

U.S. Army Corps of Engineers Navigation Fiscal Overview

National Dredging Meeting

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June 24-26, 2014



US Army Corps of Engineers
BUILDING STRONG®

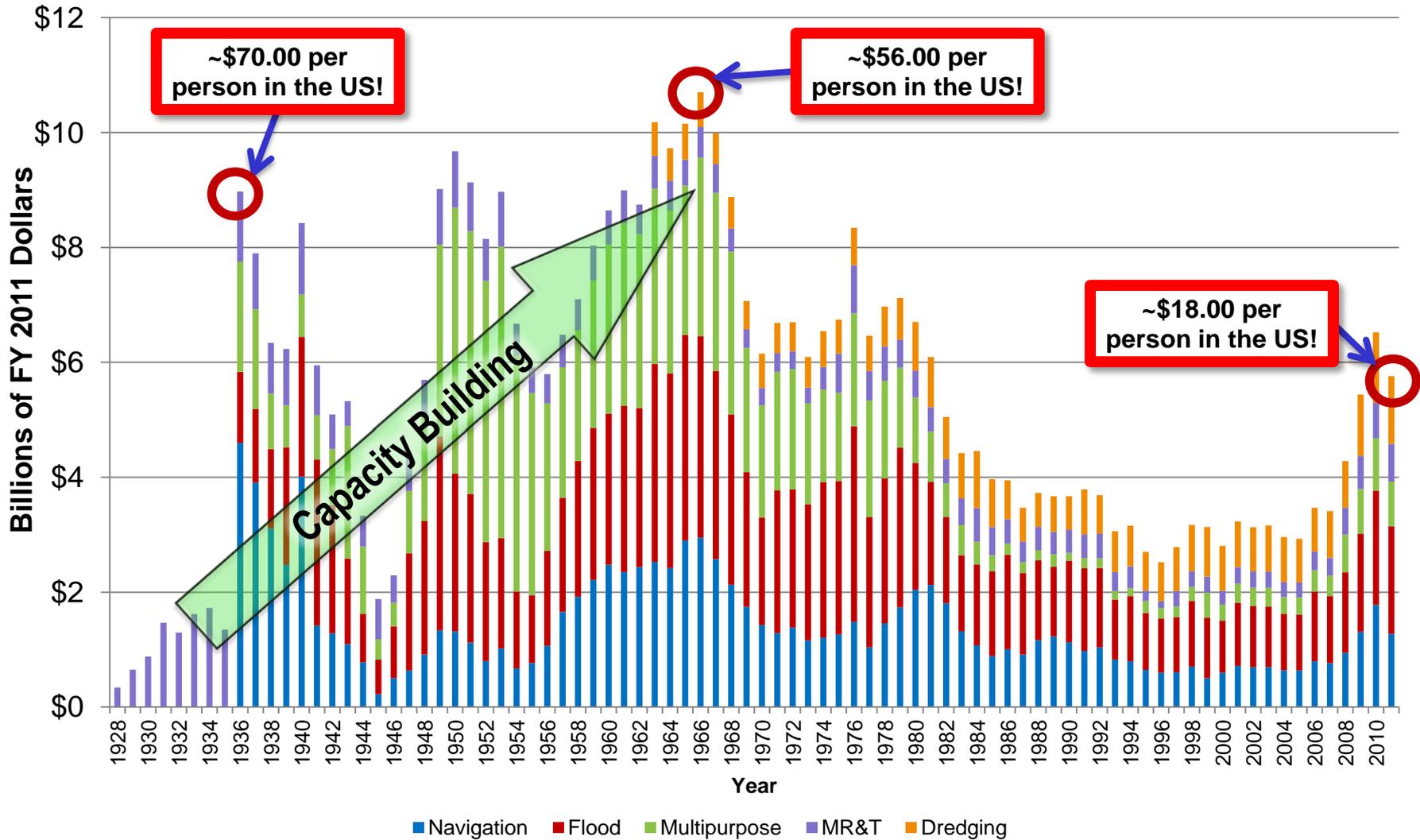


Corps Navigation Mission

Provide safe, reliable, efficient, effective and environmentally sustainable waterborne transportation systems for movement of commerce, national security needs, and recreation.

