

Congress of the United States
Washington, DC 20515

March 18, 2015

The Honorable Mike Simpson
Chairman
Energy & Water Subcommittee
2362 Rayburn House Office Building
Washington, DC 20515

The Honorable Marcy Kaptur
Ranking Member
Energy & Water Subcommittee
1016 Longworth House Office Building
Washington, DC 20515

Dear Chairman Simpson and Ranking Member Kaptur:

As you begin preparing the Fiscal Year (FY) 2016 Appropriations bills, we respectfully urge you to appropriate sufficient funding to United States Army Corps of Engineers (USACE) for construction, replacement, rehabilitation and expansion of inland waterways projects and for operations and maintenance (O&M) activities for inland coastal navigation. Commercial navigation is critical to our nation's freight system and economy and we ask that you appropriate \$360 million for inland waterway construction projects and increase the USACE's O&M account from the \$2.9 billion that was provided in FY 2015 to \$3 billion for FY 2016.

The inland waterways system consists of approximately 12,000 miles of commercially navigable channels and 239 lock chambers to support the movement of goods to and from 38 states. The inland waterways system carries approximately 565 million tons of cargo, valued at nearly \$214 billion, each year. This freight includes a significant portion of the nation's agricultural exports, domestic petroleum and petroleum products, and coal used in electricity generation. Much of the physical infrastructure of the system is aging, however, and in need of improvements. For example, commercial navigation locks typically have a design life of 50 years, yet nearly 60 percent of the 238 locks in the inland waterways system are more than 60 years old. Numerous critical lock failures and significant unscheduled down time have occurred at locks across the system. This situation threatens to erode the very fabric of our inland waterways system and we urge you to ensure that robust investment is made in the USACE Construction and O&M accounts.

The Administration's FY 2016 USACE Construction request of \$1,172,000,000 represents a 28.5% reduction below the enacted FY 2015 level of \$1,639,000,000. Within the Administration's requested total, only \$234,000,000 is proposed for the construction, replacement, rehabilitation, and expansion of Inland Water Trust Fund (IWTF) funded lock and dam projects. This budget request is 35% below what Congress envisioned just two months ago when, as the industry urged, the inland waterway diesel fuel tax that commercial users pay into the IWTF was increased from 20 to 29 cents per gallon to support increased investment in the nation's inland waterway infrastructure. Significant additional inland waterway modernization will not occur unless sufficient appropriations each year are made to the full potential of the IWTF's resources and allocations of those appropriations are made to authorized lock and dam modernization projects that are ready to put those funds to productive use. We respectfully urge you to appropriate \$360 million to ensure that these projects are provided with funding at level that can be supported by IWTF user fees that will be received by the Treasury in FY 2016.

In addition to the substantial needs in the USACE's Construction account, there must be robust investment in the USACE's O&M account to keep aging infrastructure viable and maintain channels at their authorized dimensions. The Administration's FY 2016 O&M request was limited to \$2.7 billion, below the FY 2015 funding of \$2.9 billion. We urge to increase the level of funding in FY 2016 above these totals to \$3 billion in order to backlog of unfunded O&M in our nation's navigation system. These investments are essential for our economic well-being and we urge you to complement our investment in new infrastructure with strong funding in O&M.

The longer it takes to perform these investment, the longer it will be for the projects to deliver the substantial economic benefits they will produce for the nation's economy. We appreciate your consideration of these critical priorities in our nation's infrastructure system and look forward to working with you as the FY 2016 appropriations process moves forward. Please contact Andrew Davis on the staff of Congressman Dan Lipinski at Andrew.Davis@mail.house.gov or at (202)225-5701.

Sincerely,



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Member of Congress



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Member of Congress



DAVE LOEBSACK
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ROD BLUM
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RON KIND
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TIM MURPHY
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SHEILA JACKSON LEE
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