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**SENATE JOINT MEMORIAL 8009**

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**State of Washington**

**68th Legislature**

**2024 Regular Session**

**By** Senators Hasegawa, Wagoner, Dozier, Fortunato, Frame, and Stanford  
Prefiled 12/22/23. Read first time 01/08/24. Referred to Committee  
on Business, Financial Services, Gaming & Trade.

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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