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**SENATE JOINT MEMORIAL 8017**

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**State of Washington 64th Legislature 2016 Regular Session**

**By** Senators Roach, Dammeier, O'Ban, and Warnick

TO THE HONORABLE BARACK OBAMA, PRESIDENT OF THE UNITED STATES, AND TO THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, AND TO THE SENATE AND HOUSE OF REPRESENTATIVES OF THE UNITED STATES, IN CONGRESS ASSEMBLED:

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

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

WHEREAS, The harbor maintenance tax is not collected on trans-pacific cargo shipped to the United States via rail or roads from ports in Mexico and Canada; and

WHEREAS, The ability to move trans-pacific cargo through Canadian ports and avoid paying the harbor maintenance tax is an incentive to divert cargo away from United States ports; and

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

WHEREAS, Revenue raised through the harbor maintenance tax pays for dredging and other maintenance costs, with significant amounts being spent for dredging at east coast and Gulf ports; and

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

WHEREAS, With the recent widening of the Panama Canal and potential addition of a canal in Nicaragua, Washington ports face increasing competition for maritime goods bound for the United States; and

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

NOW, THEREFORE, Your Memorialists respectfully pray that:

(1) Congress pass and the president sign legislation reforming the harbor maintenance tax; and

(2) Such legislation ensures that United States tax policy does not disadvantage United States ports and maritime cargo, and provides greater equity for harbor maintenance tax donor ports through expanded uses of the harbor maintenance revenues.

BE IT RESOLVED, That copies of this Memorial be immediately transmitted to the Honorable Barack Obama, President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington.