

**Testimony of  
James H.I. Weakley  
President, Lake Carriers' Association**

**Hearing on  
H.R. 104  
Realizing America's Maritime Promise ("RAMP") Act**

**U.S. House of Representatives  
Committee on Transportation and Infrastructure  
Subcommittee on Water Resources and Environment**

**Friday, June 8, 2011  
2167 Rayburn House Office Building**

Thank you for the opportunity to testify today. I am Jim Weakley and I am representing Lake Carriers' Association and the Great Lakes Maritime Task Force. I am also a member of the national Realize America's Maritime Promise coalition. I ask this Subcommittee to approve H.R.104 without amendment. I will be focusing on government trust, jobs and marine transportation. All are vital to America's future.

### **WHO I REPRESENT**

Lake Carriers' Association ("LCA") represents 15 American companies that operate 55 U.S.-flag vessels on the Great Lakes. Founded in 1880, LCA is one of the oldest trade associations in the United States. In a typical year, our members haul upwards of 100,000,000 tons of cargo on the Lakes. Those cargos are the raw materials that drive our economy – iron ore and fluxstone for steel production, coal for power generation, limestone and cement for the construction industry.

Great Lakes Maritime Task Force ("GLMTF") is the largest labor/management coalition ever to promote shipping on the Great Lakes and Seaway, America's Fourth Sea Coast. Since its founding in 1992, GLMTF has grown to almost 90 members and represents shipowners and operators, shoreside and shipboard labor, shipyards, terminal operators, public port authorities, cargo shippers, dredgers and other marine service providers.

Realize America's Maritime Promise ("RAMP") is a national coalition of more than 150 shipping companies, shippers, labor organizations, dredging contractors, ports and other waterway users that have come together in an effort to address the inherent unfairness of a system that collects revenues but does not use them for their intended purpose: DREDGING.

### **TESTIMONY**

Ships enable domestic and global trade. Unfortunately, our waterways, the very arteries of coastal infrastructure, are barely surviving a diet of neglect. Already, the disease proved fatal to one Great Lakes Port, more may soon follow. Nature is filling our ports with sediment, but only half of the tax collected specifically to remove that sediment is being spent for that purpose.

Half of this Subcommittee's members, including Chairman Gibbs, who became the 100<sup>th</sup> cosponsor, and Ranking member Bishop have taken the first step to end the national dredging crisis by cosponsoring H.R. 104. Thank you. Restoring the trust in the Harbor Maintenance Trust Fund benefits all four of our Nation's coasts, as well as the economies of inland states. California importers, Minnesota miners, Ohio steelworkers, Michigan manufacturers, New York fishermen, Louisiana exporters, Illinois farmers, Pennsylvania producers and many others depend on efficient waterborne transportation to receive goods, move products to market and expand their horizons.

Our Nation's ports handle 2.5 billion tons of domestic and international cargo annually. They move imports and exports worth more than \$5.5 billion per day. In 2007, before the recessions, ports employed over 13.3 million Americans, 9 percent of the total workforce; and those jobs paid \$649 billion in wages. \$1 billion in exports creates 15,000 new jobs. Our ports and the maritime industry keep America "open for business."

We do it by employing economies of scale – one “laker” can carry as much as 2,800 trucks – and the laws of physics – requiring less horsepower to move a ton of cargo. If semis were as efficient as ships, they would only need a lawnmower engine to propel them.

A lack of dredging forces “light loading.” For every inch of draft lost, U.S.-flag lakers each forfeit as much as 270 tons of cargo. For each inch silted in, the American Laker fleet collectively, per voyage, leaves 8,000 tons of Minnesota ore in Duluth, enough to manufacture 6,000 cars. We leave enough Montana coal behind to produce 3 hours of Detroit’s electricity or we abandon enough Ohio limestone for 24 Pennsylvania homes.

Tragically, lost draft is most often measured in feet. The impacts are system wide. This inefficiency makes American products more expensive and exports jobs. Dunkirk, New York’s port used to receive 500,000 tons of coal per year, but it closed DUE TO LACK OF DREDGING in 2005.

