goods to market; and

20 WHEREAS, Congress passed substantial harbor maintenance tax
21 reform legislation in 2020, the implementation of which requires
22 additional actions by congressional appropriators and the US Army
23 Corps of Engineers;

24 NOW, THEREFORE, Your Memorialists respectfully pray that:

25 (1) Congress appropriate the full amount of annual harbor
26 maintenance tax revenues and unspent tax collections from the harbor
27 maintenance trust fund consistent with the budget cap adjustments
28 enacted in the CARES Act and the Water Resources Development Act of
29 2020.

30 (2) Congress direct the US Army Corps of Engineers to allocate
31 the specified amounts for donor and energy transfer ports consistent
32 with the Water Resources Development Act of 2020 and appropriate the
33 amounts specified in section 101 of the Water Resources Development
34 Act of 2020 to carry out subsection (c) of section 2106 of the Water
35 Resources Reform and Development Act of 2014.

36 (3) The US Army Corps of Engineers allocate in its annual work
37 plan 12 percent of annual harbor maintenance trust fund
38 appropriations directly to eligible donor and energy transfer ports,
39 as well as additional amounts to carry out subsection (c) of section
40 2106 of the Water Resources Reform and Development Act of 2014.

1 (4) The US Army Corps of Engineers shall collect appropriate data
2 and reinstate publication of annual reports, which were terminated in
3 FY 2006, on the status of the harbor maintenance trust fund. This
4 report should also include an analysis of the impact of the harbor
5 maintenance tax in disincentivizing shippers from using US ports and
6 diverting freight to foreign ports, thereby avoiding the tax.

7 BE IT RESOLVED, That copies of this Memorial be immediately
8 transmitted to the Honorable Joseph R. Biden, Jr., President of the
9 United States, the President of the United States Senate, the Speaker
10 of the House of Representatives, and each member of Congress from the
11 State of Washington.

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