

December 13, 2023

The Honorable Thomas R. Carper
Chairman
Committee on Environment & Public Works
U.S. Senate
Washington, DC 20510

The Honorable Shelley Moore Capito
Ranking Member
Committee on Environment & Public Works
U.S. Senate
Washington, DC 20510

The Honorable Sam Graves
Chairman
Committee on Transportation & Infrastructure
U.S. House of Representatives
Washington, DC 20515

The Honorable Rick Larsen
Ranking Member
Committee on Transportation & Infrastructure
U.S. House of Representatives
Washington, DC 20515

Dear Chairmen Carper and Graves and Ranking Members Moore Capito and Larsen:

The undersigned organizations applaud the provisions in the bipartisan Water Resources Development Act (WRDA) that focus on the health of our nation's ports and waterways and request that this legislation ensures that needed modifications are made to keep U.S. waterways operating safely, efficiently, and competitively in the global marketplace.

The U.S. maritime infrastructure system acts as a critical link in the American economy. In 2022, the U.S. maritime transportation system—consisting of harbors, ports, channels, locks, dams, and waterways—delivered over \$2.3 trillion worth of imports and exports.¹ The U.S. coastal port and inland waterway system together support over 2.5 million jobs associated with the shipping industry.^{2,3} Many commodity markets rely on waterborne commerce including farm and livestock products, raw materials and minerals, coal, iron ore, chemicals, petroleum and petroleum products, and consumer goods. The coastal port and inland waterway system support an additional 28 million jobs in these and related industries. With many U.S. jobs and markets dependent upon U.S. waterways and infrastructure, a healthy and reliable maritime system is more important than ever in keeping domestically produced goods and markets competitive.

The U.S. maritime infrastructure system is in critical condition, and geopolitical and national security events have created increased demand for U.S. commodities and energy exports, resulting in pressures on the system not seen in decades. U.S. international and domestic trade is expected to continue increasing while global trade volume, shipping distances, and vessels expand to maximize cost efficiency. While the reliance on the maritime system grows, the existing infrastructure is aging with the average age of locks in the United States now exceeding 50 years. As a result of aging infrastructure, traffic delays, frequent congestion and added costs are common events for waterway users.

To address these challenges, the Water Resources Development Act of 2024 must include provisions to facilitate maintaining the future efficient and effective construction and maintenance of important

¹ 2022 USDOT, Bureau of Transportation Statistics, U.S.-International Freight Trade by Transportation Mode

² PwC. Economic Contribution of the US Tugboat, Towboat, and Barge Industry. May 10, 2017

³ Martin Associates. 2018 National Economic Impact of the U.S. Coastal Port System. March 2019

maritime projects. In addition, provisions must ensure waterway usage is safe, secure, and affordable. WRDA 2024 must take into consideration the following:

- **Inland waterways construction and major rehabilitation projects funded by the Infrastructure Investment and Jobs Act (IIJA) remain at federal cost.** The 11,000 miles of fuel-taxed navigable waterways are a crucial component of our nation’s agriculture, energy, and manufacturing supply chains. Despite facilitating the transport of one-third of the nation’s Gross Domestic Product, the system relies on a network of lock and dam infrastructure that was constructed in the early 20th century, far exceeding its original 50-year design life. Deterioration has made these projects more susceptible to failures that result in unscheduled closures or stoppages. These delays increase congestion and the cost of transporting waterborne commodities, compounding the recent effects of inflation on consumers. Necessary capital improvements to the inland waterways transportation system are cost-shared through a 29-cent-per-gallon fuel tax imposed on commercial users of the system, and these taxes are deposited into the Inland Waterways Trust Fund (IWTF) to help with recapitalization of the system. The current cost-share requirement is 35% from the IWTF, with the remaining 65% from General Treasury funds, both appropriated to the U.S. Army Corps of Engineers (The Corps) in an Energy and Water Development appropriations bill. In providing Infrastructure Investment and Jobs Act (IIJA) funds to The Corps, Congress waived the cost-share requirement for inland waterways construction and major rehabilitation projects, recognizing the importance of accelerating the pace to complete projects in order to strengthen America’s supply chain and stay competitive in global markets. The IIJA funded seven inland waterways construction projects, but due to significant cost overruns, IIJA funds will be unable to complete any of these projects that were originally considered funded to completion. Unless modified in WRDA 2024, this will jeopardize and needlessly delay critical ongoing and planned capital improvements across the antiquated inland waterways transportation system, further delaying the economic and environmental benefits to the Nation.
 - Consistent with Congressional intent, the undersigned organizations request that all inland waterways construction and major rehabilitation projects funded by the Infrastructure Investment and Jobs Act (IIJA) remain at federal cost. This is consistent with the intent that IIJA-funded inland waterways construction projects are completed at 100% federal cost to achieve an accelerated return on investment. Ensuring the cost of these projects remains 100% federally funded will allow the nation to realize economic return more quickly, reduce the supply chain’s environmental footprint, address uncertainty in global agriculture and energy markets, and is consistent with Congressional intent.
- **Reauthorization of the National Dam Safety Program and needed reforms to the High Hazard Potential Dam Rehabilitation Program.** These two programs serve as the backbone of federal efforts to ensure the safety and resilience of the nation’s dams. Congress has demonstrated its willingness to support these programs through needed investments in the Infrastructure Investment and Jobs Act (IIJA), and must continue to build on these investments to improve dam safety and protect downstream communities. We ask that WRDA 2024 include:
 - a. A five-year reauthorization of the National Dam Safety Program, ensuring that program can continue to support state-level programs through 2028.

