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September 12, 2025

Chairman Mike Collins United States House of Representatives 2351 Rayburn House Office Building Washington, D.C. 20510 Ranking Member Frederica Wilson United States House of Representatives 2080 Rayburn House Office Building Washington, D.C. 20510

## Re: AGC Statement for the Record – Water Resources Development Acts Implementation: Review and Oversight of Past Provisions

Dear Chairman Collins and Ranking Member Wilson,

On behalf of the Associated General Contractors of America (AGC) – the leading association in the construction industry representing more than 27,000 firms, including America's leading general contractors, specialty-contracting firms, service providers, and suppliers – I thank the subcommittee for starting the process of the bipartisan Water Resources Development Act of 2026 (WRDA 2026).

For background, AGC is the leading association in the construction industry, representing more than 27,000 firms, union and open-shop, including America's leading general contractors and specialty-contracting firms. Many of the nation's service providers and suppliers are associated with AGC through a nationwide network of chapters. AGC contractors are engaged in the construction of the nation's commercial buildings, highways, bridges, tunnels, airports, levees, locks, and dams. As such, WRDA provides funding for projects all across the country that federal contractors perform including dredging along the nation's rivers and harbors.

## Federal Government Shouldn't Compete with the Private Sector

AGC is deeply concerned about the use of scarce Harbor Maintenance Trust Fund (HMTF) dollars to construct or maintain government-owned dredges that compete directly with private industry. The purpose of the HMTF has always been to ensure safe and reliable navigation by maintaining America's ports and harbors—not to subsidize federal dredging fleets. It is particularly disappointing to see \$40 million redirected from the HMTF to support the construction of a new Army Corps-owned dredging ship, a use of funds that undermines both congressional intent and taxpayer value.

Private industry has long demonstrated that it can provide dredging services more efficiently and at lower cost than government-owned dredges and diverting trust fund resources for this purpose threatens to erode confidence in the "use industry first" policy that has served the nation well. Instead of subsidizing government competition, Congress should ensure that HMTF resources are directed exclusively toward harbor maintenance and channel improvements, where they are most urgently needed to support navigation and economic growth.

## Federally Owned Dredges Will Not Drive Down the Costs of Projects

Years of deferred construction and maintenance have created backlogs approaching \$200 billion. The cost of inputs to nonresidential construction has jumped 42 percent since February 2020, far more than the roughly 25 percent increase in the Consumer Price Index over the same period. Diesel fuel and steel mill products, both essential to dredging and heavy construction, have risen 59 percent and 66 percent, respectively, from pre-pandemic levels, adding pressure to every project that depends on excavation equipment, barges, and fabricated steel structures. Other key inputs such as asphalt, cement, and construction labor have also seen double-digit increases, demonstrating that cost pressures span the full range of water-resources construction materials. Rather than purchasing federally owned dredges, which would lock taxpayers into the long-term expense of owning, operating, and maintaining specialized vessels, Congress can achieve far greater impact by directing funds to actual water-resource projects, where private contractors are ready to work and deliver immediate capacity.

AGC appreciates the subcommittee's commitment to biennial water resources infrastructure bills that help address our nation's aging system of inland waterways, coastal harbors and ports, locks and dams, flood control protections, and maintain a commitment to restore critical environmental areas of our country. Thank you for the opportunity to weigh in on behalf of the construction industry.

Sincerely,

Alex Etchen

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Vice President, Government Relations

CC: Members of the U.S. House Committee on Transportation and Infrastructure