



Blue Skies at Dawn for Inland



Two top priorities for Waterways Council Inc. (WCI) in 2021 are to urge appropriators to provide full use of the Inland Waterways Trust Fund (IWTF) (\$115 million) and to secure maximum additional federal funding in any comprehensive infrastructure package. Both priorities have seen considerable progress.

In the Biden administration's Fiscal Year 2022 budget request, \$6.8 billion is proposed for the U.S. Army of Corps of Engineers Civil Works program—the highest administration budget request ever for the Corps—an increase from the Trump administration's FY21 request of \$5.967 billion.

In the president's FY22 budget proposal, \$52.15 million was provided from the IWTF, with a match of \$96.85 million from the general fund for a total of \$149 million for a new construction start for the Three Rivers project to make modifications to the McClellan-Kerr Arkansas River Navigation System (MKARNS) that will ensure the long-term sustainability of reliable navigation on a major conduit for U.S. agricultural exports, and various inbound cargos such as fertilizers, fuels, and chemicals. Curiously, no funding was proposed in the budget for ongoing construction projects (Chickamauga, Kentucky, and Montgomery) for FY22.

The FY22 budget also proposed \$4.29 billion for Operations and Maintenance (O&M), an increase from the FY21 request of \$1.996 billion, and \$235.3 million for the Mississippi Rivers & Tributaries (MR&T) account.

On July 16, the House Appropriations Committee approved, by a vote of 33 to 24, funding for the Corps of Engineers for Fiscal Year (FY) 2022 (FY22), with overall funding

for the Corps' Civil Works Mission at \$8.66 billion, an increase of \$863 million above FY21's appropriated level, and \$1.9 billion above the President's FY22 budget request.

The Corps' Investigations account funding received \$155 million, \$2 million above the FY21 enacted level and \$49.2 million above the FY22 budget request. The Gulf Intracoastal Waterways' Brazos River Floodgates and Colorado River Locks received \$6.93 million in Pre-Construction Engineering & Design (PED) funds for FY22 from this account.

Funding for the Construction account is \$2.6 billion, an increase of \$799.4 million above FY22's budget request.

The IWTF was appropriated \$90 million. The Three Rivers Project on the MKARNS received a new start and \$149 million in construction funding, of which \$52.2 million is provided from the IWTF.

No funding was provided for the three ongoing construction projects: Kentucky Lock, Chickamauga Lock, and Montgomery Lock.

The Committee also approved the list of Community Project Funding items (commonly referred to as earmarks) that included \$22.5 million in construction funding for the Navigation and Ecosystem Sustainability Program (NESP). The project funding was requested by Representatives Bustos (D-Ill.), Hinson (R-Iowa), Graves (R-Mo.), and Luetkemeyer (R-Mo.).

Funding for Operations and Maintenance (O&M) is \$4.8 billion, an increase of \$967.3 million above FY21 and \$500 million above the Administration's request, of which \$13 million was provided to finish six inland waterways major rehabilitation studies as follows: \$1.5 million for New Cumberland Lock (Ohio River); \$2.5 million for Marmet Locks

and Dam (Kanawa River); \$2.5 million for Greenup Locks and Dam (Ohio River); \$2.5 million for Meldahl Lock and Dam (Ohio River); \$1.9 million for Kerr Lock and Dam (MKARNS); \$1.7 million for Webbers Falls Lock and Dam (MKARNS).

Harbor Maintenance Trust Fund (HMTF) projects are to receive an estimated \$2.05 billion, \$370 million above the FY21 enacted level and an increase of \$424.1 million above the Administration's FY22 request.

The Senate has not set markup dates for FY22 appropriations.

In June, the U.S. Treasury Department reported that the IWTF brought in \$11.9 million in diesel tax revenues for the month, bringing the revenue total for FY21 to \$74.5 million. The FY21 total (\$74.5 million) is right in the middle between where things stood at this point last year (FY20) (\$58.2 million) and the year before (FY19) (\$90.1 million).

WCI continues pressing forward to secure the maximum federal funding in a comprehensive infrastructure package. This year there have been several major infrastructure packages released by Congress and the Administration, and inland waterways are included in all of them.

The first package, the "American Jobs Plan," released by the Biden Administration provided \$17 billion to be divided among, inland waterways, coastal ports, land ports of entry (border crossings), ferries, and the Healthy Ports initiative.

A Republican counter proposal also included funding of \$17 billion but designated this just for inland waterways and coastal ports. This counteroffer to the Biden Administration's "American Jobs Plan" would provide a significant increase in funding for inland waterways and coastal ports.

The third plan was released by the House Problem Solvers Caucus of 56 Members of Congress evenly split between Democrat and Republican Members committed to finding common ground. This group developed a plan that did not include specific funding amounts, but they have recommended: "...federal investment should continue to be strengthened in our inland waterways. ..."



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