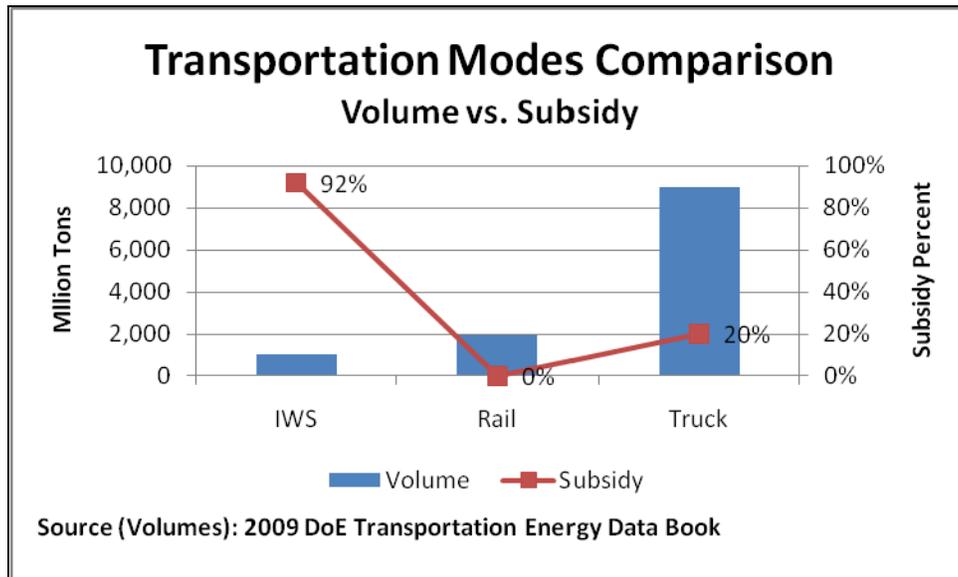


# FACT SHEET: Inland Navigation Subsidies & Inland Waterways Trust Fund

According to the National Academy of Sciences,<sup>1</sup> **U.S. taxpayers pay 92 percent of the inland waterway system (IWS) costs** of constructing, operating and maintaining barge navigation infrastructure. This is compared to virtually no taxpayer support for rail system users and only 20 percent for highway system users.



**Proposed changes by the Inland Waterways Trust Fund (IWTF) Users Board dramatically shifts more of the cost share responsibility for inland waterways navigation projects from the major users of the system to the taxpayers.**

- Current law cost share: Taxpayers 50% - Barge Industry 50%
- Proposed estimated cost share: Taxpayers 71% - Barge Industry 29%

The barge industry proposal removes all financial responsibility from the industry for major elements of navigation infrastructure investment that makes barge industry operations possible:

- Requires taxpayers to pay 100% of major lock rehabilitation projects costing less than \$100 million
- Requires taxpayers to pay 100% of all new construction and rehabilitation work for dams
- Requires a cap on cost share for new lock construction projects where taxpayers would pay 100% of the costs above the cap

These proposed changes would further escalate the subsidy to the inland waterways navigation industry, already by far the largest of any domestic shipping mode.

- Taxpayers paid the entire cost to construct the original navigation system
- Taxpayers pay 100% of the operation and maintenance costs of the system
- Taxpayers pay 100% of ecosystem restoration costs resulting from the original and ongoing damage created by the navigation dams and structures

To review the entire "Big Price – Little Benefit" report and find out why the proposed locks on the Upper Mississippi River are not economically viable, go to: [www.iwla.org/bigprice](http://www.iwla.org/bigprice)

<sup>1</sup> Freight Capacity for the 21st Century (November 2002), by the Transportation Research Board (TRB) of the National Academy of Sciences