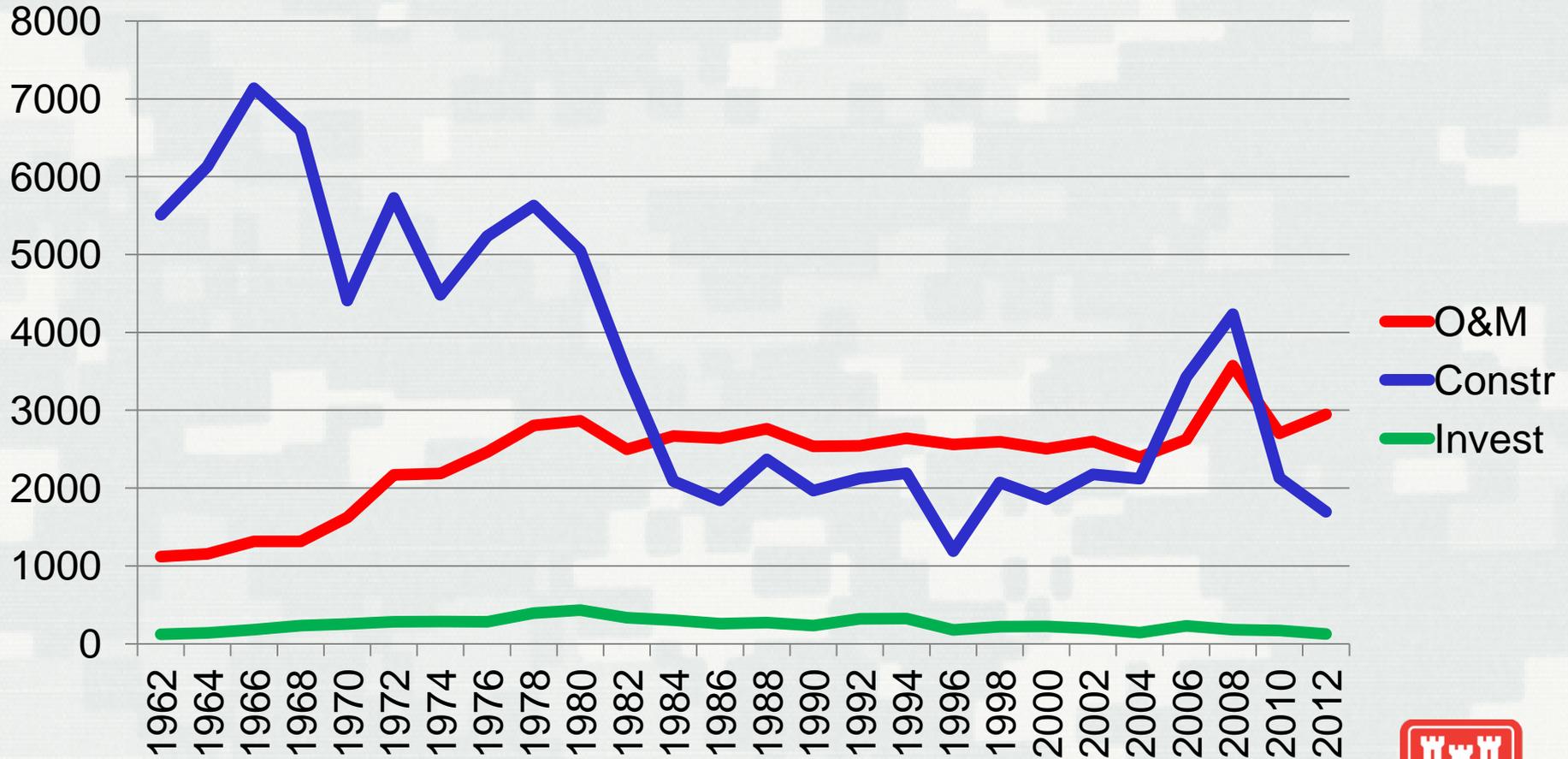


Historical Investments by USACE Functional Category 1928 to 2011



Long Term Civil Works Funding Trends

Appropriation (\$Million in 2012 \$)



