## STATEMENT OF JAMES WEAKLEY, PRESIDENT, LAKE CARRIERS' ASSOCIATION, BEFORE THE SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT OF THE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE Wednesday December 13, 2023

## "Proposals for a Water Resources Development Act of 2024: Stakeholder Priorities"

The below testimony provides support for a predictable two-year Water Resources Development Act (WRDA) cycle, discusses the importance of WRDA to the Great Lakes Navigation System (GLNS), and presents two specific requests for WRDA 2024: full federal funding for the maintenance of the five Great Lakes connecting channels and a single authorized depth for a portion of one of those connecting channels.

Since 1880, the Lake Carriers' Association (LCA) has represented the U.S.-flag Great Lakes fleet, which today can move 90 million tons of cargos annually. They are the building blocks of American manufacturing, infrastructure, and energy: iron ore, construction stone, coal, cement, and other dry bulk materials such as grain, salt, and sand.

Now more than ever, the national economy and our national security need a reliable and resilient Great Lakes maritime transportation system that stretches over 1,600 miles from Duluth, MN, to the Saint Lawrence Seaway. It is the most efficient, environmentally friendly, and socially responsible mode of transportation. Our Jones Act qualified vessels can move a ton of cargo more than 600 miles using a single gallon of fuel. One of our 1,000-foot long ships can carry as much as 70,000 net tons of cargo. That is the equivalent of 40 river barges, 700 rail cars, or 2,800 25-ton trucks. For trucks to match our horsepower—to-ton efficiency, they would need to be moved with a 5-horsepower lawnmower engine.

The U.S. Army Corps of Engineers (Corps) estimates that the GLNS results in an annual transportation rate savings of \$3.9 billion annually. A recent report, <u>Economic Impacts of Maritime Shipping in the Great Lakes</u>, highlights Great Lakes shipping's contribution to the success of our nation. The industry drives \$36 billion in annual economic activity, which generates more than \$6 billion in tax revenue annually. 147,350 U.S. jobs are tied to our fourth seacoast and more than \$17.8 billion in family sustaining wages are paid every year.

WRDA is the most important piece of legislation that most Americans have never heard of. It authorizes funds for our nation's maritime infrastructure. We are and always have been a maritime nation. WRDA sets policy; authorizes studies, projects, and project modifications; and provides Congressional direction to the Corps. Providing for national defense and facilitating commerce are two of the basic functions of the Federal Government. WRDA accomplishes both of these.

When I started at the LCA over 20 years ago, the Great Lakes maritime infrastructure was on an unsustainable and downward trajectory. The Corps was not funded to remove the 3.3 million

cubic yards of annual sedimentation clogging the navigational arteries in the GLNS, America's heartland. The situation would only worsen, peaking at 18 million cubic yards as measured from the "functional dimensions" in 2007 and again in 2103. The "functional dimension" only exists in the Great Lakes. It is the minimum opening that will allow vessels to operate in the channel. In some cases, it means allowing only one-way traffic, even though the waterway is authorized for two-way traffic. The rest of the nation, if not the world, measures its dredging backlog from "authorized dimensions." That is an example of how bad things were in the GLNS.

For every inch of navigational depth lost by our largest vessels, 270 tons of cargo are not carried. From 2007 to 2012, U.S.-flag operators light loaded their vessels on 3 of every 4 voyages. In 2012 alone, there were 9 vessel groundings in GLNS navigation channels.

The Corps was on a 400-year pace to recapitalize the region's breakwalls and jetties. Using the period of the last 8 years, the Corps is now recapitalizing those structures on a 25-year pace. The Corps' navigation locks in Sault Ste. Marie, MI (Soo Locks), connecting Lake Superior with Lake Huron, were poorly funded and becoming less reliable. The new Soo Lock authorized in 1986 had languished on Congressional life support with little progress. Multiple Congresses would come and go without passing a WRDA and one could argue that the system was in a slow death spiral.

