

SUCCESS STORY Dredging

ithout annual dredging of Great Lakes harbors and navigational channels, the commercial maritime system, moving nearly 150 million tons annually from farm to table, quarry to construction, and mine to mill, would literally run aground and halt key components critical to our national economy. Since 1824, maintaining harbors and navigation channels throughout America is the responsibility of the U.S. Army Corps of Engineers. It's mostly an unheralded job, nowhere near as high profile as building bridges, highways, or dams but one equally, if not more, important to keeping goods and services moving across America.

OVER 95 PERCENT OF THE WORLD'S GOODS ARE SHIPPED BY WATER.

Maritime transportation is the reason why most of the cities, great and small, are located where they are on the Great Lakes and its connecting arteries. In 1825, the Erie Canal became the first water link between the Atlantic Ocean at New York City and Buffalo, New York on Lake Erie. In 1832, the Ohio and Erie Canal connected the Great Lakes at Cleveland, Ohio with the Ohio River and Mississippi River inland river network and the Gulf of Mexico downstream of New Orleans. Incorporated in 1837, Chicago, on Lake Michigan, became the transportation power hub it remains to this day because it linked the Great Lakes with the Upper Mississippi River and ports upstream and down including the Missouri River. Chicago became a great railroad town linking the East Coast and West helping to push America westward. The Great Lakes became the fourth seacoast with land and water connections to Atlantic, Gulf of Mexico, and Pacific ports.



According to the Brookings Institution, when taken as a single unit, the U.S. Great Lakes states are one of the largest economies in the world. They have a total Gross Domestic Product (GDP) of about \$4 trillion, which is about 20 percent of the total GDP of the U.S. At 10 percent of the U.S. population, we produce more than our fair share of GDP.

GREAT LAKES MARITIME TASK FORCE



Maintaining and expanding this transportation system, interconnecting channels, rivers, and ports became a fulltime endeavor on the Great Lakes. The fertile lands also became sediment in the rivers as fields were converted for farming, cities grew channeling more flows to the rivers and lakes as more and more land became paved, and ships became bigger and bigger to carry more and more cargo and people around the lakes.

The biggest threat to a functional Great Lakes navigation system came in 2007 and 2014 when 18 million cubic yards of sediment built up in our ports and rivers due to inadequate funding of



a key Corps mission, dredging. Channels were choked. This became a priority for GLMTF and we started on our campaign, the "Great Lakes Dredging Crisis." Since 1997, boats were "light-loading," unable to carry their full cargo capacity, costing millions of dollars each year up and down the supply chain.



The Harbor Maintenance Trust Fund (HMTF) was established specifically to have the funds available each year to meet commercial navigation's needs. The HMTF is funded by the Harbor Maintenance Tax, an ad valorem tax levied on imports and domestic cargo. Funds were collected like clockwork but not fully disbursed each year. The HMTF "bank account" grew to over \$8 billion and eventually reached \$9.5 billion.

GLMTF campaigned hard for years culminating in three critical milestones:

- Water Resources Reform and Development Act of 2014 (WRRDA 2014)
- Water Resources Development Act of 2020 (WRDA 2020)
- Fiscal Year 2022 President's Budget

WRRDA 2014 gave the Great Lakes and commercial navigation three landmark milestones: 1) that the Great Lakes be treated as a "system" rather than a collection of individual ports fighting for federal funds recognizing that the lakes ports are interdependent on each other; 2) that 10 percent of priority HMTF funding would go to the Great Lakes navigation system; and 3) that funding from the HMTF would increase each year through 2024 until all backlog funds were spent and going forward full funding would be mandated.

WRDA 2020 went further and mandated that the Great Lakes receive no less than 13 percent of all HMTF funding each year.

The President's Budget for FY 2022 is providing record operations and maintenance funding for the Great Lakes including a 16 percent share of the HMTF, \$228 million dollars. The previous year's budget was \$107 million

GLMTF has been the advocate for a smarter, more efficient management of the Great Lakes navigation system since its founding in 1992. Basic operation and maintenance is the key to efficiency. The Corps calculated that U.S. Great Lakes commercial maritime saves the U.S. economy over \$3.9 billion each year in transportation costs. Additionally, U.S. Great Lakes commercial maritime has a carbon footprint 10 times smaller than trucks and three times less than rail carrying the same cargo. One U.S.-flag 1,000-foot-long vessel carries the equivalent of 700 rail cars and 2,800 trucks saving also in infrastructure impacts keeping trucks off the roads and rail out of towns.

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