INTERNATIONAL LONGSHOREMEN'S ASSOCIATION Local No. 333

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SCOTT COWAN
President
International Vice President, ILA

March 11, 2025

The Honorable Marc Korman
Chair, Environment and Transportation Committee
250 Taylor House Office Building
Annapolis, MD 21401

Re: Letter of Opposition – House Bill 1088 - Coal Transportation Fee and Fossil Fuel Mitigation Fund

Dear Chair Feldman and Committee Members:

The International Longshoremen's Association ("ILA") respectfully opposes House Bill 1088, as it would significantly and detrimentally impact the hardworking men and women who make their living at the Port of Baltimore by putting at risk good-paying, family-supporting union jobs.

House Bill 1088 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. House Bill 1088 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 annual federal appropriations needed to dredge 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.

The ILA Local 333 represents over 2000 maritime workers in Maryland, who bravely operate on the front lines of the private and public marine terminals and facilities at the Port of Baltimore. This includes over

40 members of the ILA at CORE Energy Marine Terminal in Baltimore, responsible for the majority of coal exports out of the State. The Port of Baltimore has grown significantly over the years, breaking records, adding jobs, and bolstering economic activity in the process. Despite a challenging year, the Port of Baltimore has continued to recover. In fact, on January 21, 2025, the men and women of the ILA handled a record-breaking 6,956 container moves on a single vessel at the Port's Seagirt Marine Terminal, a testament to the resiliency and dedication of our labor force.

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 hardworking men and women of the ILA who depend on it.

The ILA respectfully requests the Committee grant House Bill 1088 an unfavorable report.

Sincerely,

Scott Cowan

Scott Cowan
President, ILA Local 333
Vice President, International Longshoremen's Association
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