More will follow. Based on the current Army Corps of Engineers dredging budget, it is very likely some ports in Western Michigan may soon be closed for business. Similar problems exist on our other coasts. The Corps’ own statistics show that the authorized depth of federally maintained navigation channels is available over only half of their authorized width less than one-third of the time, and this performance is declining. Another Corps study estimated 30 percent of the 95,550 vessel calls at U.S. ports were limited by inadequate channels.

Tributaries to the Great Lakes naturally deposit more than 3.3 million cubic yards of sediment per year; however, never in the past decade has an Administration proposed spending enough money to remove it. Only Congressional adds or stimulus funding, twice in the past decade, allowed for the removal of the annual sedimentation volume.

Established in 1986, the Harbor Maintenance Trust Fund is the depository for the ad valorem cargo tax. The need for maintenance dredging is dire, the payoff on harbor maintenance investments is great, maritime commerce is paying enough into the Trust Fund to maintain the entire system, but little more than half of Trust Fund revenues are being spent for this purpose. Industry payments exceed Fund expenditures. In 2010, maritime commerce and interest income provided almost \$1.4 billion to the Trust Fund; however, only \$828 million were expended. Most harbors still lost depth and width to the unrelenting deposits of sediment. Annually, the “trust gap” grows by hundreds of millions of dollars. As of today, the Fund’s surplus is approaching \$6 billion.

H.R. 104, Realizing America’s Maritime Promise Act, is the solution. Modeled after the Airport and Airways Trust Fund fix from 2000, it bases annual Trust Fund expenditures on Trust Fund revenues. The bill doesn’t “score” or violate budget rules. It should reduce the need for maintenance dredging earmarks by providing adequate funding to dredge all ports.

I respectfully urge you to pass H.R. 104 without amendment. We are on the verge of a national navigation heart attack. We need to revive our dying infrastructure with the angioplasty of dredging and sustain it with a healthy maintenance diet.

It is a matter of Trust.



- 1990 Planning Officer and Aide De Camp, U.S. Coast Guard, Cleveland, OH  
Executed Marine Safety Planning Proposals for Ninth Coast Guard District (Great Lakes). Executive Assistant for District Commander and Budget Manager for Great Lakes Marine Safety Program.
- 1989 Industry Training – U.S. Coast Guard and Lake Carriers' Association, Great Lakes Region. Studied Great Lakes Shipping.
- 1986 Port Information Officer and Marine Inspector, U.S. Coast Guard, Philadelphia, PA. Managed multi-agency public affairs team during 300,000 gallon oil spill. Created Delaware Valley Marine Firefighting Task Force. Inspected 11 major refineries and hundreds of ships for regulatory compliance.
- Engineering Officer U.S. Coast Guard Cutter *Midgett*, San Francisco, CA  
Qualified as engineering and deck watch officer.

**III. Awards and Certifications:**

Commander, U.S. Coast Guard Reserve (ret.)  
Coast Guard Marine Safety Insignia  
Department of Transportation 9-11 Medal  
Coast Guard Reserve Medal  
Coast Guard Commendation (2)  
Coast Guard Achievement  
Humanitarian Service Medal  
National Defense Medal (2)  
Federal Executive Board's Outstanding Service Award  
Congressman Louis Stokes's "Superior Public Service Certificate"  
Quality Management Systems Auditor/Senior Assessor and Quality System Auditor Training for ISO and ISM codes

**IV. Professional Memberships:**

Board of Directors, American Maritime Partnership  
Vice-President, Great Lakes Maritime Task Force

Ohio Commissioner, Great Lakes Commission  
Chairman, Great Lakes Maritime Academy Board of Visitors  
Member, Propeller Club of the United States  
Member, Great Lakes Maritime Historical Society  
Member, Great Lakes Panel on Invasive Species  
Member, Great Lakes Regional Ballast Water Collaboration  
Member, American Bureau of Shipping  
Former Member, Marine Transportation National Advisory Council

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE  
*Truth in Testimony Disclosure*

Pursuant to clause 2(g)(5) of House Rule XI, in the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include: (1) a curriculum vitae; and (2) a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by an entity represented by the witness. Such statements, with appropriate redaction to protect the privacy of the witness, shall be made publicly available in electronic form not later than one day after the witness appears.

