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U.S. Inland Waterways Plan Gathers Steam

More than 200 industry stakeholders, including national, state, regional and local organizations, and companies, back new recommendations developed by an industry and U.S. Army Corps of Engineers working group to improve the reliability of the U.S. inland navigation system over the next 20 years.

Among the biggest supporters of the comprehensive, consensus-based package are the United States Chamber of Commerce, the National Association of Manufacturers, American Land Conservancy, National Corn Growers Association, National Grain & Feed Association, Steel Manufacturers Association, National Mining Association, National Council of Farm Cooperatives, and many others from other segments of the American economy.

The so-called Inland Waterways Capital Development Plan has been proposed in place of a lockage fee that both presidents Bush and Obama have unsuccessfully offered in the last three fiscal year budgets and is strongly opposed by Waterways Council, American Waterways Operators, and National Waterways Conference, as well as many lawmakers.

The final report and recommendations of the plan were ratified unanimously in April by the Inland Waterways Users Board and submitted to Congress. "If adopted into law, the plan will better address the needs of the entire inland waterways system and provide more funding for critically needed infrastructure improvements," said the Waterways Council, American Waterways Operators, and National Waterways Conference, in a joint statement on Friday.

The plan calls for \$7.6 billion for the 20-year Inland Waterway Capital Investment Program and would involve an average annual investment level of \$380 million, comprised of two sub-component average annual program levels: \$320 million for "construction" projects and \$60 million for major rehabilitation projects.

The plan also calls for:

- Preservation of the existing 50 percent industry/50 percent federal cost-sharing formula for new lock construction and major lock rehabilitation projects costing more than \$100 million.
- Adjustment of the current model to provide 100 percent federal funding for dam construction and major rehabilitation and smaller lock rehabilitation projects, recognizing the value derived by other beneficiaries from dams and the pools created by dams.
- Inclusion of a cost-share cap on new lock construction projects to create incentives to keep projects on budget and prevent industry taxpayers from bearing the burden of paying for unreasonable cost overruns. "This will strengthen the ability of the Inland Waterways Trust Fund to fund more priority projects in the pipeline," the inland waterways groups said.
- Establishment of a 30 percent to 45 percent increase in the existing fuel tax of 20-cents-per-gallon that is paid by the barge and towing industry, the only users of the system who currently are taxed. "At the same time, the recommended reforms to the Corps of Engineers' project management and delivery process would ensure that these additional resources are spent wisely," the groups said. — [Chris Gillis](#)

