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Congress and the U.S. Army Corps of Engineers in 2016

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The 114th Congress is anticipated to consider authorization legislation for the water resources activities of the U.S. Army Corps of Engineers (Corps) in 2016. A number of issues may influence the content of such legislation. These issues span the agency's role in new and existing navigation improvements, coastal and riverine flood risk reduction, and environmental restoration and protection efforts. Congress generally authorizes the study and construction of Corps projects before providing federal appropriations for them. While many stakeholders are interested in Congress authorizing new Corps studies and projects, others seek congressional direction in developing a more focused and prioritized agenda for the agency and for the federal funding dedicated to its new and existing projects.

Congress has often considered Corps authorizations biennially; however, congressional enactment has been less regular. The 113th Congress enacted the Water Resources Reform and Development Act of 2014 (WRRDA 2014; P.L. 113-121); it was preceded by a Water Resources Development Act (WRDA) of 2007 (P.L. 110-114) and a WRDA 2000 (P.L. 106-541).

WRRDA 2014 established a process for the Administration to solicit and review public proposals for new Corps studies and construction projects. Congress received its first report from the Administration with these proposals in February 2015 and is anticipated to receive another set of proposals in February 2016. Additionally, as of December 2015, the Corps' Chief of Engineers had completed 18 reports favorably, recommending their construction at a federal cost of \$2.8 billion and a nonfederal cost of \$2.2 billion.

In addition to Corps-specific items proposed for authorization, congressional debates relevant to the agency may expand to other federal water resources issues. For example, the Administration's new project planning and evaluation guidance for federal water investments went into effect in June 2015 for most agencies. It expanded the consideration of environmental and other social goals and nonstructural or "green" solutions when developing projects and selecting the federally preferred alternatives, as explained in CRS In Focus IF10221, <u>Principles, Requirements, and Guidelines (PR&G) for Federal Investments in Water Resources</u>. The explanatory statement accompanying <u>P.L. 114-113</u>, the Consolidated Appropriations Act, 2016, prohibits the Corps' use of FY2016 funds for implementation of the updated PR&G.

The 114th Congress may consider whether or not WRRDA 2014 implementation may require additional congressional direction. WRRDA 2014 authorized changes to project development and delivery for Corps projects. For example, WRRDA 2014 expanded authorization for nonfederal delivery of projects and authorized opportunities for private sector funding and participation in projects. While the Corps has not completed <u>implementation guidance for many</u>

WRRDA 2014 provisions, it has been working on furthering some demonstration projects (e.g., splitting construction of the authorized Fargo-Moorhead flood risk reduction project, with the Corps leading one portion and a nonfederal-private partnership responsible for the other portion). Some of these project delivery and development changes may receive additional congressional attention in 2016 as the benefits and risks of alternative delivery approaches are evaluated. Congress also may review developments that could affect the approval and pace of nonfederal projects. For example, some stakeholders question the impact of the Corps' 2015 guidance on approving alterations, occupations, and encroachments on Corps projects (known as Section 408 approvals). WRRDA 2014 and other legislation also altered activities eligible for monies derived from two navigation trust funds; some stakeholders are interested in additional changes to the eligible activities and use of monies from these trust funds.

Many navigation stakeholders are particularly interested in actions to prepare for the Panama Canal expansion and potential promotion of exports. At the same time, actions on some harbor-deepening projects have raised environmental concerns, and there is disagreement over whether, and if so how, to prioritize federal resources on navigation improvement in different regions. Other stakeholders may pursue actions associated with refining the Corps' role in different types of coastal flood risk reduction measures, including projects that were developed in response to Hurricane Sandy. There may also be congressional interest in any developments in 2016 with controversial projects, such as the St. Johns Bayou and New Madrid Floodway project in southeast Missouri.

Some stakeholders are interested in Corps activities associated with its existing infrastructure. The agency is spending increasing resources managing a portfolio of aging infrastructure and is challenged in its efforts to strategically plan for and develop funding sources for reinvestments. Other stakeholders are interested in altering the operations of Corps facilities. For example, interest in policies and pilot efforts that promote more water supply benefits from Corps projects (e.g., reoperations of reservoirs) expanded in 2015, as some western states experienced persistent drought conditions. The agency also has a number of updates to reservoir operating manuals under way. For example, the Corps is in the process of completing a new water control manual for its projects in the Apalachicola-Chattahoochee-Flint Basin. Operations of these projects have been part of an ongoing dispute between Georgia, Alabama, and Florida over sharing of water resources and maintaining the health of riverine and Apalachicola Bay species and ecosystems.

As a result of the 2015-2016 winter flooding in the Midwest, some stakeholders may seek a review of Corps emergency flood fighting and infrastructure performance and policies, as well as additional flood risk reduction efforts in Mississippi and Missouri River tributaries.

In summary, congressional action associated with Corps authorization legislation may encompass a wide range of issues beyond authorization of new studies and construction projects. These issues include the agency's ongoing challenges with project planning and delivery, its efforts to efficiently and effectively expand alternative delivery and financing while protecting the public interest, the competing interests associated with Corps operations of existing infrastructure, and the challenge of managing aging assets.