**(1) Name:**

James H. I. Weakley

**(2) Other than yourself, name of entity you are representing:**

Lake Carriers' Association and Great Lakes Maritime Task Force

**(3) Are you testifying on behalf of an entity other than a Government (federal, state, local) entity?**

YES

If yes, please provide the information requested below and attach your curriculum vitae.

NO

**(4) Please list the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by you or by the entity you are representing:**

James Weakley, Lake Carriers' Association and The Great Lakes Maritime Task Force have received no grants (or subgrant thereof) or contracts (or subcontract thereof) during this or the two previous fiscal years.

  
Signature

6 JULY 2011  
Date

## Long Island Commercial Fishing Association

P.O. Box 191 ~ Montauk, N.Y. 11954

Phone 516-527-3099 ~ Fax 631-668-7654 ~ E-mail [Greenfluke@optonline.net](mailto:Greenfluke@optonline.net)

Sustainable Fisheries and Fishermen for the 21<sup>st</sup> Century

July 6, 2011

Congressman Bob Gibbs, Chairman  
House Subcommittee on Water Resources and Infrastructure  
U.S. House of Representatives  
Committee on Transportation and Infrastructure  
Washington, DC 20515

Dear Chairman Gibbs,

My name is Bonnie Brady and I am here today representing the Long Island Commercial Fishing Association as its executive director. Our membership represents commercial fishermen from 11 different gear groups at 15 ports throughout Long Island. I'd like to thank you for the opportunity to present my comments before the subcommittee today.

It is my understanding that H.R. 104, "Realizing America's Maritime Promise (RAMP) Act," will allow funds gathered from import tariffs in the Harbor Maintenance Trust Fund (HMTF) to be used specifically for dredging and maintenance of US ports, harbors and waterways. It is also my understanding that in the past, the funds in the HMTF were not always fully utilized in their original intent.

Commercial fishing on Long Island is responsible for 99% of New York's landed seafood catch, in 2009 that translated to over 34 million pounds of fish, shellfish and crustaceans worth just over \$49 million dollars at the dock. With a standard economic multiplier of four, that translates to a \$200 million industry which helps to power the economic engine of hundreds of Long Island businesses. These mom and pop shops, whether it's a fishing boat, ice supplier, welder shop or restaurant, are the very fabric which makes up the coastal communities of Long Island.

Our Long Island coastal waterways and ports are our Metros and Beltway, and without properly maintained dredging, hundreds of local businesses and families are negatively impacted yearly on Long Island.

Our own Congressman Bishop from the First District has done an admirable job to stay on top of dredging nightmares as they appear courtesy of Mother Nature, but in some cases by the time funding is secured for dredging, thousands of dollars in potential revenue are lost.

Lost through inability to land one's catch at the closest port for the best market price, lost through repairs necessary due to accidents involving hull and wheel issues along with vessel groundings, and lost through pollution control costs from those groundings. Of course there is also the potential loss of life through accidents because of shoaling that can and has happened on



# BONNIE BRADY

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## EMPLOYMENT

EXECUTIVE DIRECTOR 2000-PRESENT  
*Long Island Commercial Fishing Association* Montauk, NY  
All facets of work as the director of a not-for-profit organization with 300 members representing 11 different gear types in 15 ports across Long Island, including but not limited to communicating with local, county, state and Federal officials; writing grant proposals and news releases; creating, organizing and speaking at various community fishing events; attending fishery council meetings and chairing in-house fisheries meetings with varied gear groups, and educating the public about the U.S. commercial fishing industry.

HEALTH VOLUNTEER 1991-93  
*United State Peace Corps* Cameroun, West Africa  
Co-coordinator of Primary health care for Bengbis Hospital, Dja and Lobo, South province, Cameroun. Responsible for implementation and continued progress of Project SESA, a joint initiative of USAID and Harvard University to establish pre-natal and post-natal care for mothers and immunizations for infants and children at risk in geographically isolated areas of the Dja and Lobo rain forest. Account supervisor for hospital's pro-pharmacy. Created community health initiatives at the village level.

MONTAUK REPORTER 1990-91; 1993-94  
*East Hampton Star* East Hampton, NY  
Print and photographic reporter for a weekly newspaper with a year-round circulation of 12,000.

