

113TH CONGRESS
1ST SESSION

S. 1509

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

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 17, 2013

Mrs. MURRAY (for herself and Ms. CANTWELL) introduced the following bill;
which was read twice and referred to the Committee on Finance

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:

8 (1) **COMMERCIAL CARGO.**—The term “commer-
9 cial cargo”—

10 (A) means—

1 (i) any cargo transported on a com-
2 mercial vessel, including passengers trans-
3 ported for compensation or hire; and

4 (ii) international maritime cargo; and
5 (B) does not include—

6 (i) bunker fuel, ship's stores, sea
7 stores, or the legitimate equipment nec-
8 essary to the operation of a vessel; or

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

11 (2) COMMERCIAL VESSEL.—The term “commer-
12 cial vessel”—

13 (A) means any vessel used—

14 (i) in transporting cargo by water for
15 compensation or hire; or

16 (ii) in transporting cargo by water in
17 the business of the owner, lessee, or oper-
18 ator of the vessel; and

19 (B) does not include any ferry engaged pri-
20 marily in the ferrying of passengers (including
21 their vehicles) between points within the United
22 States, or between the United States and con-
23 tiguous countries.

24 (3) FERRY.—The term “ferry” means any ves-
25 sel which arrives in the United States on a regular

1 schedule during its operating season at intervals of
2 at least once each business day.

3 (4) INTERNATIONAL MARITIME CARGO.—The
4 term “international maritime cargo” means any
5 cargo that is moved by ship that arrives into the
6 United States from a point outside the United
7 States, regardless of whether such cargo—

8 (A) arrives in the United States by ship; or

9 (B) is unloaded in a foreign country and
10 arrives in the United States by another form of
11 transit.

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

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

18 (7) PORT.—

19 (A) IN GENERAL.—Except as provided in
20 subparagraphs (B) and (C), or otherwise spe-
21 cifically provided in this Act, the term “port”
22 means any channel or harbor (or component
23 thereof) in the United States, which—

24 (i) is not an inland waterway; and

25 (ii) is open to public navigation.

1 (B) EXCEPTION FOR CERTAIN FACILI-
2 TIES.—The term “port” does not include any
3 channel or harbor with respect to which no
4 Federal funds have been used since 1977 for
5 construction, maintenance, or operation, or
6 which was deauthorized by Federal law before
7 2013.

8 (C) SPECIAL RULE FOR THE COLUMBIA
9 RIVER.—The term “port” shall include the
10 channels of the Columbia River in the States of
11 Oregon and Washington only up to the down-
12 stream side of the Bonneville Lock and Dam.

13 (8) SUPER DONOR PORT.—

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

17 (i) for fiscal years beginning prior to
18 the date of the enactment of this Act, from
19 the Harbor Maintenance Trust Fund pur-
20 suant to section 9505(c)(1) of the Internal
21 Revenue Code of 1986 (relating to expendi-
22 tures from the Harbor Maintenance Trust
23 Fund) are less than 10 percent of the total
24 average amount of harbor maintenance

1 taxes collected through landings at such
2 port in such fiscal years; or

3 (ii) for fiscal years beginning after
4 such date of enactment, from the amounts
5 collected for the Maritime Goods Move-
6 ment User Fee are less than 10 percent of
7 the total average amount of such Fees col-
8 lected through landings at such port.

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

20 (9) VALUE.—The term “value” means—

21 (A) with respect to domestic commercial
22 cargo, the value as determined by standard
23 commercial documentation;

24 (B) with respect to imported commercial
25 cargo, the appraised value for duty as deter-

1 mined under section 402 of the Tariff Act of
2 1930 (19 U.S.C. 1401a); or

3 (C) with respect to the transportation of
4 passengers for hire, the actual charge paid for
5 such service or the prevailing charge for com-
6 parable service if no actual charge is paid.

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

8 **USER FEE.**

9 (a) ESTABLISHMENT OF FEE.—

10 (1) IN GENERAL.—Except as otherwise pro-
11 vided in this section, there is imposed a Maritime
12 Goods Movement User Fee on all commercial
13 cargo—

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

16 (B) that enters the United States at a
17 point of entry.

18 (2) EFFECTIVE DATE.—The Maritime Goods
19 Movement User Fee shall be imposed on commercial
20 cargo under paragraph (1) beginning on October 1
21 of the first fiscal year beginning after the date of the
22 enactment of this Act.

23 (b) FEE AMOUNT.—The amount of the Maritime
24 Goods Movement User Fee shall be an amount equal to
25 0.125 percent of the value of the commercial cargo.

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

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

7 (1) the commercial cargo is unloaded from or
8 loaded on a commercial vessel at a port in the
9 United States; or

10 (2) the commercial cargo enters the United
11 States at a point of entry.

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

15 (f) COORDINATION OF FEE WHERE TRANSPOR-
16 TATION SUBJECT TO TAX IMPOSED UNDER 4042 OF THE
17 INTERNAL REVENUE CODE.—No Maritime Goods Move-
18 ment User Fee shall be imposed under this section with
19 respect to the loading or unloading of any cargo on or
20 from a vessel if any fuel of such vessel has been (or will
21 be) subject to the tax imposed by section 4042 of the In-
22 ternal Revenue Code of 1986 (relating to tax on fuels used
23 in commercial transportation on inland waterways).

