
Adopted Feb. 28, 2012

Resolution: Support for Legislation Promoting Short Sea Shipping on the Great Lakes-St. Lawrence Seaway System

Whereas, the concept of “short sea shipping” has been promoted by the federal governments of both the United States and Canada for its potential to relieve congestion on major surface transportation corridors by utilizing coastal and inland water routes for freight transportation; and

Whereas, the Great Lakes-St. Lawrence Seaway system is ideally suited for short sea shipping applications as it parallels surface corridors linking major North American mid-continent markets including Montreal, Buffalo, Toronto, Chicago, Cleveland, Toledo, Hamilton, Detroit and Milwaukee; and

Whereas, the Harbor Maintenance Tax (HMT), an ad valorem tax of .125 percent on the value of cargo carried by ship between any two U.S. ports and cargo imported to the U.S. from other countries, represents a significant deterrent to short sea shipping ventures, particularly those involving high value, intermodal, containerized cargo; and

Whereas, legislation has been introduced in the 112th U.S. Congress, H.R. 1533 and S. 1964, that would provide a narrow exemption to the Harbor Maintenance Tax for non-bulk cargo transported between any two U.S. Great Lakes ports and for non-bulk cargo transported between Canada and the United States in the Great Lakes-St. Lawrence Seaway system; and

Whereas, enabling more short sea shipping activity on the Great Lakes-St. Lawrence Seaway system is in the best economic interest of the member states and provinces of the Great Lakes Commission as a generator of more jobs and investment, and by maximizing the advantages of maritime transportation from air emissions, fuel efficiency and safety standpoints; and

Whereas, an HMT exemption would facilitate more efficient trade between the United States and Canada – which currently represents the largest binational trade partnership in the world – by encouraging more cross-lake truck ferry operations, thus easing chronically bottlenecked surface border crossings such as Detroit-Windsor, Port Huron-Sarnia and Buffalo-Niagara.

Therefore, Be It Resolved, that the Great Lakes Commission supports legislation that would provide an exemption to the Harbor Maintenance Tax for non-bulk cargo transported between U.S. ports and between Canada and the United States in the Great Lakes-St. Lawrence Seaway system.