



June 26, 2006

Chairman Pete Domenici
Senate Committee on Appropriations
Subcommittee on Energy and Water
133 Dirksen Senate Office Building
Washington, DC 20510

Ranking Member Harry Reid
Senate Committee on Appropriations
Subcommittee on Energy and Water
156 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Domenici and Ranking Member Reid:

The manufacturing and agricultural sectors of the U.S. economy strongly urge your leadership in developing the FY2007 Energy and Water Appropriations bill to restore and maintain the nation's mainstem rivers, tributaries and inland ports. As the backbone of the U.S. transportation system, our industries rely heavily on the entire inland waterways system to ensure domestic and international trade opportunities by its safe, economical and eco-friendly transportation alternative for products such as petroleum, grains, steel, coal, fertilizer, salt, sand and gravel, cement, and chemicals.

To protect navigation on the nation's inland waterways system, **we request increased funding for U.S. Army Corps of Engineers operations and maintenance (O&M) in the amount of \$100 million above FY2006 levels to be allocated to inland waterways, with a focus on "low-use" waterways.**

Maintenance funding for the so-called "low-use" tributaries and inland ports has been targeted for budget savings over the past several years. This decline has placed the very navigability of these channels at risk and threatens to undermine a vast and economical transportation network that contributes significantly to the competitiveness of U.S. manufacturing and agriculture.

Mainstem rivers, tributaries and inland ports allow shippers and consumers to take advantage of huge economies of scale offered by large barge tows, resulting in lower transportation costs throughout their region. Moreover, many of these commercial navigation systems provide other significant benefits including: flood protection, hydropower, recreation, water supply and irrigation.

For more information about the importance of our nation's inland waterway system to the U.S. manufacturing and agricultural sectors, please contact Bryan Brendle at the National Association of Manufacturers at (202) 637-3176.

Sincerely,

The National Association of Manufacturers
Kirby Corporation
Smurfit Stone Corporation
National Corn Growers Association
National Waterways Conference, Inc.
Grain Processing Corporation

Pacific Northwest Waterways Association
Bunge North America, Inc.
National Association of Wheat Growers
American Soybean Association
National Grain Trade Council
Waterways Council, Inc.

National Oilseed Processors Association
National Grain and Feed Association
Warrior Tombigbee Waterway Association
Salt Institute
Transportation, Elevator and Grain Merchants Association
Fertilizer Institute

Atlantic Intracoastal Waterway Association
Agricultural Retailers Association
Arkansas Waterways Association
White River Coalition

Cc: Senator Wayne Allard
Senator Robert Bennett
Senator Kit Bond
Senator Conrad Burns
Senator Robert Byrd
Senator Thad Cochran
Senator Larry Craig
Senator Byron Dorgan
Senator Dianne Feinstein
Senator Kay Bailey Hutchison
Senator Daniel Inouye
Senator Tim Johnson
Senator Mary Landrieu
Senator Patty Murray
Senator Mitch McConnell

Manufacturing Makes America Strong