



July 14, 2020

The Honorable Peter DeFazio  
Chairman  
Committee on Transportation and Infrastructure  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Sam Graves  
Ranking Member  
Committee on Transportation and Infrastructure  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairman DeFazio and Ranking Member Graves:

The National Grain and Feed Association (NGFA) greatly appreciates the opportunity to provide these stakeholder comments on the Committee's Water Resources Development Act (WRDA) of 2020. Specifically, our members seek to highlight the impacts of Section 101 concerning the Harbor Maintenance Trust Fund (HMTF) and Section 108 pertaining to inland waterways projects on their ability to fulfill their role in the agricultural value chain to serve American farmers and domestic and global customers.

NGFA members move grain and oilseeds by truck, rail, barge and ocean-going vessels. American agriculture's competitive advantage largely depends upon the quality, reliability, accessibility and cost-effectiveness of the national transportation system for inland waterways and ports, rail and motor carriers. Therefore, we applaud Congress for committing to examine water infrastructure policies and projects every two years as part of the WRDA process.

As you know, NGFA strongly supported and continues to support H.R. 2440, the Full Utilization of the Harbor Maintenance Trust Fund Act of 2019. The fact that more than \$9 billion has been collected and deposited in the HMTF, but gone unspent for its intended purpose, is a fiscal disservice to those that pay the 0.125 percent ad valorem tax based on the value of cargo imports. The inability thus far to access and spend those dollars on much-needed dredging further has eroded the United States' comparative transportation advantage and contributed to lost export opportunities to the detriment of U.S. economic growth. For this reason, NGFA also strongly supports Section 101 of the House WRDA 2020 legislation, which shares the intent of H.R. 2440 by providing access to the existing balance in the HMTF.

Concerning the inland waterways infrastructure, as you know, the majority of U.S. locks and dams have outlived their 50-year design life. Most are not of sufficient capacity to handle modern 1,200-foot barge tows, while others are requiring more maintenance, which costs shippers valuable time and resources. This particularly is important because the ability to utilize the inland river system is essential to the competitiveness of America's agricultural exports – roughly 60 percent of U.S. grains and oilseeds transit the inland waterways enroute to foreign markets and comprise up to 20 percent of U.S. farm income. The inland waterways transportation network also relieves congestion and wear-and-tear on highways, and helps discipline rail rates. It is with these considerations in mind that NGFA strongly and consistently supports policies that would expedite the modernization of the locks-and-dam system.

NGFA believes that changing the cost-share formula for inland waterway construction and major rehabilitation of navigation projects, as is proposed in Section 108 (until Fiscal Year 2027) of the WRDA 2020 draft legislation, is both an essential and prudent policy reform. In addition, we would note

that permanently amending the cost-share formula for the construction and major rehabilitation of each inland waterways navigation project from the current 50:50 percent general revenue: Inland Waterways Trust Fund (IWTF) funding to 65 percent general revenue and 35 percent IWTF would further expedite such projects, promote certainty and bring the U.S. inland waterways transportation system into the 21<sup>st</sup> century.

NGFA strongly supports the favorable reporting of WRDA 2020 from the House Transportation and Infrastructure Committee. Our members appreciate the opportunity to convey their policy views and look forward to working with you to enact provisions that would “unlock” funds from the HMTF as well as push for long-term certainty in adopting the new cost-share formula for inland waterways construction projects. Each of these policy proposals would enhance U.S. agriculture’s competitiveness, contribute to the overall efficiency of the U.S. transportation system, and promote overall U.S. economic growth and job creation.

We wish members of this Committee good health and success as they advance the WRDA 2020 legislation amidst the COVID-19 pandemic. Please do not hesitate to reach out to the NGFA if you have any questions or information requests.

Sincerely,



**Randall C. Gordon**  
President  
National Grain and Feed Association



**Bobby Frederick**  
Vice President of Legislative Affairs  
National Grain and Feed Association