

113TH CONGRESS
2^D SESSION

H. R. 4105

To establish a Maritime Goods Movement User Fee and provide grants for international maritime cargo improvements and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 27, 2014

Mr. McDERMOTT (for himself, Ms. DELBENE, Mr. HECK of Washington, Mr. KILMER, Mr. LARSEN of Washington, and Mr. SMITH of Washington) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish a Maritime Goods Movement User Fee and provide grants for international maritime cargo improvements and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Maritime Goods Move-
5 ment Act for the 21st Century”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

1 (1) COMMERCIAL CARGO.—The term “commer-
2 cial cargo”—

3 (A) means—

4 (i) any cargo transported on a com-
5 mercial vessel, including passengers trans-
6 ported for compensation or hire; and

7 (ii) international maritime cargo; and

8 (B) does not include—

9 (i) bunker fuel, ship’s stores, sea
10 stores, or the legitimate equipment nec-
11 essary to the operation of a vessel; or

12 (ii) fish or other aquatic animal life
13 caught and not previously landed on shore.

14 (2) COMMERCIAL VESSEL.—The term “commer-
15 cial vessel”—

16 (A) means any vessel used—

17 (i) in transporting cargo by water for
18 compensation or hire; or

19 (ii) in transporting cargo by water in
20 the business of the owner, lessee, or oper-
21 ator of the vessel; and

22 (B) does not include any ferry engaged pri-
23 marily in the ferrying of passengers (including
24 their vehicles) between points within the United

1 States, or between the United States and con-
2 tiguous countries.

3 (3) FERRY.—The term “ferry” means any ves-
4 sel which arrives in the United States on a regular
5 schedule during its operating season at intervals of
6 at least once each business day.

7 (4) INTERNATIONAL MARITIME CARGO.—The
8 term “international maritime cargo” means any
9 cargo moved by ship that is imported directly into
10 the United States from a point outside the United
11 States, including—

12 (A) cargo that arrives in the United States
13 by ship; or

14 (B) cargo that is unloaded in an inter-
15 mediate country and arrives in the United
16 States by another form of transit without being
17 altered in any manner in the intermediate coun-
18 try.

19 (5) LOW-USE PORT.—The term “low-use port”
20 means a port at which not more than 1,000,000
21 tons of cargo is transported each calendar year.

22 (6) POINT OF ENTRY.—The term “point of
23 entry” means a place where commercial cargo enters
24 the United States.

25 (7) PORT.—

1 (A) IN GENERAL.—Except as provided in
2 subparagraphs (B) and (C), or otherwise spe-
3 cifically provided in this Act, the term “port”
4 means any channel or harbor (or component
5 thereof) in the United States, which—

6 (i) is not an inland waterway; and

7 (ii) is open to public navigation.

8 (B) EXCEPTION FOR CERTAIN FACILI-
9 TIES.—The term “port” does not include any
10 channel or harbor with respect to which no
11 Federal funds have been used since 1977 for
12 construction, maintenance, or operation, or
13 which was deauthorized by Federal law before
14 2013.

15 (C) SPECIAL RULE FOR THE COLUMBIA
16 RIVER.—The term “port” shall include the
17 channels of the Columbia River in the States of
18 Oregon and Washington only up to the down-
19 stream side of the Bonneville Lock and Dam.

20 (8) SUPER DONOR PORT.—

21 (A) IN GENERAL.—The term “super donor
22 port” means a port for which average expendi-
23 tures in the 5 previous fiscal years—

24 (i) for fiscal years beginning prior to
25 the date of the enactment of this Act, from

1 the Harbor Maintenance Trust Fund pur-
2 suant to section 9505(c)(1) of the Internal
3 Revenue Code of 1986 (relating to expend-
4 itures from the Harbor Maintenance Trust
5 Fund) are less than 10 percent of the total
6 average amount of harbor maintenance
7 taxes collected through landings at such
8 port in such fiscal years; or

9 (ii) for fiscal years beginning after
10 such date of enactment, from the amounts
11 collected for the Maritime Goods Move-
12 ment User Fee are less than 10 percent of
13 the total average amount of such Fees col-
14 lected through landings at such port.

15 (B) INCLUDED EXPENDITURES.—The
16 amount of expenditures under subparagraph
17 (A) shall only include expenditures made at
18 such a port in the immediate harbor area con-
19 taining docks and other facilities utilized for the
20 loading and unloading of foreign waterborne
21 commerce and in any navigational channels in
22 the United States that are necessary for the
23 transportation of such foreign waterborne com-
24 merce between such immediate harbor areas
25 and foreign ports.