24 (g) SPECIAL RULE FOR ALASKA, HAWAII, AND POS-
25 SESSIONS.—

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

3 (A) cargo loaded on a vessel in a port in
4 the United States mainland for transportation
5 to Alaska, Hawaii, or any possession of the
6 United States for ultimate use or consumption
7 in Alaska, Hawaii, or any possession of the
8 United States;

9 (B) cargo loaded on a vessel in Alaska,
10 Hawaii, or any possession of the United States
11 for transportation to the United States main-
12 land, Alaska, Hawaii, or such a possession for
13 ultimate use or consumption in the United
14 States mainland, Alaska, Hawaii, or such a pos-
15 session;

16 (C) the unloading of cargo described in
17 subparagraph (A) or (B) in Alaska, Hawaii, or
18 any possession of the United States, or in the
19 United States mainland, respectively; or

20 (D) cargo loaded on a vessel in Alaska,
21 Hawaii, or a possession of the United States
22 and unloaded in the State or possession in
23 which loaded, or passengers transported on
24 United States flag vessels operating solely with-

1 in the State waters of Alaska or Hawaii and ad-
2 jacent international waters.

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

6 (3) UNITED STATES MAINLAND.—For purposes
7 of this section, the term “United States mainland”
8 means the continental United States (not including
9 Alaska).

10 (h) SPECIAL RULES.—Except as provided by regula-
11 tions:

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

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

19 (3) RELAY CARGO.—Only 1 Maritime Goods
20 Movement User Fee shall be imposed on cargo (mov-
21 ing under a single bill of lading) which is unloaded
22 from one vessel and loaded onto another vessel at
23 any port in the United States for relay to or from
24 any port in Alaska, Hawaii, or any possession of the
25 United States. For purposes of this paragraph, the

1 term “cargo” does not include any item not treated
2 as cargo under subsection (g)(2).

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

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

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

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

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

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

4 (3) shall remain available until expended.

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

6 **USER FEE.**

7 (a) ADMINISTRATIVE COSTS.—Up to \$10,000,000 of
8 the amount of the Maritime Goods Movement User Fees
9 collected during any fiscal year shall be available for pay-
10 ment of expenses of administration incurred by the De-
11 partment of Homeland Security, the Army Corps of Engi-
12 neers, and the Department of Transportation.

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

17 (1) HARBOR MAINTENANCE PROGRAMS.—For
18 the first 5 fiscal years beginning after the date of
19 the enactment of this Act, 95 percent, and for each
20 fiscal year thereafter 80 percent, of such amounts
21 shall be available to pay up to 100 percent of the
22 eligible operations and maintenance costs assigned
23 to commercial navigation of all harbors and inland
24 harbors within the United States, as authorized by
25 section 210(a)(2) of the Water Resources Develop-

1 ment Act of 1986 (33 U.S.C. 2238(a)(2)), including
2 the Federal share of the cost of—

3 (A) maintenance of Federal navigation
4 projects to their authorized depths and widths;

5 (B) disposal of maintenance dredged mate-
6 rial;

7 (C) construction and maintenance of
8 dredged material placement facilities;

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

11 (E) jetties, breakwaters, bridges, and other
12 navigation structures; and

13 (F) related studies and surveys.

14 (2) LOW-USE PORTS.—Of the amounts made
15 available each fiscal year for harbor maintenance
16 programs under paragraph (1), up to 8 percent shall
17 be allocated for low-use ports. Special emphasis shall
18 be placed on low-use ports where there is a Coast
19 Guard presence and low-use ports which the Coast
20 Guard determines to be restricted navigation areas
21 or harbors of refuge.

22 (3) COMPETITIVE GRANT PROGRAM FOR GOODS
23 MOVEMENT.—

24 (A) SUPER DONOR PORTS.—For each fis-
25 cal year beginning with the sixth fiscal year be-

1 ginning after the date of the enactment of this
2 Act, 15 percent of the amounts of the Maritime
3 Goods Movement User Fee not used for admin-
4 istration under subsection (a), shall be allocated
5 to super donor ports to carry out projects or ac-
6 tivities described in paragraphs (1), (2), and (3)
7 of section 5(e).

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

16 **SEC. 5. COMPETITIVE GRANT PROGRAM FOR GOODS MOVE-**
17 **MENT.**

18 (a) ESTABLISHMENT OF GRANT PROGRAM.—There is
19 established a Competitive Grant Program for Goods Move-
20 ment to be administered by the Secretary of Transpor-
21 tation in consultation with the Assistant Secretary of the
22 Army for Civil Works.

23 (b) PURPOSE.—The purpose of the Competitive
24 Grant Program for Goods Movement to provide financial
25 assistance for capital investments that improve the effi-

1 ciency of the transportation system of the United States
2 to move international maritime cargo.

3 (c) PROJECT ELIGIBILITY.—

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

6 (A) 3 grantees that are super donor ports;

7 and

8 (B) 3 grantees that are eligible entities
9 under subsection (d).

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

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

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

18 (1) Any in-water improvement in the navigable
19 waters in or near such port that the Secretary of the
20 Army is authorized to make, including environ-
21 mental remediation and habitat mitigation if cer-
22 tified by the Assistant Secretary to improve the
23 movement of international maritime cargo.

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

4 (3) Maintenance of berthing areas adjacent to
5 navigational channels in such port.

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

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

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

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

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

1 (b) CONFORMING AMENDMENT.—The table of sub-
2 chapters for chapter 36 of the Internal Revenue Code of
3 1986 is amended by striking the item relating to sub-
4 chapter A.

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to port uses (as defined in section
7 4462, as in effect on the day before the date of the enact-
8 ment of this Act) on or after October 1 of the first fiscal
9 year beginning after the date of the enactment of this Act.

10 **SEC. 7. TREATMENT OF BALANCES FROM THE HARBOR**
11 **MAINTENANCE TRUST FUND.**

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

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

19 Nothing in this Act shall be construed to prevent the
20 application of wage requirements otherwise applicable to
21 harbor maintenance improvement projects on the date of
22 enactment of this Act.

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