

June 30, 2011

The Honorable Jacob Lew
Director
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Director Lew,

I write to you today regarding the process by which the federal government funds public works projects through the Army Corps of Engineers. For far too long the process for funding projects has been incredibly inefficient. Water Resources and Development Authorization bills approve hundreds of new projects every few years while earmarks in appropriation bills fund these projects year by year. This bifurcation has resulted in an incredible mismatch between approved projects and funding.

For example, the people of Bloomsburg, Pennsylvania have been waiting for the construction of a floodwall since Congress first approved the project in the 1990s. Bloomsburg lies in the flood-prone Susquehanna River Basin and residents have faced 20 major floods over the past several decades. Flooding significantly disrupts two of the area's largest employers and negatively impacts the local drinking water and sewer systems.

To his credit, President Obama has taken a strong public stance against earmarks and neither chamber has authorized their use in the 112th Congress. This is a positive step for taxpayers but it has created some serious ambiguity about how Army Corps funding will be allotted moving forward. If we are serious about ending the detrimental earmarking process, I propose we move swiftly to drastically reform the way the Army Corps operates.

To achieve this goal, we should consider a wide variety of options. First and foremost, it should not take an act of Congress to authorize a feasibility study, or to begin construction, of a water infrastructure project. The Army Corps should have more flexibility to set a strategic agenda that better prioritizes the projects that they believe have the most merit.

In addition, states should have a more permanent seat at the table to set local priorities. Under the right parameters, states should have the ability to direct Harbor Maintenance Taxes and similar fees collected in their states to projects of critical importance to their local economies.

As you know, the Panama Canal is increasing its depth and capacity to accommodate more traffic and the next generation of supertankers. This will give numerous states on the East Coast, including Pennsylvania, a more efficient export route to East Asia and the West Coast of South America. Philadelphia and various other ports are now attempting to secure federal funding to modernize their ports with very limited success. In instances like these, states should be able to act on behalf of their own economic interests. After all, fees are being collected to use resources located in their state and then subsequently spent on other priorities directed by Washington.

Given these concerns, does the Administration plan on submitting proposals to reform the Army Corps funding process? I believe commonsense reforms could gain bipartisan support. It would be a significant step forward for our nation's infrastructure and a great benefit for taxpayers. I look forward to working with you on this important matter.

Sincerely,

Pat Toomey
United States Senator