LEGISLATIVE CORRESPONDENT/AIDE 1987-89  
*United States Senate* Washington, DC  
Answered constituent phone calls and mail; followed-up on constituents' requests.

FRONT-DESK RECEPTIONIST/BOOKKEEPER 1985-86  
*Commonwealth Land Title Insurance Agency* Washington, DC  
Receptionist and then bookkeeper for land-title insurance closing agency with high call-volume, daily correspondence and busy accounts-receivable office.

## EDUCATION

UNIVERSITY OF SOUTH CAROLINA 1979-84  
*Columbia, SC- Bachelor of Arts- Journalism 1984, minor french* Columbia, SC  
Secretary at Student Union; Burney Dorm President.

PARAMEDIC CERTIFICATION PROGRAM 1995-96  
*State University at Stony Brook, Health and Science Center* Stony Brook, NY  
NYC-REMAC certification, National Registry of EMTs certification, ACLS instructor.

## AWARDS, ACHIEVEMENTS & INTERESTS

\$50,000 grant from New York State's Pride of New York seafood program to highlight locally-landed seafood in 2004. <http://www.agmkt.state.ny.us/AP/PrideofNY/releases2.html?ReleaseID=1349>  
Montauk Fire Department member 1991-2007  
New York State Emergency Medical Technician 1991-1995  
New York State Paramedic (EMT-P 152978) 1996-2008  
Montauk Fire Department Secretary (elected) 2003 and 2004  
Montauk Fire Department Ambulance Company Training Officer (elected) 1996-99  
Fluent in English, French and American Sign Language  
Member Les Deux Zeros men's volleyball team, Bengbis, Cameroun 1992-93  
Volleyball, softball, running and cycling.

**COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE**  
*Truth in Testimony Disclosure*

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**(1) Name:**

Bonnie Brady

**(2) Other than yourself, name of entity you are representing:**

Long Island Commercial Fishing Association

**(3) Are you testifying on behalf of an entity other than a Government (federal, state, local) entity?**

YES

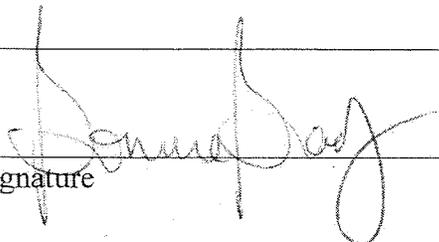
If yes, please provide the information requested below and attach your curriculum vitae.

NO

**(4) Please list the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by you or by the entity you are representing:**

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Signature



Date

7/7/11

**Gary P. LaGrange  
President and CEO  
Port of New Orleans**

**Testimony before the  
Subcommittee on Water Resources and Environment  
House Committee on Transportation and Infrastructure**

**Hearing on “Realize America’s Maritime Promise (RAMP) Act”**

**July 8, 2011**

Mr. Chairman and Members of the Subcommittee:

As the President and Chief Executive Officer of the Port of New Orleans, I appreciate the opportunity you have provided me today to highlight the need for immediate passage of Congressman Charles Boustany’s Realize America’s Maritime Promise (RAMP) Act (H.R. 104). The Port of New Orleans strongly supports swift Congressional passage of the RAMP Act, legislation that would provide the required solution to address pressing waterway maintenance needs for commercial navigation in our Nation’s ports and inland harbors. Enactment of this legislation is even more urgent given the unprecedented challenges that the inland river system is facing after this year’s record high water event and the mammoth dredging and maintenance requirements that have ensued.

Mr. Chairman, the port community and its other maritime industry participants and stakeholders are extremely gratified by your leadership and that of Congressman Boustany in the effort to enact the RAMP Act. Congressman Boustany has worked tirelessly to obtain over 100 sponsors of this vital legislation in the House. The RAMP Act will ensure that the funds collected from maritime importers and deposited into the Harbor Maintenance Trust Fund are fully allocated for the purpose originally intended by Congress, namely, for dredging and other maintenance activities in our coastal ports, harbors and waterways. The Ramp Act reflects a very simple concept – funds collected from maritime commerce for a specific commercial navigational purpose must be used for that purpose.