It took multiple WRDAs to provide the necessary course corrections to right the ship. In 2011, I testified before this subcommittee in support of H.R. 104, Realizing America's Maritime Promise (RAMP) Act, a variation of which was later incorporated into WRDA and improved by subsequent laws. The bill allowed greater access to the Harbor Maintenance Trust Fund (HMTF), which is funded by the ad valorem cargo tax assessed on maritime cargo to fund harbor maintenance. Eventually, WRDA also authorized the drawdown of the \$10 billion surplus that had accumulated in the HMTF since its inception. This increased funding both reduced the GLNS dredging backlog and increased the pace of breakwall and jetty repairs nationwide. WRDA 2014 authorized the GLNS for the first time as a system and recognized the interconnectivity and interdependence of our Great Lakes ports. A 2015 Department of Homeland Security Study, The Perils of Efficiency, pointed out that an unplanned 6-month closure of a single navigation lock, the Poe, at the Soo Locks would result in a North American resource-driven recession and 11 million unemployed Americans. Armed with that knowledge, this Subcommittee twice used WRDA to reauthorize the construction of the new Soo Lock project to provide system resiliency. That project is well underway and on schedule for completion in 2030.

It took multiple WRDAs to revive the GLNS and place it on a healthier diet of regular authorizations and more appropriate funding levels. I am a strong proponent of the 2-year WRDA cycle. It provides new opportunities, policy course corrections, increased funding authorizations, and Congressional guidance. It is simply good governance. Even though I have only two WRDA requests for this bill, I know at some point, the GLNS may need additional

authorization language to address the emerging problem of dredged material management and provide other beneficial use opportunities for unconfined placement, particularly for Lake Erie ports. We may need future WRDA language to increase dredging capacity or to make the current capability more efficient. I know we will need future WRDA language to deal with problems that we can't even anticipate. The 2-year WRDA cycle provides the needed flexibility and process to address needs in a timely manner. The Corps needs and deserves Congressional authorization and direction to be better stewards of our nation's maritime navigation infrastructure, environmental resources, and precious tax dollars.

On behalf of my members and the GLNS, I have two specific requests for WRDA 2024:

Any study, design, or construction of improvements to Great Lakes "connecting channels" should be 100% federally funded, as are the Soo Locks. They should not require a nonfederal sponsor. There are five connecting channels on the Great Lakes: the St. Marys River (connecting Lake Superior with Lake Huron), the Detroit River, the St. Clair River, the Channels in Lake St. Clair (connecting Lake Huron to Lake Erie) and the Straits of Mackinac (connecting Lake Michigan to Lake Huron). These are "system" resources and should not require a nonfederal sponsor. The Straits of Mackinaw are naturally deep and require little maintenance. The St. Marys River, which requires dredging and may soon require a nonfederal sponsor in order for the Corps to address dredged material management needs, unless this request is enacted. The Detroit/St. Clair River does not immediately need a nonfederal sponsor to address dredged material management but will in the future. Once the Corps implements the new Great Lakes water level datum, this problem could become even bigger and more urgent.

The upbound channel of the St. Marys River in the vicinity of Neebish Island, the Middle Neebish Channel, should be authorized at the deeper depth (27 or 28 feet depending on the location). Currently it is split down its length and the channel has both a 21 foot and 27/28 foot project depth for the same stretch of the river. This is very unusual. It is a relic from the 1960s when the downbound West Neebish Channel was being constructed and vessels had to go in both directions via the Middle Neebish Channel and upbound vessels were expected to be empty. It also limits the ability of vessels to load more cargo when taking cargo to Lake Superior because today's vessels are larger. This is a safety hazard. There is nothing separating the shallower and deeper sides of the channel. They are simply marked with different range markers, which can be a bit confusing. It is also a problem while navigating when the channel is covered by ice. We have experienced several instances of vessels going aground on the shallow side of the channel. Sometimes it is a result of navigational error, but it can be a result of ship handling problems caused by ice or wind. It is particularly a problem when the Coast Guard closes the downbound channel and forces vessels to transit the upbound channel in the opposite direction. Once the historical anomaly is corrected, our first priority would be to deepen the turns to facilitate navigation, particularly during the winter icebreaking operations. I want to emphasize that this is an existing authorized channel; its design creates a safety hazard. We don't need a study, we need action. The appropriations process can prioritize the turns over the straightaways and allow this project to compete with other projects.

## Conclusion

I applaud your commitment to the two-year WRDA cycle. It provides the needed flexibility, progress, and good governance. This Committee and WRDA are directly responsible for the resurrection of the GLNS. Thank you for that! This year, we are asking for two small changes: full federal funding of connecting channels and fixing Middle Neebish Channel. You have accomplished much and there is more to be done. We will be back, given the appropriate legislative pace, when the time is right for additional requests. I urge passage of WRDA 2024.