



May 3, 2018

The Honorable Lamar Alexander, Chairman
The Honorable Dianne Feinstein, Ranking Member
U.S. Senate Committee on Appropriations
Subcommittee on Energy and Water Development
Room S-128, The Capitol
Washington, D.C. 20510

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Dear Chairman Alexander and Ranking Member Feinstein:

As you draft Fiscal Year 2019 appropriations for the House Appropriations Subcommittee on Energy and Water Development, and Related Agencies, we urge you to provide robust funding to the agencies and programs that play a vital role in operating our nation's inland waterways, protecting communities and property from flood risk, and preserving and enhancing our environmental resources. Long term, reliable funding for the maintenance and modernization of our water resources infrastructure system is vital to our nation's economic competitiveness and national security.

ASCE's *2017 Infrastructure Report Card* rated the overall condition of the nation's infrastructure a cumulative grade of "D+" and determined that there is an investment gap of \$2 trillion over the next 10 years. Additionally, none of the infrastructure categories relating to our nation's water resources infrastructure systems reached a grade higher than a "D." ASCE's 2016 economic study, *Failure to Act: Closing the Infrastructure Investment Gap for America's Economic Future*, found that our nation's deteriorating infrastructure and growing investment deficit has a cascading effect on our nation's economy, impacting business productivity, gross domestic product (GDP), employment, personal income, and international competitiveness; in fact, our failure to act by 2025 carries an enormous economic cost to the tune of \$4 trillion in lost GDP, which will result in a loss of 2.5 million jobs.

That same economic study found that from 2026 through 2040, the average annual investment gap for waterside improvements, including dredging and lock and dam repair, is expected to be \$1.9 billion, which will result in an economic loss of \$2.8 trillion of GDP and 1.2 million fewer jobs in 2040 than would otherwise be expected with modernized water resources infrastructures systems in place.

U.S. Army Corps of Engineers – Civil Works Construction Account and the Water Infrastructure Finance and Innovation Act (WIFIA)

We urge the Committee to dedicate an additional \$2 billion in FY19 to the U.S. Army Corps of Civil Engineers (USACE) Civil Works Construction account to help offset the growing backlog and to get our nation's water resources infrastructure systems modernized to meet the needs of a 21st century economy.

The USACE operates and maintains a vast network of 25,000 miles of inland waterways and 239 locks that support half a million jobs, deliver more than 600 million tons of cargo annually, and are the nation's connection to inland and ocean ports and international markets. The USACE also manages flood control, dam safety, water supply, recreation, shoreline protection, disaster response and recovery,

hydropower, and environmental restoration and protection across the nation. USACE's construction account is chronically underfunded and received only \$1.8 billion last year to address the current projects backlog of \$75 billion.

ASCE was pleased that the Water Resources Reform & Development Act (WRRDA) 2014 authorized a new water infrastructure financing mechanism, the Water Infrastructure Finance and Innovation Act (WIFIA), to be administered by the USACE and the U.S. Environmental Protection Agency (EPA). The WIFIA concept is modeled after a similar transportation project assistance program, the wildly successful Transportation Infrastructure Finance and Innovation Act (TIFIA). Under this new program, the USACE is authorized to provide WIFIA support for an array of projects, including environmental damage reduction projects, hurricane and storm damage reduction projects, flood damage reduction projects, coastal or inland harbor navigation improvement projects, and/or inland and intracoastal waterways navigation projects. We urge the Committee to fund the WIFIA program at its fully authorized level of \$50 million in FY19.

Dams and Levees

Our nation's 90,580 dams and 30,000 miles of levees are critical components of risk reduction and protect communities, critical infrastructure, and trillions of dollars in property. As such, we urge the Committee to fund these three programs at their fully authorized levels:

- National Dam Safety Program (PL 113 – 121, Sec. 3001) at \$13.9 million in FY19;
- High Hazard Potential Dam Rehabilitation Program (PL 114 – 322 Sec. 5006) at \$25 million in FY19; and
- National Levee Safety Program (PL 113 – 121 Sec. 3016) at \$79 million in FY19.

Investment is needed to rehabilitate deficient dams and to complete the national inventory of levees outside of the USACE's authority. Although ASCE was pleased that WRRDA 2014 reauthorized the National Dam Safety Program – which provides federal grant assistance to state dam safety agencies for training dam safety engineers, research, the creation of a National Inventory of Dams, and a public awareness and outreach program – and that the Water Infrastructure Improvements for the Nation (WIIN) Act authorized the High Hazard Potential Dam Rehabilitation Program – which provides federal grant assistance for the rehabilitation, repair, or removal of non-federal high hazard potential dams – the former program consistently receives only a portion of its annual \$13.9 million appropriations, while the latter has yet to receive any appropriations. Likewise, WRRDA 2014 created a new National Levee Safety Program to promote consistent safety standards, create levee safety guidelines, and provide funding assistance to states for establishing participating levee safety programs, yet it has received no funding other than funding for the levee inventory.

Harbor Maintenance Trust Fund (HMTF)

ASCE urges the Committee to follow the agreement reached in WRRDA 2014 that established a 10-year plan to increase Harbor Maintenance Trust Fund expenditures incrementally to achieve full use of the receipts. The HMTF's balance currently sits at over \$9 billion. Congress should continue that agreement and increase FY19 expenditures accordingly. The dredging of the nation's ports and harbors has suffered from years of underinvestment; since WRRDA 2014, significant dredging progress has been as a result of the agreement reached. Once full appropriations are made, however, it will take five years of complete HMTF funding to dredge and restore channel depths and widths.

In conclusion, ASCE believes our nation must prioritize the investment needs of our water resources infrastructure systems to ensure public safety, a strong economy, and the protection of our environmental resources. Strategic, robust, and sustained investments, through long-term, reliable federal funding, as well as through the utilization of alternative financing mechanisms, must be made quickly if we hope to close the growing funding gap and restore America's world-class infrastructure. We thank you for your consideration of our funding requests and look forward to working with the Committee to fund these existing successful federal infrastructure programs.

Sincerely,

A handwritten signature in black ink, appearing to read "Kristina Swallow". The signature is fluid and cursive, with the first name "Kristina" written in a larger, more prominent script than the last name "Swallow".

Kristina L. Swallow, P.E., ENV SP, F. ASCE
2018 ASCE President

cc: Senator Richard Shelby and Senator Patrick Leahy, Chairman and Vice Chairman of the Senate Committee on Appropriations