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U.S. President Barack Obama signs H.R. 3080, the Water Resources Reform and Development Act of 2014, on June 10, 2014, in Washington, D.C. AFP PHOTO/Mandel NGANMANDEL NGAN/AFP/Getty Images.

WASHINGTON — President Barack Obama's signing into law today of major port legislation, the Water Resources Reform and Development Act of 2014, is just one step toward the United States getting its maritime trade gateways up to snuff.

Congress needs to get back on track in passing a water resources bill every two years and press on in reforming how its funds and complete navigational projects, said Paul Bea, principal of maritime consultant PHB Public Affairs. Much of what's in the next water resources bill will depend on whether Congress backs up its pledges to send millions of dollars more to ports annually and divvy up the funding more fairly. How well the U.S. Army Corps of Engineers adopts provisions in the just-passed legislation to streamline project reviews will also determine how far legislators push for further reform in the next bill.

Even if the current bill delivers on its goal to provide more equity to so-called donor ports, don't expect the major West Coast ports to let up on their effort to get a larger share of the harbor maintenance taxes they collect back for harbor work, said J. Stanley "Stan" Payne, a principal at Summit Strategic Partners, a management and transportation consulting firm. Donor ports are defined as those that have collected at least \$15 million in HMT dollars annually, received less than 25 percent of their collected HMT back in the last five fiscal years and handled more than 2 million TEUs in fiscal 2012. Donor ports, including Long Beach, Los Angeles and Seattle, have argued that the current funding mechanism allows competitors to benefit from their business.

In crafting the most recent bill, legislators were able to push a plan where small or emerging ports, Great Lakes ports and donor ports were guaranteed a share of funding from the Harbor Maintenance Trust Fund. That bargain was largely possible because Congress pledged to reform the trust fund so the amount available to all ports would increase. Under the new bill, the federal government will have to send all collected harbor maintenance taxes — a 0.125 percent levy on the value of imported cargo — to ports, not just have to fill general budget holes, as has been done.

"This is feel-good legislation, but the reality is everyone wants a bigger slice, and the question is whether there is going to be enough to go around," Payne said.

What's in the next water resources development bill is just as important as when Congress will begin crafting the legislation. Although the bills are intended to come every two years, Congress has missed the schedule for the last two bills. The Water Resources Reform Development Act comes seven years after the latest version, and that bill, passed in 2007, came seven years after the prior act.

"We're thrilled that for the first time in seven years there is an authorization, with real reforms and a path toward fully using the Harbor Maintenance Trust Fund — critically important for energy and related industries — for its intended use," said Janet Kavinoky, executive director of transportation and infrastructure for the U.S. Chamber of Commerce.

Encouragingly, House Transportation and Infrastructure Committee Chairman Bill Shuster, R-Pa., has regularly voiced his aim to pass a water resources bill every two years, Bea said. For brave, or perhaps foolish, ports, the water resources bill won't be as important as it used to be because the newest version allows them to take on major projects, including dredging work, without gaining congressional approval. Ports will still have to get approval from the corps to proceed on the projects.

The catch is that ports that take that path aren't guaranteed to get federal money, potentially leaving states, port authorities and, ultimately, taxpayers on the hook for millions of dollars, Payne said. The larger issue is how Congress is going to fund the hundreds of millions of dollars East Coast ports need to deepen their harbor so they can handle the larger ships soon-to-be-able to pass through the expanded Panama Canal in early 2016, he said. The current bill authorizes about \$2 billion worth of port projects, including harbor deepening work at the ports of Jacksonville and Savannah. But it will be up to congressional appropriators to determine how much Uncle Sam kicks in and how much states, cities and port authorities will have to fund, Payne said.

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