The Mississippi River and its tributaries constitute the Nation’s largest river system and connect approximately 30 states in the heartland with international markets. For example, roughly 60 percent of all U.S. grain exports are shipped from the Mississippi River, and 25 percent of all large commercial bulk ships that arrive in the U.S. come through Lower Mississippi River ports. U.S. Customs & Border Protection estimates that the river system facilitates between \$85 billion-to-\$104 billion annually in foreign trade through its New Orleans District alone. Yet, in the aftermath of this year’s unprecedented high water along the entire river system, this vital instrument of U.S. international trade is threatened by severe shoaling and accumulated silt that has already reduced the width and depth of the Lower Mississippi River navigation channel. That channel has been routinely maintained at an authorized 45-foot depth

and 750-foot width by the U.S. Army Corps of Engineers to meet export/import trade and other domestic transportation needs. However, today, Lower Mississippi River pilots are imposing significant operating restrictions on commercial vessels transiting the mouth of the Mississippi River, restrictions that will significantly add costs and delays in the export of American products to international markets. Moreover, this situation will negatively impact manufacturers, producers, shippers and waterborne carriers throughout the U.S. that rely upon a dependable Mississippi River transportation system.

Through its direct facilitation of trade and commerce, the Port of New Orleans is one of the primary economic engines of the Gulf Coast, and serves as a key gateway for the Mississippi River System. About 380,000 jobs in the United States depend on the cargo that is handled by the Port of New Orleans. Some \$37 billion in national economic output is derived from the transportation and manufacturing of goods that flow through our Port. As a container and general cargo port, the Port of New Orleans serves the American Midwest through the 14,500-mile inland waterway system, and is a hub for six Class One railroads and the interstate highway system. In addition to excellent rail access, the Port is served by approximately 50 ocean carriers, 16 barge lines, and 75 trucking lines. Over the past 10 years, the Port has invested more than \$400 million in new state-of-the-art wharves, terminals, expanded marshalling yards, multi-purpose cranes, and transportation infrastructure. Needless to say, because of its geographic location and modern facilities, the Port of New Orleans is well-positioned to provide unique access for American exports to global markets.

Mr. Chairman, it is that very ability to facilitate international trade that is at serious risk, not only for the Port of New Orleans, but also for other ports throughout the United States. As a Nation, we are losing the battle to maintain our domestic maritime infrastructure, even as billions of dollars in the Harbor Maintenance Trust Fund, supposedly dedicated to the operation and maintenance of our ports and waterways, lie dormant.

Far more funding is deposited in the Harbor Maintenance Trust Fund each year than is spent on vital dredging and other operations and maintenance needs. In Fiscal Year 2010, the Harbor Maintenance Trust Fund had a year-end balance of over \$5.6 billion. Total receipts of the fund, in just that one year, were \$1.363 billion. However, only \$828 million, or approximately 60 percent of those receipts, were spent for authorized dredging and maintenance purposes, leaving over \$535 million from Fiscal Year 2010 alone to be unspent. The multi-billion dollar surplus is left to languish in a trust fund that continues to grow without being fully used to facilitate maritime commerce for the benefit of our Nation's economy. I assure you, Mr. Chairman, that proper use of the surplus funds in the Harbor Maintenance Trust Fund, together with the annual revenues deposited into that Fund, would solve many of our Nation's commercial navigation maintenance needs that are vital to our competitiveness in international trade and to this country's economic recovery. That is why we so desperately require the enactment of the RAMP Act.

Mr. Chairman, the navigation and related trade problems which I have mentioned are real. And no more so than right outside my front door in New Orleans. I must work with maritime carriers, shippers, commodity and manufacturing representatives, and many others in

an annual fight to obtain supplemental Federal funding to maintain the authorized, but routinely under-funded, deep-draft navigation channel on the Lower Mississippi River. As a result of the unprecedented high water this year, the problem is now as bad as we have ever seen it, and I am very concerned that required dredging funds may not be forthcoming to avoid serious disruptions in commerce. Stakeholders throughout the entire Mississippi River System who are engaged in the international trade of agricultural products, mineral resources, and other goods, and who rely on a well-maintained, dependable transportation corridor provided by the Mississippi River and its tributaries, share our concern about this unacceptable situation.

