

PRESS RELEASE

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WCI REACTS TO CORPS' FY18 WORK PLAN, HOUSE WRDA PASSAGE, FY19 ENERGY & WATER APPROPRIATIONS FUNDING

Washington, DC – Waterways Council, Inc. (WCI) offers its thoughts on recent developments related to the U.S. Army Corps of Engineers, as follows:

Corps' FY18 Work Plan

Today, the Corps of Engineers released its plan for allocating funding from the FY18 Omnibus Appropriations bill, as follows:

In the Construction account, \$399 million, which represents full-use of revenues into the Inland Waterways Trust Fund (IWTF), will go toward:

- Olmsted Locks and Dam (Ohio River, IL/KY): \$175 million
- Kentucky Lock (Tennessee and Ohio Rivers, KY): \$39.5 million
- Lower Mon Locks and Dams 2, 3, 4 (Monongahela River, PA): \$98 million
- Chickamauga Lock (Tennessee River, TN): \$76.5 million
- LaGrange Lock and Dam (Illinois River, IL): (new start, major rehabilitation): \$10 million

Investigations account:

• \$1 million for an economic update study of the Navigation and Ecosystem Sustainability Program (NESP) to expand seven locks on the Upper Mississippi River and Illinois Waterway and to provide ecosystem programming and monitoring funding. The Corps will undertake NESP's economic re-evaluation before Pre-Construction Engineering and Design (PED) can begin.

- \$1.285 million to complete a feasibility study for the Inner Harbor Navigation Canal Lock replacement on the Gulf Intracoastal Waterway (GIWW)
- \$1.035 million to complete PED for the Calcasieu Lock on the GIWW
- \$2.353 million for PED and an Economic Re-evaluation Report on the Upper Ohio Navigation Program
- \$1 million for PED for the Brazos Island Harbor Brownsville Channel project
- \$0.9 million to continue the feasibility study phase of the Brazos River Flood Gates and Colorado River Lock on the GIWW
- \$0.5 million for a feasibility study new start for the Corpus Christi Ship Channel on the GIWW
- \$0.8 million to continue the feasibility study phase of the Matagorda Ship Channel project on the GIWW
- \$0.4 million to complete PED for the Galveston Harbor Extension on the GIWW
- \$1.5 million to complete a feasibility study for the Houston Ship Channel on the GIWW
- \$2.317 million to complete PED for the Sabine Neches Waterway on the GIWW

"The FY18 Omnibus appropriations bill and Corps' FY18 Work Plan represent another year of record funding for the Corps' critical Civil Works mission. When there was once just one navigation project funded in past fiscal year budgets (Olmsted), today there are four projects proceeding and one new start," said Mike Toohey, WCI President & CEO.

The FY18 work plan is available on the Civil Works Budget and Performance page here:

FY19 Energy & Water Development Appropriations

On June 8, the House passed the FY19 Energy & Water Development (E&WD) Appropriations bill by a vote of 235-179. The House bill includes strong funding for the Corps of Engineers at \$7.28 billion, an increase of \$451 million from FY18 appropriated funding.

E&WD bill highlights:

- Inland Waterways Trust Fund (IWTF)-supported projects will receive full-use of estimated annual revenues.
- The Construction account received \$2.3 billion, \$1.3 billion above the proposed President's FY19 budget request.
- The Operations & Maintenance (O&M) account was increased to \$3.8 billion, which is \$700 million above the President's budget request.

- The Investigations account was allocated \$128 million, \$45 million above the President's request.
- The Harbor Maintenance Trust Fund (HMTF) is funded at \$1.6 billion, which hits the WRRDA 2014 target.
- The bill did not include a 10-year, \$1.037 billion user fee to be paid by commercial operators on the inland waterways. This user fee proposal was included in the President's FY19 budget request and was strongly opposed by WCI.

"For the fifth consecutive fiscal year, the House has provided extremely strong, and in some cases, record-level funding for the Corps' Civil Works mission, well above what the Administration has proposed. Full-use of IWTF revenues will allow for the continuation of the top priority navigation projects with exact amounts to be determined by the Corps' FY19 work plan," Mr. Toohey said.

The appropriations bill next moves to the Senate floor for action.

Water Resources Development Act (WRDA) of 2018

While considered a smaller, streamlined bill, the Water Resources Development Act (WRDA) of 2018 that passed the House of Representatives on June 6 was welcomed by WCI. The bill authorizes Corps of Engineers' work on locks and dams, dredging and other water resources projects.

"WCI is extremely grateful for the dedication and steadfast commitment that House Transportation & Infrastructure (T&I) Committee Chairman Bill Shuster and Ranking Member Peter DeFazio demonstrated to proceed with WRDA every two years. At the beginning of his House T&I Chairmanship, Chairman Shuster committed to returning WRDA bills to that biannual process and the 2018 bill marks the third WRDA bill in six years. Prior to that, there had been just two bills in 14 years," Mr. Toohey commented.

The House WRDA bill does not contain a user fee or Public Private Partnership (P3) tolling proposal, strongly opposed by WCI as unfair and inequitable. Recommendations for a user fee or P3 tolling proposal were included in the President's FY19 budget, in the Administration's infrastructure plan, and had potential to be included in the House WRDA bill.

The 2018 WRDA House bill authorizes eight Chief's Reports, and proposes several localized navigation project changes, but does not affect the priority navigation projects as identified by the Capital Development Plan.

The House bill directs the National Academy of Sciences (NAS) to evaluate the current organizational structure of the Civil Works function of the Corps, to identify impediments to efficient project delivery, and to provide recommendations to Congress.

No floor time has yet been scheduled in the Senate for the companion measure known as "America's Water Infrastructure Act of 2018."

Waterways Council, Inc. is the national public policy organization advocating for a modern and well-maintained national system of ports and inland waterways. The group is supported by waterways carriers, shippers, port authorities, agriculture, labor and conservation organizations, shipping associations and waterways advocacy groups from all regions of the country. Visit www.waterwayscouncil.org