Global Navigation & Inland Waterway Investments

- **China** plans to invest **\$32 Billion** in Yangtze River port & navigation development, 2011-15
- **Brazil** is investing **\$27 Billion** in ports over the next 4-5 years
- The **Army Corps** of Engineers' 2015 Navigation budget is **\$1.8 Billion**

The U.S. Navigation System



USACE Navigation Assets

COASTAL NAVIGATION

1,067 Navigation projects
19 Lock chambers
13,000 Miles of channels
929 Navigation structures
844 Bridges



INLAND NAVIGATION

27 Inland River Systems
207 Lock chambers @ 171 lock sites
12,000 Miles of inland river channels



National Priorities for Budgeting

- A. Provide for National Defense**
- B. Reduce the Deficit**
- C. Create Jobs and Restore the Economy**
- D. Improve Resiliency and Safety of Communities and Infrastructure**
- E. Restore and Protect the Environment**
- F. Maintain Global Competitiveness**
- G. Increase Energy Independence and Renewable Energy**
- H. Improve Quality of Life**
- I. Support Research and Innovation that leads to American Jobs and Industries**

Navigation has a key role in all of these!



FY 15 Navigation Program Environment

- Navigation program aligns with all National priorities/goals
- Collaboration with DOT – Sec LaHood’s goal to keep commerce on the water as long as possible
- National Exports Initiative and National Freight Movement require reliable and resilient navigation infrastructure and significant investment in maintenance dredging and lock maintenance (O&M)
- Panama Canal opening 2015
- Navigation improvement studies and projects slow to trickle due to constrained funding and BCR thresholds for PED (2.0) and Construction (2.5) @ 7%
- IWTF constraints
- President's “We Can’t Wait Initiative”
- Risk Increasing/Reliability Decreasing
 - Channels not maintained at authorized dimensions
 - Lock closures due to mechanical failures have increased



FY 15 Budget

- Budget is performance based.
- Focuses on highest performing projects and programs with high economic, environmental, and public safety returns to the nation.
- Emphasizes operation and maintenance of infrastructure to address critical infrastructure needs and provide a reliable and resilient system.
- Provides a fiscally prudent investment in Nation's water resources infrastructure making tough decisions to put the nation on a fiscally prudent path.
- Navigation focuses on high commercial use coastal harbors and channels with > 10 million tons of commerce; and inland and intracoastal waterways with > 3 billion ton-miles of commerce.



President's Budgets

(\$millions)

Pres Bud	Coastal	Inland	Nav	CW total	Nav Percent
FY 15	\$991	\$834	\$1,825	\$4,561	40
FY 14	\$980	\$904	\$1,884	\$4,826	39
FY 13	\$967	\$780	\$1,747	\$4,731	37
FY 12	\$832	\$744	\$1,575	\$4,631	34
FY 11	\$873	\$779	\$1,652	\$4,939	33
FY 10	\$971	\$796	\$1,767	\$5,125	35
FY 09	\$969	\$931	\$1,900	\$4,741	40
FY 08	\$957	\$1,052	\$2,009	\$4,900	41



Navigation Budget by Appropriation (\$millions)

