



NEWS RELEASE

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WATERWAYS COUNCIL DECRIES PRESIDENT'S FY 2010 INLAND WATERWAYS LOCKAGE FEE PROPOSAL URGES LOCKAGE FEE BE REJECTED AGAIN AND ALLOW FOR CURRENT INDUSTRY-GOVERNMENT INITIATIVE TO PROCEED

WASHINGTON, DC – Waterways Council, Inc. (WCI) is urging the swift rejection of a proposal to phase out the current inland waterways tax on diesel fuel and replace it with a lock usage fee included in President Obama's FY 2010 proposed budget. This same idea was proposed by the Bush Administration, and soundly rejected by the 110th Congress.

Acting Assistant Secretary of the Army for Civil Works Terrence Salt testified this week before the House Appropriations Committee's Energy and Water Development Subcommittee in support of the Army Corps of Engineers FY 2010 budget, including the lockage fee proposal.

"This lockage fee is an ill-conceived proposal that should be rejected by this Congress just as it was by the last Congress. This proposal is intended ultimately to triple the taxes paid by commercial users of the waterways system, likely forcing shippers to divert cargo from the waterways to already congested highways and railways," said Cornel Martin, President and CEO of Waterways Council, Inc. "We are surprised and disappointed that the Corps of Engineers and the Obama Administration would support a tax that will discourage the use of barge transportation, the most energy efficient, environmentally sound way to move our nation's bulk commodities like grain and corn from our farms, fuel for our transportation needs, construction materials to rebuild America, and coal to meet our energy needs. At a time when this Administration is calling upon our citizens to be more energy efficient and environmentally responsible, this proposal seems grossly out of step," Martin continued

Waterways Council urges the Administration to allow a current government-industry initiative, now underway, to develop an improved project delivery system and Long Term Capital Plan for America's inland waterways infrastructure. This Plan, a comprehensive, consensus-based program, will ensure that resources and processes can achieve a reliable, cost-effective, and environmentally sustainable inland marine transportation system, along with a funding stream

that industry can afford and is sufficient to meet the needs identified by the Plan. This initiative being developed by industry leaders and the Corps of Engineers will be presented to Congress later this year for consideration in the development of a 2010 Water Resources Development Act.

“Government and industry stakeholders are committed to seeing the current process to develop a consensus-based Long Term Capital Plan through to completion. A user tax at this time, before this process is even given the chance to be successful, circumvents that process,” Martin said.

Waterways Council, Inc. is the national public policy organization advocating a modern and well-maintained national system of ports and inland waterways. The group is supported by more than 250 waterways carriers, shippers, port authorities, shipping associations and waterways advocacy groups from all regions of the country. Visit www.waterwayscouncil.org.