

Wednesday, April 10, 2019

The Honorable Peter DeFazio
Chairman, Committee on Transportation and
Infrastructure
U.S. House of Representatives
2134 Rayburn House Office Building
Washington, DC 20515

The Honorable Grace Napolitano
Chairman, Subcommittee on Water and
Environment
U.S. House of Representatives
1610 Longworth House Office Building
Washington, DC 20515

The Honorable Sam Graves
Ranking Member, Committee on Transportation
and Infrastructure
U.S. House of Representatives
1135 Longworth House Office Building
Washington, DC 20515

The Honorable Bruce Westerman
Ranking Member, Subcommittee on Water and
Environment
U.S. House of Representatives
209 Cannon House Office Building
Washington, DC 20515

Dear Chairman DeFazio, Ranking Member Graves, Chairman Napolitano, and Ranking Member Westerman:

On behalf of the National Marine Manufacturers Association (NMMA) I thank you for convening “The Cost of Doing Nothing: Why Full Utilization of the Harbor Maintenance Trust Fund and Investment in our Nation’s Waterways Matter” hearing. NMMA agrees that expedited investments in our nation’s ports, harbors, and waterways are critical to supporting the continued economic growth of the commercial and recreational maritime industries.

By way of background, NMMA is the leading recreational marine trade association in North America, representing nearly 1,300 boat, marine engine, and accessory manufacturers. Recreational boating is a significant contributor to the U.S. economy, generating \$170.3 billion in annual economic impact that supports more than 35,000 businesses and 691,000 jobs. Additionally, the outdoor recreation economy as a whole – which is driven by boating and fishing and includes RVing, guided tours, and motorcycling and ATVing – accounts for 2.2% of U.S. GDP, \$734 billion in gross economic output, and 4.5 million jobs. In terms of GDP, outdoor recreation is larger than mining, utilities, and chemical products manufacturing.

Outdoor recreation is a substantial and rapidly increasing part of the U.S. economy. For our industry – and the entire U.S. economy – to continue to grow, it is essential that port maintenance and dredging projects are sufficiently funded to create jobs in coastal and inland waterway communities, improve access for water-based recreational activities, and make conditions safer for the recreational boating and angling communities.

The Harbor Maintenance Trust Fund (HMTF) was created to ensure that our nation’s harbors would always be properly dredged and fully operational, yet much of the fund’s annually collected revenue doesn’t make its way back to where it was originally intended and is desperately needed. In fact, the U.S. Army Corps of Engineers (Corps) estimates that full channels at the nation’s 59 busiest ports are available less than 35 percent of the time. The result of insufficient funding for maintenance and

dredging projects is deterioration of our nation's ports, harbors, and waterways that support thousands of jobs and commercial and recreational economic development nationwide.

There are sufficient funds in the HMTF to meet the maintenance dredging needs of all federally-authorized ports. Full utilization of the fund would provide the necessary funding to enable the Corps to dredge all federal commercial harbors to their constructed widths and depths. Improperly dredged channels exacerbates user conflict in our busy ports and harbors, impacting safety and important access for recreational boaters as well.

NMMA also encourages the committee to consider reforming the Corps' dredging project prioritization process to accurately account for the economic benefits of investing in projects that facilitate recreational use. Under the current process, the Corps give priority to coastal harbors and inland waterways with the most commercial traffic and also provides priority for maintenance of channels at small ports that support significant commercial fishing, subsistence, or public transportation benefits.

This flawed system fails to properly account for lower tonnage harbor needs and the value created by access for recreational activities – effectively putting boaters and the recreational boating industry's \$170.3 billion annual economic activity at a disadvantage. Low tonnage, recreational based ports are critical access points for marinas and coastal communities where businesses depend on marine recreation-based economic activity. Additionally, without sufficient dredging in these areas, some recreational boaters are forced to use high traffic commercial channels, which can lead to potential user conflicts and safety concerns.

The prioritization process should be amended to ensure that a percentage of existing available funds be allocated for three different categories: High-Tonnage, Low-Tonnage and Commercial or Recreational ports. In addition, increases in social, cultural, and environmental benefits should be considered in the allocation of the three funding categories where appropriate.

We also recommend that the committee direct the Corps to study alternative and recyclable solutions for disposal of dredged materials, thereby forgoing the continued traditional landfill disposal of dredged material and deliver multiple economic and environmental benefits to local economies. Due to the naturally occurring process of sedimentation, overtime rivers, lakes, harbors, and bays can become filled with debris, sand, mud, silt, and other materials that reduce waterway depths making them difficult to navigate - posing environmental and safety hazards. Proper dredging of these sediment materials plays a critical role in maintaining clean and healthy waterways for local ecosystems and providing access to the recreational boating and angling communities. The Corps estimates that hundreds of millions of cubic yards of dredged materials need to be excavated each year to keep the nation's waterways open for commercial and recreational use. Exploring options to increase the use of alternative and recyclable solutions will facilitate new opportunities to more efficiently and sustainably deliver economic, environmental, and societal benefits through the disposal of dredged materials.

The Federal government has a responsibility to maintain the nation's ports, harbors, and waterways. Applying the full balance of the HMTF to harbor maintenance projects will ensure the fees collected in the fund are not diverted from critical dredging projects but used to deliver an economic boost to the U.S. commercial and recreational boating industries that depend on well maintained waterways. NMMA appreciates your consideration and stands ready to assist you and the committee through this important endeavor.

Sincerely,



Nicole Vasilaros
Senior Vice President of Government Relations and Legal Affairs
National Marine Manufacturers Association