Waterways Council, Inc.
499 S. Capitol Street, SW, Suite 401
Washington, DC 20003
www.waterwayscouncil.org

April 6, 2016

The Honorable James M. Inhofe
Chairman
Senate Environment & Public Works Committee
410 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Barbara Boxer
Ranking Member
Senate Environment & Public Works Committee
456 Dirksen Senate Office Building
Washington, DC 20510

The Honorable David Vitter
Chairman
Senate Transportation & Infrastructure Subcommittee
Office Building
410 Dirksen Senate Office Building
Washington, DC 20515

Dear Chairmen Inhofe and Vitter, and Ranking Member Boxer:

U.S. manufacturers, farmers, wholesalers, retailers, importers and exporters, ports, shipyards, labor, national and regional organizations, State agencies, and transportation and logistics providers say NO to tolls or lockage fees on the inland waterways transportation system.

The undersigned 75 organizations wish to express our opposition to the imposition of tolls or lockage fees on the inland waterways transportation system.

We understand that consideration is being given to including a provision in the Water Resources and Development Act (WRDA) of 2016 to authorize the U.S. Army Corps of Engineers to enter into a Public Private Partnership (P3) to rehabilitate or construct locks and dams on a tributary waterway. P3 investors would be granted a multi-year concession to toll lock users to recoup their investment, plus a rate of return.

We are not opposed to appropriate, properly-structured financing to improve the nation's inland waterways transportation system. However, we believe we currently engage in a strong, viable public private partnership with the Corps of Engineers through our dedicated Inland Waterways Trust Fund. Under this partnership, commercial users of the inland waterways system contribute substantial revenues for system modernization and participate in making specific capital investment decisions.

In fact, in 2015, we successfully advocated for a 45% increase to the diesel fuel tax deposited into the Inland Waterways Trust Fund that is matched with public funds for navigation infrastructure investments and improvements. Commercial barge companies and their customers are the only segment of users to pay this tax, while numerous system beneficiaries do not pay: recreational boaters and fishermen, those who receive municipal water supply, hydropower, industrial process and cooling water, flood damage prevention, national security, and irrigation. It is fundamentally unfair to expect one beneficiary group to be burdened with additional, potentially crippling and uncompetitive costs for the waterways system.

Some may point to the success of toll-based Public Private Partnerships in other transportation modes, but there are fundamental differences in waterways' P3 proposals. In the highway program, users have a choice to use the new toll facility capacity, or to continue to use existing, non-tolled roadways. Waterways' P3s remove that choice as there is only one river.

Businesses rely upon efficient and cost-competitive waterways transportation when making locational decisions. If the federal government enables private entities to charge waterways tolls, businesses, farmers, producers, and shippers on those waterways would find themselves at a serious competitive disadvantage.

We urge you to reject efforts to include language in WRDA 2016 to authorize the imposition of new tolls or fees to finance a P3 on the Inland Waterways Transportation System.

Sincerely,

AEP River Transportation
Alabama State Port Authority
Amherst Madison, Inc.
American Commercial Barge Line
American Iron and Steel Institute
American Petroleum Institute
American Waterways Operators
Archer Daniels Midland Company
Blessey Marine Services, Inc.
Brownsville Marine Products, LLC
Bunge North America
C&B Marine
Campbell Transportation Company, Inc.
Canal Barge Company
Cargill
Caterpillar, Inc.
CF Industries
CGB Enterprises, Inc.
Channel Shipyard Company
Chicago Regional Council of Carpenters
CHS, Inc.

Coalition of Alabama Waterways Association
Cooper T. Smith
Crounse Corporation
Deloach Marine Services, LLC
FirstEnergy Corp.
Golding Barge Line, Inc.
Gulf Intracoastal Canal Association
Hunter Marine
Illinois Corn Growers Association
Illinois Marine Towing
Indiana Corn Growers Association
Indiana Soybean Alliance
Ingram Barge Company
Iowa Corn Growers Association
JB Marine Services, Inc.
Kentucky Corn Growers Association
Kirby Corporation
LaFargeHolcim
Louisville Gas and Electric Company and Kentucky Utilities
Marquette Transportation Company, LLC
McNational, Inc.
Michigan Corn Growers Association
Minnesota Corn Growers Association
Missouri Corn Growers Association
Mulzer Crushed Stone, Inc.
Murray American Transportation, Inc.
National Association of Manufacturers
National Association of State Departments of Agriculture
National Corn Growers Association
National Council of Farm Cooperatives
National Grain and Feed Association
National Oilseed Processors Association
Ohio Corn & Wheat Growers Association
Parker Towing Company, Inc.
Pine Bluff Sand & Gravel Company
Port of New Orleans
Port of Pittsburgh Commission
Southern Towing Company
St. Louis - Kansas City Carpenters Regional Council
Tennessee River Valley Association
Tennessee-Cumberland Waterways Council
Tennessee-Tombigbee Waterway Development Council
The Fertilizer Institute
Trinity Marine Products, Inc.
Turn Services
United Association

Upper Mississippi Waterway Association
Upper River Services, LLC
Valero
Warrior Tombigbee Waterway Association
Waterways Association of Pittsburgh
Waterways Council, Inc.
Wepfer Marine, Inc.
Wisconsin Corn Growers Association

cc: Members, Senate Environment & Public Works Committee