



OHIO SOYBEAN ASSOCIATION

January 10, 2024

The Honorable Emilia Sykes
1217 Longworth House Office Building
Washington, DC 20515

Dear Congresswoman Sykes:

On behalf of the members of the Ohio Soybean Association, I ask for your support for our priorities in the 2024 Water Resources Development Act (WRDA). Our members rely on a dependable inland waterways system to transport crops to market and supply critical inputs to producers.

The global competitiveness of U.S. farmers is directly linked to the efficiency of transporting products, and the inland waterways system stands as the most cost-efficient mode for transporting agriculture and agriculture-related goods. Agriculture and agriculture-related products constitute a quarter of the cargo moved on the inland waterways system. Most of Ohio's exports of soybean products (78% on average) are sent through Gulf ports. Approximately 40% of the shipments of soybeans out of Ohio occur by barge.

There are several items we would like to bring to your attention as you begin work on the 2024 WRDA. First, the 2021 Bipartisan Infrastructure Law aimed to finance seven major inland waterways construction and rehabilitation projects to completion. However, due to cost overruns, these projects jeopardize the solvency of the Inland Waterways Trust Fund without congressional action. We support waiving the IWTF cost-share when appropriating funding for these seven projects. Without this modification, annual construction and repair projects along the inland waterways system will be compromised.

Secondly, while we greatly appreciate the progress made in the 2022 WRDA bill to permanently decrease the cost share required from the IWTF, we believe further action is needed to help eliminate the backlog of authorized IWTF projects. Further reducing cost share requirements and finding additional financing measures, other than further increasing barge fees, to supplement the IWTF will help reduce the backlog.

I would also like to point out that regular operations and maintenance costs on the inland waterways, including dredging and minor lock repairs, that are funded entirely from the General Fund, are vitally important to our industry. Over the last two years we have experienced significantly low water levels on the Ohio and Mississippi Rivers. When this happens barge traffic is slowed by efforts to keep the river navigable. When the river is low, barges also carry lighter loads to stay afloat, increasing transportation rates.

Our industry has stepped up in recent years with its own resources to help fund dredging in particular. In fact, the United Soybean Board (USB) provided a \$2 million allocation to help offset the planning, design, and research costs of deepening the lower Mississippi River. Research conducted by the Soy Transportation Coalition (STC) concluded that shipping costs for soybeans from Mississippi Gulf export terminals would decline 13 cents per bushel (\$5 per metric ton) once the lower Mississippi River is dredged to 50 ft.

For Ohio farmers and our partners who buy and transport agricultural products, dredging needs in problem areas such as the American Bar near Mound City, Illinois; Memphis, Tennessee; Vicksburg, Mississippi; Stack Island, Louisiana; and the mouth of the gulf have increased transportation costs. We must ensure the 2024 WRDA bill is able to address these areas and other strategies related to maintaining navigation on the inland system such as dredge material management.

The strength of America's farm economy hinges on the efficiency of its inland waterways system. We implore Congress to uphold its original intent and waive the IWTF cost-share for the projects included in the Bipartisan Infrastructure Law and to address the funding needed to provide a steadier and more reliable funding stream for water infrastructure. These actions are vital to reduce the U.S. Army Corps of Engineers' costs and timeframe for completion of projects.

Respectfully,

A handwritten signature in cursive script that reads "Rusty Goebel".

Rusty Goebel, President
Ohio Soybean Association