Our challenge this year is this – we have pressing waterways maintenance needs on the Lower Mississippi River with apparently no additional Federal funding to address them. We are all well aware that the Army Corps of Engineers was forced to implement key flood protection strategies to manage the Mississippi River System during the recent high water episodes. Now, that System is facing harmful navigational restrictions that are being imposed because of significant shoaling and silting on the Lower Mississippi River. Without immediate, additional maintenance dredging of the Lower Mississippi River deep draft navigation channel, delays and diversions of vitally important cargoes will necessarily occur. As a result, domestic transportation costs will significantly increase for many low-margin agricultural, aggregate, and other U.S. products and goods, and many businesses will be placed at a competitive disadvantage for participation in the Nation's export trade.

Despite this commercial state of emergency, it is bewildering to the many affected maritime transportation and commodity interests that, while a huge \$5.6 billion surplus exists in the Harbor Maintenance Trust Fund, the estimated \$95 million in Corps operations and maintenance funding is not made available immediately to address the emergency dredging needs in the Lower Mississippi River. We urgently require the Administration to request emergency supplemental funding now to address, in part, the Lower Mississippi River dredging requirements. This is a major problem, one that we would not have to face in the future if the RAMP Act is passed to ensure the proper dedication of funds to meet our Nation's waterway transportation needs.

Mr. Chairman, I would like to point out that another Federal maritime trust fund is also important to our marine transportation system and in need of reform. In order to continue to meet domestic and international trading needs, we must properly invest in our inland waterways infrastructure for the efficient delivery of cargo throughout the United States. Improvements are required in the administration and use of the Inland Waterways Trust Fund to fully address critical needs for locks and dams on our inland waterway system. The Port of New Orleans supports the Capital Development Plan that has been developed to address the needs of this system, and we urge Congress to act on that plan at your earliest opportunity.

To help advance economic recovery in our country, the President has made a strong commitment through his National Export Initiative to double American exports over the next five years. That effort will be seriously undercut if we do not provide our trading partners and related maritime transportation interests with the assurance that our U.S. ports and waterways will be properly maintained. That assurance would be provided through Congressional

enactment of the vitally important RAMP Act. Mr. Chairman, the Port of New Orleans and other port and maritime interests from across the country look forward to working with you and your colleagues in the effort to pass the RAMP Act to facilitate international trade and foster related job growth for our country. We are deeply grateful for the time and attention that you, Congressman Boustany, and other members of the House have given to this important issue.

Mr. Chairman, thank you for allowing me to appear before you today, and I look forward to any questions that you or the Subcommittee members may have.

**COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE**  
*Truth in Testimony Disclosure*

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**(1) Name:**

Gary P. LaGrange

**(2) Other than yourself, name of entity you are representing:**

President & CEO  
Board of Commissioners of the Port of New Orleans

**(3) Are you testifying on behalf of an entity other than a Government (federal, state, local) entity?**

YES

If yes, please provide the information requested below and attach your curriculum vitae.

**NO**

**(4) Please list the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by you or by the entity you are representing:**

FY2011	
DHS/FEMA Public Assistance (CFDA 97.036) Katrina and Gustav	\$11,484,762.91
DHS/FEMA Port Security Grant Program (CFDA 97.056) (includes sub funds)	\$ 1,647,079.09
DHS/FEMA Special Community Disaster Loan (forgiven)	\$ 8,472,759.00

Signature

Date

7-6-11

**Mr. Gary P. LaGrange**  
**President & CEO**  
**Port of New Orleans**

Gary LaGrange has served as President and Chief Executive Officer of the Port of New Orleans since 2001. Under LaGrange's direction the Port made great expansions in spite of facing great adversity. During his tenure the Port opened new state-of-the art container and cruise terminals. Also notably and certainly most publicly, LaGrange's leadership brought the Port of New Orleans back into operation within two weeks after Hurricane Katrina, the most extensive natural disaster in U.S. history.

