



WATERWAYS
COUNCIL, INC.

**SIXTH ANNUAL
WATERWAYS SYMPOSIUM
OCTOBER 14, 2009**



2009 Objectives

- Urge the Corps of Engineers to spend its economic stimulus funds in an aggressive and appropriate manner on high priority inland navigation projects.
- Encourage Corps of Engineers to spend regularly appropriated funds for priority construction projects
- Seek new construction start for Upper Mississippi & Illinois River authorized projects
- Continue to address Operations & Maintenance needs on the System
- Continue to oppose imposition of increased user taxes

Major Navigation Projects for the Stimulus Bill





Opposition to Corps of Engineers Funding in the Economic Stimulus Bill

- Taxpayers for common Sense: “An enormous subsidy to the barging industry.” Congressional Quarterly – February 5, 2009
- Wall Street Journal (February 11, 2009):”Beyond benefiting specific vendors through specialized procurement, other spending in the bill could save millions of dollars for a small group of companies – those that operate barges on the Mississippi River, Ohio River and other inland waterways. The bill allocates \$500 million for construction and repairs of navigation locks, dams and other projects on the inland waterways system. Normally, barge operators are supposed to pay half the cost of these improvements, but the bill waives that requirement.”



Final Version – Economic Stimulus Bill

- \$4.6 Billion for the Corps of Engineers
 - Eliminates Cost–Share Requirement for IWTF
 - \$2 Billion – Construction
 - \$2.075 Billion – Operations and Maintenance
 - \$375 Million – Mississippi River and Tributaries
 - No New Starts
 - No Earmarks
- Challenge: Ensuring that the Corps aggressively and appropriately spends the stimulus funds on high priority inland navigation projects



FY 2009 Highlights

- Omnibus appropriations bill
- \$5.402 Billion for the Corps of Engineers
- \$207.1 Million for inland navigation construction
- \$69.4 Million for major rehabilitation (exempt this year only from cost-sharing requirements)



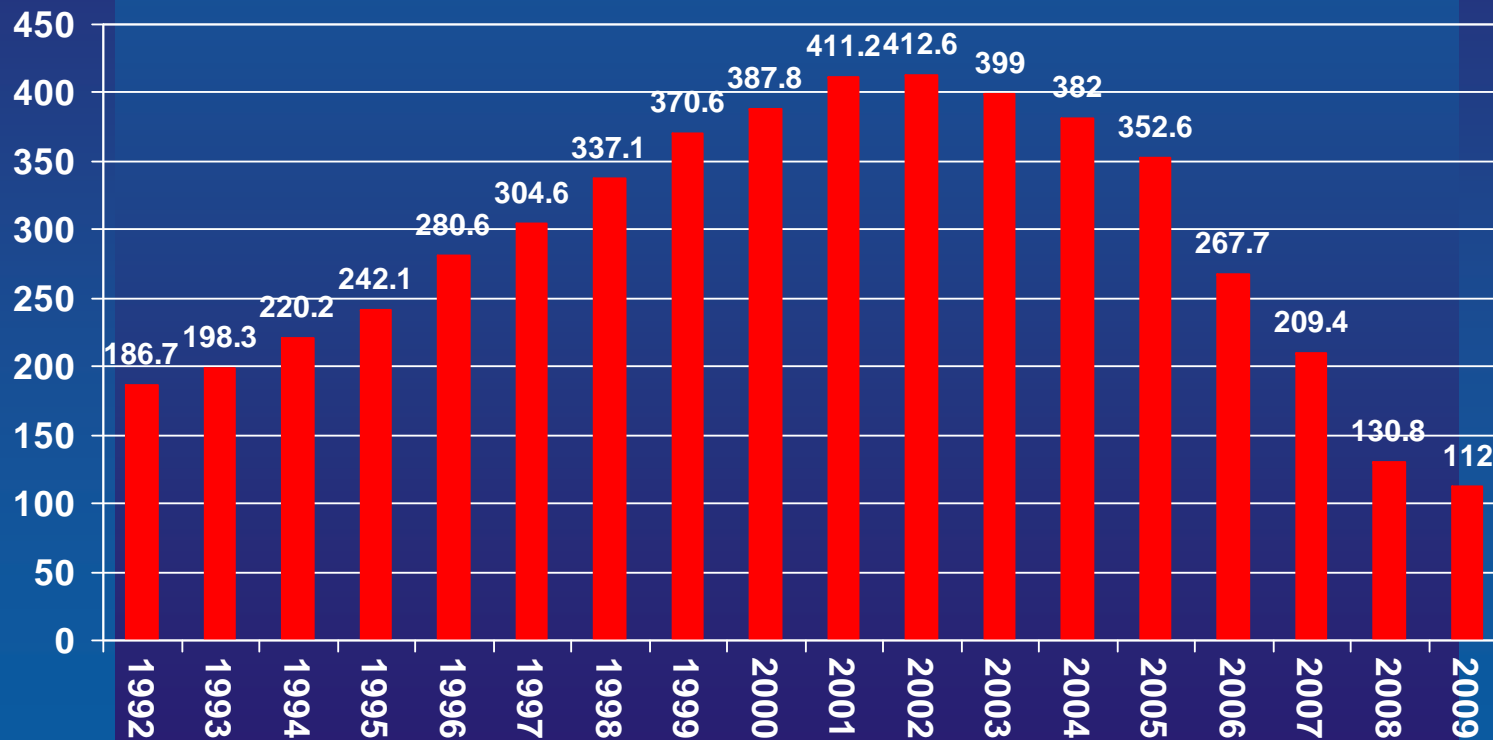
FY 2010 Highlights

- \$5.445 Billion for the Corps of Engineers
 - \$320 Million above the President's request
 - \$42.6 Million above the FY 2009 appropriation
- \$109.6 Million for inland navigation construction
- \$24.5 Million for major rehabilitation
- “The committee reiterates its position that legislation must be pursued to address the insolvency of the Inland Waterways Trust Fund. If the revenue stream is not addressed, the level of investment must be adjusted to the available resources – resulting in increased costs to existing projects as they are suspended, as well as the deferral of new projects in need of recapitalization.”

-House Energy and
Water Appropriations
Subcommittee June 2009



IWTF Bar Chart





Administration's Lockage Fee Proposal



Cong Scalise letter



Cong Steve Scalise (R-LA)

- 24 Signers
- “We would strongly oppose any lockage tax and urge you to remove this idea from consideration.”



Harkin/Grassley letter



Sen. Tom Harkin (D-IA)



Sen. Chuck Grassley (R-IA)

- 10 signers
- “...industry is actively engaged in an effort to find a solution to this problem, working with the Inland Waterways Users Board and the Army Corps of Engineers.”
- “This (barge lockage fee) proposal has been rejected by the Congress in the past, and we would expect a similar result should it be proposed in the future.”



Harkin/Bond letters



Sen. Tom Harkin (D-IA)



Sen. Kit Bond (R-MO)

- Identical letters to Finance Committee and Environment and Public Works Committee
- 21 signers (15 D, 6 R)
- “As Senators representing Inland Waterways States, ...we are working with both the Corps and with the Inland Waterways Users Board.”



OTHER ISSUES

- **Reauthorization of the Highway Bill**
- **Marine Highways Program**
- **Cap and Trade Legislation**



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