



GREAT LAKES AND ST. LAWRENCE CITIES INITIATIVE
ALLIANCE DES VILLES DES GRANDS LACS ET DU SAINT-LAURENT

RESOLUTION 12 – 2009M

HARBOR MAINTENANCE TAX

Submitted by Superior, Duluth, and Thunder Bay

WHEREAS, Great Lakes mayors must collectively address common issues related to regional development that promote waterborne commerce and contribute to the economic vitality of our communities, states/provinces and nations; and

WHEREAS, the increased use of maritime transportation will reduce environmental pressures and improve the quality of air and water, while at the same time reducing the social and economic pressures caused by landside traffic and congestion; and

WHEREAS, Short Sea Shipping is a form of maritime transportation that does not transit an ocean and utilizes inland and coastal waterways to move commercial freight; and

WHEREAS, Short Sea Shipping services provide an environmentally-friendly mode of transportation for goods moving port-to-port along the Great Lakes St. Lawrence Seaway – ensuring a greatly reduced carbon footprint; and

WHEREAS, Great Lakes mayors see Short Sea Shipping as both a viable and desirable mode of transportation; and

WHEREAS, the Harbor Maintenance Tax (HMT) is a U.S. federal tax imposed on shippers based on the value of the goods being shipped to or from U.S. ports and the tax is placed in a trust fund to be used for maintenance dredging of federal navigational channels; and

WHEREAS, the constitutionality of the HMT has been questioned with respect to exports and the tax is an additional burden for waterborne commerce in the Great Lakes region; and

WHEREAS, elimination of the HMT would clear the way for development, decrease landside transportation costs; improve safety for the motoring public; reduce emissions and improve air quality; and

WHEREAS, providing a narrow exemption for non-bulk commercial cargo would encourage the movement of freight from congested highway systems to marine alternatives – offering shippers a complimentary route to rail and truck traffic – a way to bypass congested roadways, borders and bottlenecks; and



WHEREAS, cargo currently moving by truck and rail is not taxed; conversely, the existing HMT acts as a deterrent to the development of Short Sea Shipping services.

NOW, THEREFORE, BE IT RESOLVED that the Great Lakes and St. Lawrence Cities Initiative calls on the United States Congress to eliminate the Harbor Maintenance Tax on Great Lakes non-bulk shipping to encourage Short Sea Shipping Services; and

BE IT FURTHER RESOLVED that the Great Lakes and St. Lawrence Cities Initiative urges Congress to enact H.R. 528, legislation exempting the movement of non-bulk commercial cargo by water in the Great Lakes region.

Signed this 18th day of June, 2009

A handwritten signature in black ink, appearing to read "George Heattwell", written over a horizontal line.

George Heattwell, Chair
Mayor of Grand Rapids
Great Lakes and St. Lawrence Cities Initiative