

responsibility for navigation improvements and maintenance of harbors and waterways. Each year the Corps of Engineers submits reports to Congress in connection with the proposed River and Harbor bill which outline the work to be performed on the various projects. The navigation depths are thus established by these reports which are specifically mentioned in and become part of such Act as may be enacted by the Congress.

The increased depths required for the operation of Navy ships and the nuclear submarine fleet necessitate the maintenance of certain harbors and channels at depths deeper than those prescribed by the various River and Harbor Acts as the navigation project depths. Since the authority of the Corps of Engineers to expend Civil Works funds for maintenance is limited to the navigation project depth, military funds must now be expended not only to obtain the greater depth, but also to maintain it, although Civil Works funds have been used in the past to maintain the same waterways at the lesser depth. In this connection, experience has shown that there would be some additional maintenance costs involved for the deeper channel because of the more rapid rate of shoaling.

The present funding situation places the Department of Defense in the position of subsidizing certain inland waterways for use by commercial and private shipping. In the case of those waterways where there is a defense requirement for a depth greater than the project depth, the Department of Defense must budget for and finance through its appropriations not only the cost of the initial dredging but that of the periodic dredging to maintain that greater depth resulting in the project depth being maintained at the expense of the Department of Defense. Accordingly, it is submitted that enactment of this bill would offer several advantages to the Department of Defense and the Government. The Department of Defense would not be subsidizing the cost of maintaining certain channels for commercial and private use, and budgeting for maintenance of all inland waterways would be centralized in one government agency, the Corps of Engineers. It would also help in obtaining a more accurate comparison of shipbuilding costs in naval shipyards as compared to private yards, in that the cost of dredging to extra depths is now charged to the naval shipyard overhead while private yards are not subject to such a charge.

The Department of the Navy, on behalf of the Department of Defense, favors the enactment of H.R. 717.

Enactment of H.R. 717 would not require any additional cost to the Federal Government. Since the Department of Defense would be relieved of the necessity of providing military funds for the deeper channel, that budget would be reduced. On the other hand, the Department of the Army Civil Works funds budgeted to provide the authorized lesser depth would have to be augmented by the same amount. Some savings might result from the simplified administration resulting from single source funding.

This report has been coordinated within the Department of Defense in accordance with procedures prescribed by the Secretary of Defense.

The Bureau of the Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this report on H.R. 717 for the consideration of the Committee.

For the Secretary of the Navy.

Sincerely yours,

M. K. DISNEY,
Captain, U.S. Navy,
Director, Legislative Division.

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, D.C.

Hon. JOHN W. McCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

MY DEAR MR. SPEAKER: There is enclosed a draft of proposed legislation "Authorizing the Chief of Engineers, Department of the Army, to expand certain appropriated funds to maintain harbors and waterways at depths required for defense purposes."

This proposal is a part of the Department of Defense Legislative Program for 1962 and the Bureau of the Budget advises that, from the standpoint of the Ad-