1 (9) VALUE.—The term “value” means—

2 (A) with respect to domestic commercial
3 cargo, the value as determined by standard
4 commercial documentation;

5 (B) with respect to imported commercial
6 cargo, the appraised value for duty as deter-
7 mined under section 402 of the Tariff Act of
8 1930 (19 U.S.C. 1401a); or

9 (C) with respect to the transportation of
10 passengers for hire, the actual charge paid for
11 such service or the prevailing charge for com-
12 parable service if no actual charge is paid.

13 **SEC. 3. ESTABLISHMENT OF MARITIME GOODS MOVEMENT**

14 **USER FEE.**

15 (a) ESTABLISHMENT OF FEE.—

16 (1) IN GENERAL.—Except as otherwise pro-
17 vided in this section, there is imposed a Maritime
18 Goods Movement User Fee on all commercial
19 cargo—

20 (A) unloaded from or loaded on a commer-
21 cial vessel at a port; or

22 (B) that enters the United States at a
23 point of entry.

24 (2) EFFECTIVE DATE.—The Maritime Goods
25 Movement User Fee shall be imposed on commercial

1 cargo under paragraph (1) beginning on October 1
2 of the first fiscal year beginning after the date of the
3 enactment of this Act.

4 (b) FEE AMOUNT.—The amount of the Maritime
5 Goods Movement User Fee shall be an amount equal to
6 0.125 percent of the value of the commercial cargo.

7 (c) COLLECTION OF FEE.—The Maritime Goods
8 Movement User Fee shall be collected by U.S. Customs
9 and Border Protection.

10 (d) TIME OF IMPOSITION OF FEE.—The Maritime
11 Goods Movement User Fee shall be imposed on commer-
12 cial cargo at the time—

13 (1) the commercial cargo is unloaded from or
14 loaded on a commercial vessel at a port in the
15 United States; or

16 (2) the commercial cargo enters the United
17 States at a point of entry.

18 (e) INAPPLICABILITY TO CARGO.—No Maritime
19 Goods Movement User Fee shall be imposed under this
20 section on any export of the United States.

21 (f) COORDINATION OF FEE WHERE TRANSPOR-
22 TATION SUBJECT TO TAX IMPOSED UNDER 4042 OF THE
23 INTERNAL REVENUE CODE.—No Maritime Goods Move-
24 ment User Fee shall be imposed under this section with
25 respect to the loading or unloading of any cargo on or

1 from a vessel if any fuel of such vessel has been (or will
2 be) subject to the tax imposed by section 4042 of the In-
3 ternal Revenue Code of 1986 (relating to tax on fuels used
4 in commercial transportation on inland waterways).

5 (g) SPECIAL RULE FOR ALASKA, HAWAII, AND POS-
6 SESSIONS.—

7 (1) IN GENERAL.—No Maritime Goods Move-
8 ment User Fee shall be imposed on—

9 (A) cargo loaded on a vessel in a port in
10 the United States mainland for transportation
11 to Alaska, Hawaii, or any possession of the
12 United States for ultimate use or consumption
13 in Alaska, Hawaii, or any possession of the
14 United States;

15 (B) cargo loaded on a vessel in Alaska,
16 Hawaii, or any possession of the United States
17 for transportation to the United States main-
18 land, Alaska, Hawaii, or such a possession for
19 ultimate use or consumption in the United
20 States mainland, Alaska, Hawaii, or such a pos-
21 session;

22 (C) the unloading of cargo described in
23 subparagraph (A) or (B) in Alaska, Hawaii, or
24 any possession of the United States, or in the
25 United States mainland, respectively; or

1 (D) cargo loaded on a vessel in Alaska,
2 Hawaii, or a possession of the United States
3 and unloaded in the State or possession in
4 which loaded, or passengers transported on
5 United States flag vessels operating solely with-
6 in the State waters of Alaska or Hawaii and ad-
7 jacent international waters.

8 (2) CARGO.—For purposes of this subsection,
9 the term “cargo” does not include crude oil with re-
10 spect to Alaska.

11 (3) UNITED STATES MAINLAND.—For purposes
12 of this section, the term “United States mainland”
13 means the continental United States (not including
14 Alaska).

15 (h) SPECIAL RULES.—Except as provided by regula-
16 tions:

17 (1) FEE IMPOSED ONLY ONCE.—The Maritime
18 Goods Movement User Fee shall be imposed on the
19 same commercial cargo only 1 time.

