



Congress of the United States

House of Representatives

Washington, DC 20515

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OFFICE OF THE SECRETARY
FEDERAL MARITIME COMM

March 1, 2012

Karen V. Gregory
Secretary
Federal Maritime Commission
800 North Capitol Street, NW
Washington, DC 20573-0001

Subject: Docket No. 11 19, U.S. Containerized Cargo Flows - Response to NOI

Dear Secretary Gregory:

We are writing in response to the Federal Maritime Commission's Notice of Inquiry on factors that may cause or contribute to the shift of cargo destined for the U.S. inland from U.S. to Canadian and Mexican seaports.

Our nation's economic future depends on modern ports with adequate facilities and channels deep enough to keep pace with the demands of global commerce. The U.S. Army Corps of Engineers estimates that full channel dimensions at the nation's busiest 59 ports are available only 35% of the time. This situation increases the cost of shipping into U.S. ports as commercial vessels are often unable to carry full loads into and out of our nation's ports. If ships cannot access U.S. ports because of the failure to invest the money necessary to maintain authorized channel depths, we stand to lose economic opportunities and jobs to other countries that are willing to make these investments.

According to the American Great Lakes Ports Association, there is an estimated \$61.3 million dredging shortfall in federally maintained commercial harbors on the Great Lakes in Fiscal Year 2012. In recent years, some Great Lakes harbors have been so choked with sediment as to be an impediment to waterborne transportation, and, ultimately, to economic growth in our region.

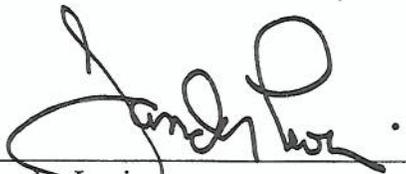
The Harbor Maintenance Trust Fund was created in 1986 and is financed by an excise tax of 0.125 percent imposed on the value of commercial cargo carried on ships. Over the past years, annual expenditures from the Trust Fund have remained relatively flat while collections have increased with the result that, for Fiscal Year 2011, the Trust Fund had an estimated surplus of \$6.3 billion dollars and outlays of just \$800 million.

To begin to address this problem, we strongly support H.R. 104, the Realize America's Maritime Promise (RAMP) Act. This legislation would require that the annual Harbor Maintenance Tax

revenue collected each year be spent for their intended purpose of dredging the nation's harbors. We believe passage of H.R. 104 would go a long way to ensuring that U.S. ports and waterways are properly maintained and allow our water transportation system to operate at full capacity.

We appreciate having this opportunity to comment on this important issue.

Sincerely,



Sander Levin
Member of Congress



John Dingell
Member of Congress