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2 PwC. Economic Contribution of the US Tugboat, Towboat, and Barge Industry. May 10, 2017

3 Martin Associates. 2018 National Economic Impact of the U.S. Coastal Port System. March 2019

- b. The removal of unnecessary limitations in the existing law prohibiting states from receiving State Assistance Grant funding totaling more than 50% of the cost of implementing state dam safety programs. States are already required to make reasonable effort to fund their own programs, and removing this limitation will allow for annual appropriations and IJA funds to flow more freely to states.
 - c. A new definition of “small underserved community” for the High Hazard Potential Dam Rehabilitation Program, and waiving the 35% non-federal cost share requirements for grant eligible communities that fall under this definition.
 - d. Ensure that operation and maintenance responsibility or high hazard potential dam projects falls on dam owners and not smaller grant subrecipients.
 - e. Language requiring an update from The Corps on efforts to implement the National Low Head Dam Inventory, which was authorized in WRDA 2022.
 - f. Creation of a program dedicated to financing stormwater infrastructure projects.
- **Necessary adjustments to Harbor Maintenance Trust Fund.** We ask that WRDA 2024 include dedicated funding of the Harbor Maintenance Trust Fund (HMTF) to make certain that ports and channels are maintained at their full depth and width to accommodate a variety of commerce and waterway traffic. We also request that the bill include language to maintain a new program, without affecting existing HMTF funding allocations, for a five-year Inland Waterways Dredge Pilot Program to increase the reliability, availability, and efficiency of federally owned and operated inland waterways projects, provide cost savings, and enhance the availability of container cargo on inland waterways.
 - **Energy Port Funding Allocation.** The Corps has twice failed to recommend a single dollar of HMTF towards the energy port target in the fiscal year 2023 work plan to meet the funding allocations outlined in WRDA 2020. Energy ports are critical to our national supply chain and stable HMTF funding for expanded uses is fundamental to maintaining international competitiveness. This funding can assist with capital improvements at these critical ports, which already pay a significant share of the collected tax. The Corps must meet the donor and energy target in the FY24 work plan and include the funding in future budget submissions.
 - **National Environmental Policy Act (NEPA) permitting processes transparency.** Requiring The Corps to provide a report to the Senate Committee on Environment and Public Works and the House Committee on Transportation and Infrastructure on National Environmental Policy Act (NEPA) permitting processes, including the length of time the Corps took to complete environmental assessments and the number of outstanding assessments to be completed.

As a significant component of local, state, and national economies, the health of our maritime system is essential to our way of life. Dependable, modernized maritime infrastructure is critical in maintaining and enhancing U.S. competitiveness in the global marketplace. The undersigned organizations strongly support your bipartisan leadership to improve our nation’s infrastructure, and we look forward to working with you to swiftly enact this legislation.

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Sincerely,

American Chemistry Council

American Fuel and Petrochemical Manufacturers

American Petroleum Institute

American Society of Civil Engineers

Chamber of Shipping of America

Great Lakes Dredge & Dock Company, LLC

Illinois Soybean Association

National Mining Association

The American Waterways Operators

U.S. Chamber of Commerce

Waterways Council, Inc.

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