20 (2) EXCEPTION FOR INTRAPORT MOVE-
21 MENTS.—Under regulations, no Maritime Goods
22 Movement User Fee shall be imposed on the mere
23 movement of commercial cargo within a port.

24 (3) RELAY CARGO.—Only 1 Maritime Goods
25 Movement User Fee shall be imposed on cargo (mov-

1 ing under a single bill of lading) which is unloaded
2 from one vessel and loaded onto another vessel at
3 any port in the United States for relay to or from
4 any port in Alaska, Hawaii, or any possession of the
5 United States. For purposes of this paragraph, the
6 term “cargo” does not include any item not treated
7 as cargo under subsection (g)(2).

8 (i) EXEMPTION FOR UNITED STATES.—No Maritime
9 Goods Movement User Fee shall be imposed on the United
10 States or any agency or instrumentality thereof.

11 (j) EXEMPTION FOR HUMANITARIAN AND DEVELOP-
12 MENT ASSISTANCE CARGOS.—No Maritime Goods Move-
13 ment User Fee shall be imposed on any nonprofit organi-
14 zation or cooperative for cargo which is owned or financed
15 by such nonprofit organization or cooperative and which
16 is certified by the U.S. Customs and Border Protection
17 as intended for use in humanitarian or development assist-
18 ance overseas.

19 (k) LIMITATION ON COLLECTION OF FEE.—No fee
20 may be collected under this section except to the extent
21 that the expenditure of the fee to pay the costs of activities
22 and services for which the fee is imposed is provided for
23 in advance in an appropriations Act.

1 (l) RECEIPTS CREDITED AS OFFSETTING COLLEC-
2 TIONS.—Notwithstanding section 3302 of title 31, United
3 States Code, any fee collected under this section—

4 (1) shall be credited as offsetting collections to
5 the accounts that finance the activities and services
6 detailed in section 4;

7 (2) shall be available for expenditure only to
8 pay the costs of activities and services detailed in
9 section 4; and

10 (3) shall remain available until expended.

11 **SEC. 4. EXPENDITURES OF MARITIME GOODS MOVEMENT**

12 **USER FEE.**

13 (a) ADMINISTRATIVE COSTS.—Up to \$10,000,000 of
14 the amount of the Maritime Goods Movement User Fees
15 collected during any fiscal year shall be used for payment
16 of expenses of administration incurred by the Department
17 of Homeland Security, the Army Corps of Engineers, and
18 the Department of Transportation.

19 (b) OTHER EXPENDITURES.—The amounts of the
20 Maritime Goods Movement User Fees collected for a fiscal
21 year that are not used for administration under subsection
22 (a) shall be allocated as follows:

23 (1) HARBOR MAINTENANCE PROGRAMS.—For
24 the first 5 fiscal years beginning after the date of
25 the enactment of this Act, 95 percent, and for each

1 fiscal year thereafter 80 percent, of such amounts
2 shall be available to pay up to 100 percent of the
3 eligible operations and maintenance costs assigned
4 to commercial navigation of all harbors and inland
5 harbors within the United States, as authorized by
6 section 210(a)(2) of the Water Resources Develop-
7 ment Act of 1986 (33 U.S.C. 2238(a)(2)), including
8 the Federal share of the cost of—

9 (A) maintenance of Federal navigation
10 projects to their authorized depths and widths;

11 (B) disposal of maintenance dredged mate-
12 rial;

13 (C) construction and maintenance of
14 dredged material placement facilities;

15 (D) projects or activities for the beneficial
16 use of dredged material or sand mitigation;

17 (E) jetties, breakwaters, bridges, and other
18 navigation structures; and

19 (F) related studies and surveys.

20 (2) LOW-USE PORTS.—Of the amounts made
21 available each fiscal year for harbor maintenance
22 programs under paragraph (1), up to 8 percent shall
23 be allocated for low-use ports. Special emphasis shall
24 be placed on low-use ports where there is a Coast
25 Guard presence and low-use ports which the Coast

1 Guard determines to be restricted navigation areas
2 or harbors of refuge.

3 (3) COMPETITIVE GRANT PROGRAM FOR GOODS
4 MOVEMENT.—

5 (A) SUPER DONOR PORTS.—For each fis-
6 cal year beginning with the sixth fiscal year be-
7 ginning after the date of the enactment of this
8 Act, 15 percent of the amounts of the Maritime
9 Goods Movement User Fee not used for admin-
10 istration under subsection (a), shall be allocated
11 to super donor ports to carry out projects or ac-
12 tivities described in paragraphs (1), (2), and (3)
13 of section 5(e).

