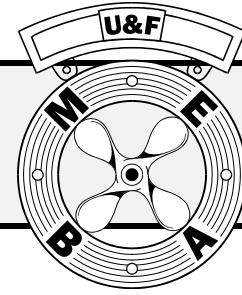


LEGISLATIVE UPDATE



DECEMBER 2007

The Democratic Congress spent the first half of November battling President Bush over the Appropriations process - 11 of 12 Appropriations bills are still in limbo. Also up in the air is the fate of the Farm Bill, Medicaid, S-CHIP, trade deals, and the future of the war in Iraq.

During the second half of November the House of Representatives was in recess for Thanksgiving while the Senate was in pro forma session rather than recess to prevent President Bush from making any recess appointments. The House and Senate resume work on the Appropriations process this week.

CONGRESS OVERRIDES BUSH VETO OF WATER PROJECTS BILL

Lawmakers overrode President Bush's veto of the Water Resources Development Act enabling a slew of planned dredging and restoration projects to go forward. President Bush had decried the cost of the \$23 billion measure but couldn't convince Congress which needed a two-thirds majority for the override. The Senate voted 79-14 with the House voting 361-54 in favor thus evaporating the President's veto. The American Association of Port Authorities, which represents 150 of the leading public ports in the hemisphere, hailed the override saying, "This is a crucial and long-delayed bill that will begin the process of addressing America's water resources infrastructure needs, ranging from navigation system and flood control improvements to restoring wetlands and repairing the damage wrought by the 2005 hurricanes."

The WRDA addresses seven years of accumulated U.S. Army Corps of Engineers programs, including navigation projects, policies and procedures necessary to keep pace with today's burgeoning trade. Although the legislation is supposed to be biennial, the last WRDA bill was signed into law in 2000. Included are projects for navigation channel improvements, dredged material disposal and storage facilities, and policy provisions to improve the Corps of Engineers project implementation process.

TRENT LOTT RETIRING

The U.S. Merchant Marine will lose a true ally when long serving Senator Trent Lott (R-MS) retires this month. Lott is expected to cash in on his DC expertise and become a lobbyist after the one year cooling off period mandated by Congress before former members can lobby. Had Lott retired in 2008 the cooling off period would have been two years.