



BALTIMORE PORT ALLIANCE

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February 27, 2025

The Honorable Brian J. Feldman
Chair, Education, Energy, and the Environment Committee
2 West Miller Senate Office Building
Annapolis, MD 21401

Re: Letter of Opposition – Senate Bill 882 - Coal Transportation Fee and Fossil Fuel Mitigation Fund

Dear Chair Feldman and Committee Members:

The Baltimore Port Alliance (“BPA”) respectfully opposes Senate Bill 882, as it would put the Port of Baltimore at a competitive disadvantage and detrimentally impact the hardworking men and women who make their living in the maritime industry.

Senate Bill 882 sends a troubling message to carriers and the maritime industry by imposing a fee on the transportation of coal through the State of Maryland exported internationally through the Port of Baltimore. In 2024, the Port of Baltimore exported nearly 25.7 million tons of coal. Senate Bill 882 would require port exporters to pay approximately \$334 million in *additional* transportation fees on coal exports annually. Not only does this fee on international exports deter carriers from operating in the State, but the fee may also impact the ability for the Port of Baltimore to continue to be prioritized for federal maintenance dredging of the shipping channels leading to our piers.

The Port of Baltimore is an economic engine and critical international gateway that connects the region to global suppliers and markets, relying wholly on the existence of the 50-foot channel maintained by the U.S. Army Corps of Engineers. Without the 50-foot channel, Port activity would grind to a halt, as the channels leading to the Port would be impassable to container ships and bulk carriers alike. To be prioritized for federal maintenance dredging funding, the Port relies, in part, on total tonnage to demonstrate the critical importance of the Port of Baltimore to the region and the international supply chain. Without the inclusion of the tonnage generated by coal exports, the Port’s total tonnage is cut by more than half. Changes in vessel usage, loss of cargo tonnage, and changes in use or loss of cargo terminals can trigger changes in the assessment of federal maintenance dredging and could result in the loss of federal channel investment in the Port of Baltimore.

Carriers will always move cargo by the most efficient and economical means and the Port is in constant competition with rivals in an industry that operates on razor thin margins. For the Port to remain the successful economic engine it has proven to be, Maryland cannot afford to be at a competitive disadvantage with our neighboring ports and risk the prioritization of the 50-foot federal channel, as the success of our Port directly benefits the State and the good-paying, family-supporting jobs who depend on it.

The BPA respectfully requests the Committee grant Senate Bill 882 an unfavorable report.

Sincerely,

David Chenowith

David Chenowith
Chairman
Baltimore Port Alliance

About the Baltimore Port Alliance: The Baltimore Port Alliance is a 501(c)(6) non-profit organization of maritime stakeholders dedicated to addressing the needs and interests of businesses and individuals who make their living and support their families through maritime commerce. The BPA is also aware of the importance of being a good neighbor to the communities that are nearby maritime facilities at the Port of Baltimore.