Congress of the United States Washington, DC 20515

April 1, 2020

The Honorable Peter DeFazio Chairman House Transportation & Infrastructure Committee 2251 Rayburn House Office Building Washington, DC 20515

The Honorable Grace Napolitano Chairwoman House Water Resources & Environment Subcommittee 2251 Rayburn House Office Building Washington, DC 20515 The Honorable Sam Graves Ranking Member House Transportation & Infrastructure Committee 2164 Rayburn House Office Building Washington, DC 20515

The Honorable Bruce Westerman Ranking Member House Water Resources & Environment Subcommittee 2164 Rayburn House Office Building Washington, DC 20515

Dear Chairmen DeFazio and Chairwoman Napolitano and Ranking Members Graves and Westerman:

America's inland waterways transportation system is comprised of 12,000 miles of navigable waterways across 38 states. This year alone, this system will move more than 500 million tons of freight valued at more than \$120 billion over what is, mile-for-mile, the most fuel efficient, safest, and environmentally responsible mode of transporting goods. Historically, the U.S. has always recognized the vital contribution that waterborne transportation makes to America's overall economic prosperity. Public expenditures to maintain navigation channels and build related infrastructure were among the nation's earliest investments, and similar investments are just as critical to an efficient 21st century freight system.

Unfortunately, investment in our inland system has been inadequate for too long, and the condition of the nation's locks and dams is deteriorating. A portfolio of more than 15 modernization projects valued around \$8 billion has been authorized or about to be authorized by Congress to be built by the U.S. Army Corps of Engineers. These projects are to be constructed through an existing public-private partnership between the Corps and those who commercially use the locks and dams. While there are numerous beneficiaries of the nation's inland waterways system, commercial barge operators are the only direct contributors to the Inland Waterways Trust Fund (IWTF) through their payment of a 29-cent-per-gallon diesel fuel tax. Typically, the trust fund provides 50% of construction funding, while the remaining 50% comes from General Revenue funds.

In the Water Resources Reform and Development Act (WRRDA) of 2014 a cost-share change at Olmsted Locks and Dam allowed for the Inland Waterways Trust Fund to operate over the last seven years at about a 30% IWTF /70% General Fund split. This cost-share change also accelerated the operability of Olmsted, allowing for \$600 million in annual national economic benefits to be accrued four years ahead of schedule, and reduced the overall cost of the project by \$275 million.

In the Water Resources Development Act (WRDA) of 2016, Congress changed the cost-share formula for coastal ports with depths between 45 and 50 feet to 75% General Revenue and 25% non-federal sponsor. This expanded applicability of the 75/25 cost-share formula to all port depths between 20 and 50 feet, which now includes the large majority of the nation's coastal ports.

These changes were made because finishing projects faster can reduce both final project cost and the amount of time communities have to wait for the resulting economic benefits from projects. For inland waterways projects, there is no time to waste.

As you move forward with the WRDA 2020, we respectfully request language that conforms the cost-share for ongoing and future construction and major rehabilitation of capital investment projects on the inland waterways system be changed from 50% General Revenues/50% IWTF to 75% General Revenues/25% IWTF to conform Corps inland waterway navigation construction cost sharing with that applicable to most coastal port-deepening projects.

Sincerely,

Conor Lamb

Member of Congress

Brian Babin, D.D.S. Member of Congress

James Comer Rick Crawford

Member of Congress Member of Congress

Bill Foster Mike Doyle

Member of Congress Member of Congress

Trent Kelly Michael Guest

Member of Congress Member of Congress

Vicky Hartzler Don Bacon

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