Under LaGrange's leadership, the Port of New Orleans opened the award-winning \$101 million Napoleon Avenue Container Terminal in January 2004. In October 2006, the Port opened the Erato Street Cruise Terminal and Parking Garage. This new \$37 million cruise terminal boasts a 1000 car parking garage and 90,000 square foot terminal. The Port has also received preliminary funding for another cruise ship terminal at the Poland Avenue Wharves, and will soon begin renovations to its Julia Street cruise terminal. Additionally, the Port has just recently unveiled its \$1 billion 2020 Master Plan, currently in the early stages of implementation.

LaGrange's commitment to the maritime industry is reflected in the numerous leadership positions he has held at state, regional and national levels. He is the Chairman of the National Waterways Conference and serves on the Board of the Waterways Council, Inc. He is Past Chairman of the American Association of Port Authorities, an alliance of 350 ports in the Western Hemisphere. He also serves on the boards of the Gulf Ports Association of the Americas and is past chairman and past president of the Gulf Intracoastal Canal Association. He was named to the Federal Reserve Bank of Atlanta's Advisory Council on Trade and Transportation, in addition to having earned the esteemed Professional Port Manager Certification (PPM) from the American Association of Port Authorities.

LaGrange was named the Maritime Person of the Year by the Propeller Club of New Orleans in 2003, and the Maritime Person of the Year by the Propeller Club of the Port of Gulfport in 2001. He received the "Man of Steel" Award by the American Institute for International Steel (AIIS) in 2006. He received the Leadership Award for his administration of the Port of New Orleans during Hurricane Katrina and was named to the Hall of Fame by the International Maritime Association at the United Nations. He was also named to the Natural Rivers Hall of Fame in Dubuque, Iowa.

Before taking leadership at the Port of New Orleans, LaGrange served as the Executive Director of the Mississippi State Port Authority in Gulfport, Miss., and Executive Director of the Port of South Louisiana on the Mississippi River as well as the Port of West St. Mary.

Mr. LaGrange attended Louisiana State University. He received his B.A. in Geography/Economics from the University of Louisiana at Lafayette. He completed a Master of Arts in Urban Planning, with honors, at ULL in 1975 and taught Economic Geography and Urban Planning at the university through its University College.

**House Transportation and Infrastructure Committee  
Subcommittee on Water Resources and Environment**

hearing on

***H.R. 104 – The Realize America’s Maritime Promise (RAMP) Act***

***CALLING FOR FULL USE OF THE  
HARBOR MAINTENANCE TRUST FUND TAX FOR ITS INTENDED PURPOSE***

July 8, 2011

**The Honorable Charles W. Boustany, Jr., MD  
Testimony**

Mr. Chairman and Subcommittee Members –

Thank you for providing me the opportunity to testify today. I also want to thank Chairman Mica and the Water Resources and Environment Subcommittee staff for their hard work and dedication to correcting this injustice affecting the maritime community. As a former Member of the Subcommittee charged with addressing critical water resources infrastructure, I am pleased to return and provide remarks regarding this very important issue.

Since I served as Vice-Chairman of the Water Resources Subcommittee in the 109th Congress, I remain concerned about the impacts on federal ports and harbors that cannot be fully maintained with existing U.S. Army Corps of Engineers funding levels. Because most ports do not have naturally deep harbors, they must be regularly dredged and maintained to allow ships to move safely through federal navigation channels. Our ports and harbors are gateways to domestic and international trade, connecting the United States to the world.

The Harbor Maintenance Trust Fund (HMTF) was created in 1986 to provide a stable long-term source of funding to pay for maintenance costs for federally maintained harbors. Users of the ports and waterways would pay a small tariff on the goods passing through these waters to maintain this critical infrastructure. The revenues from users would be placed in the HMTF where they would be used promptly and exclusively for harbor maintenance costs. Problems developed with this mechanism in the past decade.

Because the revenues and expenditures of the HMTF are part of the overall budget, if the Trust Fund does not spend all of its revenues the "surplus" helps offset deficits in the rest of the general budget. As a result, chronic underfunding of critical harbor maintenance occurred. The uncommitted balance in the Trust Fund continues to grow and according to the House Appropriations Committee’s FY 2012 Energy and Water Development report, will reach \$6.1 billion by the beginning of FY 2012. This means that there are billions of dollars in the Harbor Maintenance Trust Fund unused even though there are significant harbor maintenance needs. In FY 2010, the Harbor Maintenance Tax collected more than \$1.2 billion from shippers for the purpose of funding dredging projects. However, only \$793 million of dredging and related maintenance costs were reimbursed from the fund, and ports and harbors were unable to dredge

to their authorized project dimensions. According to the Corps' own FY10 Budget Justification, full channel dimensions at America's top 59 harbors are maintained less than one-third of the time.

