

**Chairman Lamar Alexander Opening Statement
Committee on Appropriations Subcommittee on Energy and Water Development**

**Hearing to Review the FY2020 Budget Request for the U.S. Army Corps of Engineers and
the Bureau of Reclamation within the U.S. Department of the Interior**

April 10, 2019

(As prepared for delivery)

The Subcommittee on Energy and Water Development will please come to order.

Today's hearing will review the president's fiscal year 2020 budget request for the U.S. Army Corps of Engineers and the Bureau of Reclamation, which is part of the Department of the Interior.

This is the Subcommittee's third budget hearing, and our fourth and final hearing will be May 1st to review the Nuclear Regulatory Commission's fiscal year 2020 budget request.

First, I would like to thank our witnesses for being here today, and also Senator Feinstein, with whom I have the pleasure to work with again this year to draft the Energy and Water Appropriations bill.

Our witnesses today include R.D. James, Assistant Secretary of the Army for Civil Works; Lieutenant General Todd Semonite, Chief of Engineers for the U.S. Army Corps of Engineers; Brenda Burman, Commissioner for the Bureau of Reclamation at the Department of the Interior; and Timothy R. Petty, Ph.D., Assistant Secretary for Water and Science at the Department of the Interior.

Based on the number of appropriations requests we receive each year, the Corps of Engineers is the federal government's most popular agency.

Because this is so important to many Senators, Senator Feinstein and I have provided record level funding in a regular appropriations bill for the last four years.

The U.S. Army Corps of Engineers touches the lives of almost every American. The Corps maintains our inland waterways, it deepens and keeps our ports open, and its dams provide emission-free, renewable hydroelectric energy.

The Corps also manages river levels to help prevent flooding. This year record rainfall caused the Missouri River to experience historic flooding, devastating parts of Iowa, Nebraska and Missouri.

I can recall when, after the Missouri and Mississippi rivers flooded in 2011, a room full of senators showed up at a Senate Environment and Public Works Committee hearing to ask what went wrong and what went right with disaster relief efforts. So, there's a real interest in what the Corps does.

So, last year, Senator Feinstein and I worked together to provide record funding for the Corps of Engineers – a total of \$7 billion.

However, this year, the president’s budget request only includes \$4.8 billion for the Corps – a dramatic reduction in spending.

In my opinion, we should spend more, not less, on our nation's water infrastructure.

Today I will focus my questions on four main areas: (1) making our nation's water infrastructure a priority and properly funding our inland waterways system; (2) adequately funding our nation’s ports and harbors; (3) making sure the Corps has the resources it needs to respond to flooding and make repairs so they can continue to manage river levels, and (4) using a more common-sense approach to making decisions about which projects receive funding by looking at the “remaining benefit to cost ratio” of an ongoing project. Today, because of Office of Management and Budget rules, the Corps has to pretend a project is not already under construction when the Corps decides which projects will receive funding each year. This does not make any sense, and makes it harder to complete projects on time and on budget.

In 2012, Senator Graham, Senator Feinstein, and I said, “Let’s ask what would a great country, the United States, want from its ports, locks, dams, and waterways in order to fully maximize them for our economic growth.”

We asked everyone to focus first on what needed to be done and not get bogged down in the difficulties of how to pay for it. From these discussions, Congress took three important steps, focusing on properly funding our inland waterways system.

First, Congress passed a law that reduced the amount of money that comes from the Inland Waterways Trust Fund to replace Olmsted Lock, a project in Illinois and Kentucky that was soaking up almost all of the money that was available for inland waterway projects.

Second, we worked with the commercial waterways industry to establish a priority list for projects that needed to be funded, on which Chickamauga ranks near the top, in fourth place.

And third, we enacted a user fee increase that commercial barge owners asked to pay in order to provide additional funds to replace locks and dams across the country, including Chickamauga Lock.

These steps increased the amount of funding that was available for inland waterways projects from about \$85 million in fiscal year 2014 to \$105 million in fiscal year 2020. And Congress has followed through by appropriating all of the user fees that have been collected in the last five years.

The user fees that are paid into the Inland Waterways Trust Fund by waterway users are matched with federal dollars, which allow the Corps of Engineers to make significant progress to address the backlog of work on our inland waterways.

But despite knowing the Inland Waterways Trust Fund would have \$105 million available for fiscal year 2020, the Administration’s budget is only proposing to spend \$55.5 million – which

leaves 47% of these funds sitting unspent in a Treasury account. Then we would not be spending the money for the intended purpose.

And despite not spending the entire \$105 million in user fees from commercial barges, the administration's budget also includes a new user fee for inland waterways that would raise another \$1.8 billion over a 10-year window.

I do not think this is a responsible approach. It makes no sense to ask barge owners to pay more in fees when the administration is not even proposing to spend all the fees we are collecting today.

The budget also only proposes to fund a single project using Inland Waterways Trust Fund revenues, the Lower Monongahela, and eliminates funding for the other two projects that have been funded for construction for the last five years – Kentucky Lock and Chickamauga Lock.

I can't count the number of times that the head of the Corps—including General Semonite—has told me that it makes no sense to start and stop construction. It's not an efficient way to build projects and it is a waste of taxpayer money.

Replacing Chickamauga Lock is important to all of Tennessee and if Chickamauga Lock closes, it will throw 150,000 more trucks onto I-75.

Funding for construction of the new Chickamauga Lock has been provided for the past five years so it does not make sense for the administration to not include the project in the budget request.

This year's budget proposal is a huge step backwards for our nation's inland waterways.

We have done a good job providing record level funding over the last five years to adequately fund our nation's harbors, including Mobile Harbor in Alabama; Savannah Harbor in Georgia; and Long Beach Harbor in California; and many others across the country.

Six years ago, Congress took a look at the need to provide more funding for our nation's ports and harbors to ensure we can compete with other harbors around the world.

We realized that the government was spending only a fraction of the taxes each year that were collected in the Harbor Maintenance Trust Fund for our ports and harbors, resulting in billions of dollars of unspent funds just sitting in a bank account that got bigger and bigger each year.

In fact, unlike the Inland Waterways Trust Fund – which has virtually no balance in the trust fund – the Harbor Maintenance Trust Fund has an unspent balance of over \$9 billion today.

To provide more funding for our ports and harbors, Congress enacted spending targets for the Harbor Maintenance Trust Fund in the Water Resources Reform and Development Act of 2014 that were meant to make us spend a little more each year on harbor maintenance projects.

We have met these targets for the last five years in the Energy and Water Development Appropriations bill.

The target for fiscal year 2020 is about \$1.595 billion. However, the administration's budget only proposes to spend \$965 million, \$585 million less than what Congress appropriated last year and \$630 million below the target.

So I will ask the witnesses how they plan to sufficiently fund our ports and harbors without requesting adequate resources to do it.

Several members of this subcommittee are interested in making sure the Corps has the resources it needs to deal with the recent flooding in the Midwest and along the Missouri and Mississippi Rivers.

I look forward to hearing from the witnesses about what resources they need so that we can make sure they are included in the disaster supplemental appropriation bill.

I'd also like to recognize Brenda Burman, Commissioner from the Bureau of Reclamation and Dr. Timothy Petty, Assistant Secretary for Water and Science at the Department of the Interior.

The Bureau of Reclamation delivers water to one of every five farmers in the West, irrigating more than 10 million acres of some of the most productive agricultural land in the country.

Although Reclamation doesn't manage water resources in Tennessee, I know of its deep importance to Senator Feinstein and other Senators on this subcommittee, and we look forward to hearing your testimony.

With that, I'll turn to Senator Feinstein for her opening statement.

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