Pres Bud Fiscal Year	Investigations	Construction	O&M	MR&T	Total Nav
FY 15	\$22	\$277	\$1,487	\$39	\$1,825
FY 14	\$23	\$345	\$1,461	\$55	\$1,884
FY 13	\$25	\$352	\$1,326	\$44	\$1,747
FY 12	\$18	\$283	\$1,237	\$37	\$1,575
FY 11	\$19	\$291	\$1,297	\$45	\$1,653
FY 10	\$19	\$288	\$1,411	\$48	\$1,767
FY 09	\$20	\$495	\$1,346	\$39	\$1,900
FY 08	\$19	\$572	\$1,383	\$35	\$2,009
FY 07	\$23	\$596	\$1,270	\$37	\$1,926

Coastal Navigation Budget

(\$million)

Pres Bud	Investigations	Construction	O&M	MR&T	Total Coastal Nav
FY 15	\$17	\$97	\$875	\$2	\$991
FY 14	\$16	\$108	\$853	\$2	\$980
FY13	\$17	\$151	\$797	\$2	\$967
FY12	\$7	\$117	\$706	\$2	\$832
FY11	\$9	\$115	\$747	\$2	\$873
FY10	\$16	\$119	\$834	\$2	\$971
FY09	\$17	\$188	\$760	\$4	\$969
FY08	\$12	\$166	\$779	\$0	\$957

Inland Navigation Budget

(\$million)

Pres Bud	Investigations	Construction	O&M	MR&T	Total Inland Nav
FY 15	\$5	\$180	\$612	\$37	\$834
FY 14	\$7	\$237	\$608	\$53	\$904
FY13	\$8	\$201	\$529	\$42	\$780
FY12	\$11	\$166	\$531	\$35	\$743
FY11	\$10	\$176	\$550	\$43	\$779
FY10	\$3	\$170	\$577	\$47	\$796
FY09	\$3	\$307	\$586	\$35	\$931
FY08	\$7	\$406	\$604	\$35	\$1,052

FY 14 Navigation Appropriation by Account (\$millions)

	Investigations	Construction	O&M	MR&T	Total Nav
Pres Bud	\$23	\$345	\$1,461	\$55	\$1,884
Confer ence	\$40	\$468	\$1,701	\$60	\$2,269
Differe nce	\$17	\$123	\$240	\$5	\$385



Additional FY 14 Funds for Navigation (\$millions)

■ INVESTIGATIONS	\$ 18
■ Navigation	\$ 5
■ Coastal and Deep Draft	\$ 6
■ Inland	\$ 4
■ Small, Remote, or Subsidence	\$ 3
■ CONSTRUCTION	\$128.5
■ Navigation	\$ 47
■ Inland Waterways Trust Fund	\$ 81.5
■ MR&T O&M DREDGING	\$ 5



Additional FY 14 Funds for Navigation (\$millions)

■ O&M	\$235.72
■ Navigation	\$ 25.72
■ Deep Draft Harbor & Channel	\$128
■ Inland Waterways	\$ 42
■ Small, Remote, or Subsidence	\$ 40



FY 15 Appropriation by Account (\$millions)

	Investigations	Construction	O&M	MR&T	Total
Pres Bud	\$80	\$1,125	\$2,600	\$245	\$4,561
House	\$115	\$1,704	\$2,905	\$260	\$5,492
Difference	\$35	\$579	\$305	\$15	\$931
Senate	\$125	\$1,421	\$2,800	\$305	\$5,134
Difference	\$45	\$296	\$200	\$60	\$573

Note: Totals include Regulatory, FUSRAP, FCCE, Expenses, and OASA-CW.



Summary

- Navigation funding is an essential component for the Nation's Global trade
- HMTF revenues needed to maintain channels
- Additional IWTF revenues needed for future infrastructure investment
- America's Marine Transportation System infrastructure must become a National priority in order to get adequate funding
- Need national commitment to shipping, global trade and navigation infrastructure
- Current business model is not sustainable – need public/private investment and/or divestiture
- Navigation funding is key to Economy, Jobs, and Exports!

