
SENATE JOINT MEMORIAL 8016

State of Washington

66th Legislature

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By Senators Hasegawa, Mullet, and Zeiger

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1 TO THE HONORABLE DONALD J. TRUMP, PRESIDENT OF THE UNITED STATES,
2 AND TO THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF
3 REPRESENTATIVES, AND TO THE SENATE AND HOUSE OF REPRESENTATIVES OF
4 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 will grow to over nine billion
2 three hundred million dollars this year; 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 new 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 and
16 potential addition of a canal in Nicaragua, Washington ports face
17 increasing competition for maritime goods bound for the United
18 States; and

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

21 WHEREAS, The public port industry has coalesced in support of a
22 framework for comprehensive harbor maintenance tax reform developed
23 by the American Association of Port Authorities;

24 NOW, THEREFORE, Your Memorialists respectfully pray that:

25 (1) Congress pass and the President sign legislation reforming
26 the harbor maintenance tax based on the framework developed by the
27 American Association of Port Authorities; and

28 (2) Such legislation ensures:

29 (a) Mandatory full use of harbor maintenance tax revenues;

30 (b) Equitable distribution of harbor maintenance tax revenues,
31 including for harbor maintenance tax donor ports that traditionally
32 have received only minimal benefit from the harbor maintenance trust
33 fund;

34 (c) Mitigation of the cost disadvantage that some donor ports
35 face relative to non-United States ports because of the harbor
36 maintenance tax; and

37 (d) Guaranteed funding for our nation's small ports.

38 BE IT RESOLVED, That copies of this Memorial be immediately
39 transmitted to the Honorable Donald J. Trump, President of the United
40 States, the President of the United States Senate, the Speaker of the

1 House of Representatives, and each member of Congress from the State
2 of Washington.

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