WRRDA Reauthorization
Prioritize Water Navigation, Flood Control and Environmental Restoration Infrastructure

Background:
The Water Resources Reform & Development Act (WRRDA) authorizes water resources projects and policies for navigation, flood control, hydropower, recreation, water supply and emergency management for the U.S. Army Corps of Engineers (USACE). Congress last enacted this legislation in 2007. Reauthorizing WRRDA, instilling integrity in the trust funds and increasing user fees will help sustain required infrastructure maintenance for waterborne commerce and flood control systems that maintain our nation’s global competitiveness. The Senate passed its version of WRRDA 2013, S. 601, in May. The House introduced its version, H.R. 3080, in September.

AGC Message:

- Why pass WRRDA? Because America’s ability to remain globally competitive depends on it.
  - As it stands, China, Korea and the Netherlands not only surpass the U.S. in ability to handle larger, post-Panama Canal expansion vessels, they lead in terms of container traffic as well. China is executing its 2011-2015 plan to invest $32 billion in port expansion. U.S. investment in port development from 1946 through 2005 totaled just over $30.1 billion. U.S. port investment remains insufficient to meet economic demands.

- What happens if Congress doesn’t pass WRRDA? Many ongoing construction projects will grind to a halt.
  - WRRDA 1986 allows for increases in total project costs of up to 20 percent without additional authorization. However, as Congress passed the last WRRDA in 2007, inflationary pressures and unpredictable appropriations have increased estimated costs beyond this 20 percent threshold, endangering the delivery of some currently authorized and ongoing construction projects. If new authorizations are not approved for these projects, they will grind to a halt and construction workers will lose their jobs.

- Enact a WRRDA that adequately and efficiently authorizes investment in water infrastructure. It’s worth it.
  - The Inland Waterway system is also critical to economic growth and drastically underfunded. In 2010, our inland waterway system carried over 556 million tons of freight valued at more than $180 billion. The average cost savings of $11 per ton compared with other modes of transportation means the efficiency of waterway transportation saved the nation $6.2 billion in transport costs in 2010 alone.
  - Flood control projects have prevented and estimated $22.3 billion in average annual damages from flooding.

- Enact a WRRDA that dedicates ALL Harbor Maintenance Tax (HMT) revenues for harbor maintenance.
  - The administration only requested $839 million for FY 2013 to be appropriated from the Harbor Maintenance Trust Fund for dredging our nation’s harbors and waterways. However, the annual need for maintenance dredging is between $1.3 and $1.6 billion. The HMT generates about $1.6 billion annually.

- Enact a WRRDA that increases investment in locks and dams through the Inland Waterways Trust Fund (IWTF).
  - The IWTF funds construction for the nation’s locks and dams through a user fee on commercial barge fuel that has not been raised since 1995. Consequently, revenues have not kept up with spending needs or outlays despite barge industry support for increased user fees. Lock outages have increased nationwide. AGC agrees with users of the system that reliable operation requires additional long-term investment.

- Enact a WRRDA that streamlines decades of laws and regulations that delay projects before construction begins.
  - Before construction begins, USACE must ensure that the provisions of at least 21 statutes, hundreds of pages of regulations stemming from those statutes and 8 executive orders are considered. The layering of decades of pre-construction requirements without consideration of how they work as a whole has led to many projects facing years of delay before actual construction work even begins.

- Enact a WRRDA that leverages, but does not replace, public dollars with private for building water infrastructure.
  - Innovative financing methods are a great supplement to federal funding. However, there remains no substitute for adequate and certain federal funding to maintain and improve water resources infrastructure.

AGC Recommendation:
Support H.R. 3080, which would authorize adequate levels of investment and enact project streamlining initiatives to help ensure U.S. water infrastructure can meet economic demands to remain globally competitive.

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