There are many examples of dredging problems in ports and harbors across the nation. In many cases, vessels must "light load" because of dredging shortfalls. The economic implications of light loading are enormous. For every foot of draft a ship is restricted by due to increased siltation, up to \$1 million dollars of cargo will sit on the dock as a result of light-loading.

As a Member of this Subcommittee, I participated in a hearing in which former U.S. Army Corps of Engineers Director of Civil Works, Major General Carl Strock testified. I asked him the reason for the Corps reprogramming funds from the waterway in my district to the Mississippi River. This alarmed me because the Calcasieu River is an almost 70-mile channel serving the Port of Lake Charles, the 11<sup>th</sup> largest port in the United States. Based on studies done by the Corps' New Orleans District, in 2006 the Port of Lake Charles generated over 31,000 jobs and contributed \$765 million directly to the federal treasury – equally the money allocated annually to the Corps for Operations and Maintenance projects.

Despite these significant contributions to the national economy, the dredging budget of the Calcasieu Project has historically been grossly underfunded. Between Fiscal Years 2003 and 2011, the appropriations for the Calcasieu Ship Channel have been about 51% of the amount needed to fully fund maintenance of the waterway. The example at the Port of Lake Charles is identical to the situational lack of adequate maintenance dredging funds at ports nationwide, so why should we be robbing Peter to pay Paul?

As the conversation went on, General Strock stated the Corps could dredge all federally maintained ports and waterways to authorized depth should they get a full allocation of HMTF funds that are collected annually, just as Congress intended when the Harbor Maintenance Tax (HMT) was created in 1986. Keep in mind, General Strock referenced just the incoming revenue and not the surplus.

In order to address this situation, I introduced HR 104 – the Realize America's Maritime Promise (RAMP) Act. This strongly bipartisan bill seeks full access for our ports to the annual revenues deposited into the Harbor Maintenance Trust Fund generated by the ad valorem Harbor Maintenance Tax for operations and maintenance dredging in the United States – without creating mandatory spending. The RAMP Act includes a guarantee requiring the total amount available for spending from the Harbor Maintenance Trust Fund each year be equal to the Trust Fund receipts, plus interest as annually estimated by the President's budget. If an appropriations bill spending Harbor Maintenance Trust Fund revenue is brought to the House or Senate floor not meeting this requirement, any Member would be able to make a point of order against it and the bill would not be allowed to be considered in that form.

While the intent of the RAMP Act is to increase harbor maintenance spending, it does not make the increase mandatory spending. The Congressional Budget Office (CBO) has confirmed the bill does not have any scoring impact. The RAMP Act, with an almost 50/50 split of 101

cosponsors, would address only future HMTF revenues, not the existing \$6.1 billion surplus in the trust fund.

Responsible for moving more than 99 percent of the country's overseas cargo, U.S. ports and waterways handle more than 2.5 billion tons of domestic and international trade annually, and the volume is projected to double within the next 15 years - particularly after the expansion of the Panama Canal. In 2007, there were 13.3 million port-related jobs - 9% of all jobs in the US accounting for \$649 billion in personal income. A \$1 billion increase in exports creates an estimated 15,000 new jobs and that is just what this bill is intended to do - strengthen our infrastructure, create jobs, double our exports and stimulate our economy.

America's deep-draft navigation system is at a crossroads. Our waterways' ability to support the nation's continuing growth in trade and in the defense of our nation, hinges on much-needed federal attention to unresolved funding needs that are derailing critical channel maintenance and deep-draft construction projects of the water highways to our ports.

I urge the Subcommittee to use this unique opportunity to make the changes needed and pass the bipartisan RAMP Act. Future port dimensions affecting trade, jobs, the economy and our national defense cannot be compromised.

Again, thank you for the opportunity to testify today.