14 (B) OTHER USES.—For each fiscal year
15 beginning after the date of the enactment of
16 this Act, 5 percent of the amounts of the Mari-
17 time Goods Movement User Fee not used for
18 administration under subsection (a) shall be al-
19 located to carry out projects or activities de-
20 scribed in paragraphs (4), (5), and (6) of sub-
21 section 5(e).

22 **SEC. 5. COMPETITIVE GRANT PROGRAM FOR GOODS MOVE-**
23 **MENT.**

24 (a) ESTABLISHMENT OF GRANT PROGRAM.—There is
25 established a Competitive Grant Program for Goods Move-

1 ment to be administered by the Secretary of Transpor-
2 tation in consultation with the Assistant Secretary of the
3 Army for Civil Works.

4 (b) PURPOSE.—The purpose of the Competitive
5 Grant Program for Goods Movement is to provide finan-
6 cial assistance for capital investments that improve the ef-
7 ficiency of the transportation system of the United States
8 to move international maritime cargo.

9 (c) PROJECT ELIGIBILITY.—

10 (1) MINIMUM NUMBER OF GRANTEES.—For
11 each fiscal year, there shall be no less than—

12 (A) 3 grantees that are super donor ports;
13 and

14 (B) 3 grantees that are eligible entities
15 under subsection (d).

16 (2) COST-SHARE.—The Federal cost share of a
17 project awarded a grant under this section shall be
18 no more than 50 percent of the total cost.

19 (d) ELIGIBLE ENTITY.—A grant under this section
20 may only be awarded to a State or local government enti-
21 ty, including a port authority.

22 (e) ELIGIBLE PROJECTS.—A grant awarded under
23 this section may be used for the following:

24 (1) Any in-water improvement in the navigable
25 waters in or near such port that the Secretary of the

1 Army is authorized to make, including environ-
2 mental remediation and habitat mitigation if cer-
3 tified by the Assistant Secretary to improve the
4 movement of international maritime cargo.

5 (2) Any in water improvement in berthing areas
6 in such port pursuant to a channel widening or
7 deepening project.

8 (3) Maintenance of berthing areas adjacent to
9 navigational channels in such port.

10 (4) Improvements to an intermodal corridor fa-
11 cility project to benefit international maritime cargo
12 as certified by the Secretary of Transportation or
13 designee, in consultation with the Assistant Sec-
14 retary of the Army for Civil Works or designee.

15 (5) Improvements to a land port of entry
16 project to benefit international maritime cargo as
17 certified by the Secretary of Transportation or des-
18 ignee, in consultation with the Assistant Secretary of
19 the Army for Civil Works or designee.

20 (6) A project that improves access to a port or
21 intermodal terminal facility to benefit international
22 maritime cargo as certified by the Secretary of
23 Transportation or designee, in consultation with the
24 Assistant Secretary of the Army for Civil Works or
25 designee.

1 **SEC. 6. REPEAL OF HARBOR MAINTENANCE TAX.**

2 (a) IN GENERAL.—Subchapter A of chapter 36 of the
3 Internal Revenue Code of 1986 is repealed.

4 (b) CONFORMING AMENDMENT.—The table of sub-
5 chapters for chapter 36 of the Internal Revenue Code of
6 1986 is amended by striking the item relating to sub-
7 chapter A.

8 (c) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to port uses (as defined in section
10 4462 of such Code, as in effect on the day before the date
11 of the enactment of this Act) on or after October 1 of
12 the first fiscal year beginning after the date of the enact-
13 ment of this Act.

14 **SEC. 7. TREATMENT OF BALANCES FROM THE HARBOR**
15 **MAINTENANCE TRUST FUND.**

16 Any remaining balances in the Harbor Maintenance
17 Trust Fund established by section 9505 of the Internal
18 Revenue Code of 1986 (relating to expenditures from the
19 Harbor Maintenance Trust Fund) shall remain available
20 until expended in accordance with the requirements of
21 subsection (c) of that section.

22 **SEC. 8. APPLICATION OF WAGE REQUIREMENTS.**

23 Nothing in this Act shall be construed to prevent the
24 application of wage requirements otherwise applicable to

- 1 harbor maintenance improvement projects on the date of
- 2 enactment of this Act.

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