GREAT LAKES SMALL HARBORS COALITION

CHUCK MAY, CHAIR
PORTAGE LAKE HARBOR, MI.

GREAT LAKES LEGISLATIVE CAUCUS
MAY 8, 2015

MY MESSAGE

• Our G.L. harbors face a crisis
• Explain the problem and cause
• Highlight efforts by Small Harbors Coalition
• Encourage you to actively engage
<table>
<thead>
<tr>
<th>State</th>
<th>Community</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michigan</td>
<td>352,000</td>
<td>2,500,000</td>
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<tr>
<td>Wisconsin</td>
<td>245,900</td>
<td>822,000</td>
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<td>New York</td>
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<td>2,660,000</td>
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<tr>
<td>Ohio</td>
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<td>1,673,000</td>
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<td>Minnesota</td>
<td>7,600</td>
<td>61,000</td>
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<td>Indiana</td>
<td>67,000</td>
<td>500,000</td>
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<tr>
<td>Illinois</td>
<td>92,000</td>
<td>703,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,604,500</td>
<td>8,919,000</td>
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</tbody>
</table>
FEDERALLY AUTHORIZED HARBORS

• Authorized, built, maintained, and funded by Federal Government
• 1985 – Harbor Maintenance Tax (HMT)
  -- Ad Valorum Tax on cargo/passengers
  -- Co-pay 50%
  -- 1990’s – HMT tripled to pay 100%

THE HARBOR MAINTENANCE PROBLEM

• Late 1990’s – President’s Budget no longer funded shallow draft and low use commercial harbors
• Since, only 50% of annual $1.8 billion HMT use for Harbor Maintenance
• For past 20 years, $9 billion misappropriated
• All harbors chronically underfunded/poorly maintained
• Massive backlog of dredging/infrastructure repair needs
• Small Harbors lifeblood literally drying-up
• Economic viability/citizen safety at risk!
GREAT LAKES SMALL HARBORS COALITION

• Grass Roots and Ad Hoc
• Founded in 2008
• Collective voice of 112 small harbor communities
• 1.6 million citizens
• Authorized by official Resolutions of Support
• First time small harbors at the table in D.C. and Army Corp
• Mission: Replace the broken process of earmarks with an equitable, sustainable, needs-based budget process
GREAT LAKES SMALL HARBORS COALITION, con’t.

- Approach: Build unifying relationships – Ports, Shippers, Legislators, Corps, State Agencies
  - Obtain emergency funding—over $22 million plus Sandy Relief

OUR ATTEMPTED “FIX” – 2014 WATER RESOURCE & REDEVELOPMENT ACT (WRRDA)

- Use 100% HMT for its intended purpose!
- Passed 412-4 in House, 91-7 in Senate
- Budget/Fund G.L.’s as single, interconnected system of navigation
- Increase funding from $0.9 bil. (2012) to $1.8 bil. by 2025
- Fund $1.2 bil (67% of HMT) in 2015
- G.L.’s to get 10% of increases
- USACE to maintain all harbors
SO, WHERE IS WRRDA?

• 2015 – Corps received $200 million more than 2012
  -- $100 million less than WRRDA authorized
• 2016 House Energy & Water Bill passed with WRRDA authorization
• Still must pass the Senate and the President
• Shallow draft & low use commercial must have higher priority by Corps
• Only $20 million annually to dredge small harbors

THE CRISIS!
PICTURE THIS HARBOR!

• No dredging or infrastructure repair
• Harbor unsafe for passage and is closing
• Sailboats leave the harbor
• Charter boats leave the harbor
• Tourism drops
• Housing values drop 35%
• Property tax revenue drops
THE CRISIS?
PICTURE THIS HARBOR!
Con’t

• Loss of tourism stresses, then closes businesses
• School funding drops
• No jobs, locals leave
• Community shrivels
• Impact spreads throughout county and state
• Many of the 112 FEDERAL SMALL HARBORS ARE AT RISK!
• How long does a harbor community last without a harbor?

HOW CAN YOU HELP?

• Rank this mission of sustaining our harbors on par with other restoration efforts
• A letter or Resolution of Support to Fed. Senators, Corps, and Governors
• Encourage Governors of all Great Lakes States to adopt similar letters of support and inclusion in their priorities
Realize if the Federal Government does not meet its responsibility for its harbors, then the burden will fall on the States, or harbors and their communities will begin to “close down”.

Let’s prevent this from happening!