

## Appropriations Update

### **FY 2009 Appropriations**

Public Law 111-8, the Omnibus Appropriations Act of 2009, provides for the Army Corps of Engineers Civil Works Program \$5.4 billion as follows:

- ⇒ Construction \$2.1 billion
- ⇒ Operation and Maintenance \$2.2 billion
- ⇒ Investigations \$168 million
- ⇒ Mississippi River and Tributaries \$383 million
- ⇒ Regulatory Program \$183 million

To address the funding shortfall in the Inland Waterways Trust Fund, the law specifies that only nine inland waterway projects will have access to IWTF revenues in fiscal year 2009. These are: Chickamauga Lock, Tennessee; Kentucky Lock and Dam, Tennessee River, Kentucky; Lock and Dams 2, 3, and 4, Monongahela River, Pennsylvania; Marmet Lock and Dam, West Virginia; McAlpine Lock and Dam, Kentucky and Indiana; Olmsted Lock and Dam, Illinois and Kentucky; Gray's Landing Lock and Dam, Pennsylvania; R.C. Byrd Lock and Dam, Ohio and West Virginia; and Point Marion Lock and Dam, Pennsylvania.

### **FY 2010 Appropriations**

A summary of the President's FY2010 budget has been released, with the full budget details anticipated in mid-April. The budget proposes to fund the Army Corps of Engineers Civil Works program at \$5.1 billion. Similar to last year's budget proposal, the budget would phase out the current fuel tax used to fund the Inland Waterways Trust Fund and replace it with a lock usage fee. The summary states "The Budget also will propose to phase out the current excise tax on diesel fuel for the inland waterways and replace it with a lock usage fee, designed to improve economic efficiency and preserve the landmark cost-sharing reform established by the Congress in 1986, while supporting investments in construction, expansion, replacement, and rehabilitation work."

The National Waterways Conference strongly opposes this proposal, as such a fee would be extremely detrimental to the nation's inland waterway transportation system. Such an unfair and disproportionate taxing of cargo moving on locking waterway segments and the industries they serve will erode and in some cases totally eliminate any competitive advantages which currently enable entire segments of our nation's already disadvantaged industrial community to compete in the global economy. Moreover, this proposal contradicts the Administration's efforts promote the more fuel efficient, environmentally sound and safer alternative provided by waterways transportation. We are committed to working with our industry and Federal partners to develop a viable solution that will

ensure consistent funding at levels needed to support our crucial waterways infrastructure in the years to come.

### **Stimulus Funding**

The American Recovery and Reinvestment Act provides \$4.5 Billion to the Army Corps of Engineers for civil works projects as follows:

- \$2 Billion Construction
- \$1.9 Billion Operation and Maintenance
- \$500 Million Mississippi River and Tributaries
- \$25 Million Investigations
- \$25 Million Regulatory Programs
- \$50 Million Flood Control and Coastal Emergencies

As of this writing, we are awaiting the list of projects to which this funding will be obligated. That information will be provided as soon as it is made available.