



WRITTEN STATEMENT FOR THE RECORD

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**ON BEHALF OF THE
NATIONAL WATERWAYS CONFERENCE, INC.**

WATER RESOURCES DEVELOPMENT ACT OF 2026: STAKEHOLDER PRIORITIES

**BEFORE THE SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
UNITED STATES HOUSE OF REPRESENTATIVES**

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Thank you, Chairman Collins and Ranking Member Wilson, and members of the Subcommittee for the opportunity to testify on the “*Water Resources Development Act of 2026: Stakeholder Priorities.*”

My name is Julie Ufner. I am President of the National Waterways Conference, Inc. (NWC). Prior to coming to NWC in 2019, I served as the Associate Legislative Director for Environment, Energy and Land Use at the National Association of Counties (NACo) for 17 years.

By way of an overview, my testimony addresses multiple policy and implementation issues relevant to the development of the Water Resources Development Act of 2026 (WRDA 2026), including but not limited to communication and coordination among Congress, the U.S. Army Corps of Engineers (USACE or Corps), and non-Federal sponsors; challenges related to project delivery, cost growth, and timelines; and the importance of predictable, reliable investment across the full range of Corps mission areas. These issues reflect concerns raised by NWC members nationwide, and the testimony is organized by topic so readers may refer directly to sections of interest.

NWC appreciates the leadership of this Subcommittee and its long tradition of cooperation and collaboration in addressing the nation’s water resources needs. On behalf of our members, we welcome the opportunity to share perspectives that may be helpful as Congress considers WRDA 2026.

While this testimony outlines a range of member-identified issues, NWC is currently engaged in a member-driven process to develop formal WRDA policy recommendations. We appreciate the Committee’s openness to exploring both legislative and non-legislative options to ensure the Civil Works program continues to deliver effectively across Corps mission areas and across the country, and we look forward to continued engagement as that process moves forward.

ABOUT NWC

Established in 1960, NWC is the only national organization to advocate in favor of national policy and laws that recognize the vital importance of America’s water resources infrastructure to our nation’s well-being and quality of life. Supporting a sound balance between economic and human needs and environmental and ecological considerations, our mission is to effect common sense policies and programs, recognizing the public value of our nation’s water resources and their contribution to public safety, a competitive economy, national security, environmental quality and energy conservation.

NWC membership is comprised of the full spectrum of water and waterways resource infrastructure stakeholders, including port authorities, flood control associations, levee boards, water supply districts, waterways shippers and carriers, national and regional associations, port authorities, agriculture, dredging contractors, hydropower producers, engineering consultants and state and local governments. We proudly say we represent all of the Corps Civil Works business lines. Many of our members are non-Federal sponsors of Corps Civil Works projects, and responsible for significant financial commitments for the construction and maintenance of these projects. We work diligently and collaboratively with our Federal partners to ensure the nation can reap the multiple benefits provided by these investments. To that end, our membership is keenly interested in the enactment of comprehensive water resources legislation, and we look forward to working with the Committee as it moves forward in this process.

In support of that collaborative partnership, NWC maintains a Memorandum of Understanding with the Corps that establishes a framework for engagement, information exchange, and coordination, and recognizes the respective roles and responsibilities of each organization in advancing the Corps Civil Works program and related water resources infrastructure activities.

WHY WRDA MATTERS

WRDA is the statute through which Congress authorizes the Civil Works missions of the Corps. It establishes the authorities for studies, projects, and policy updates that support navigation, flood risk management, ecosystem restoration, water supply, hydropower, and recreation. WRDA provides the authority, and the annual Energy and Water Appropriations Acts provides the funding. Both are required for work to advance.

WRDA ensures that the nation's water resources infrastructure keeps pace with changing economic, environmental, and community needs. Ports depend on navigation reliability. Communities depend on levee and flood control programs that protect lives and property. States and local governments rely on clear authorities for water supply, restoration, and coastal protection. Without a regular WRDA, planning becomes uncertain, project delivery slows, and communities face greater risks and higher costs.

WRDA also connects Federal policy with local reality. Communities and the Corps work together to identify risks, develop solutions, and ensure that projects reflect both national purpose and local needs. WRDA gives Congress the opportunity to review and authorize this work in a transparent and deliberative way.

We appreciate the committee's leadership in maintaining a dependable two-year WRDA cycle. Since the Water Resources Reform and Development Act of 2014 (WRRDA 2014), this consistency has allowed partners to plan budgets, advance feasibility studies, make informed business decisions, and respond to emerging risks with greater confidence. A missed WRDA cycle delays new authorizations, increases cost escalation, and undermines navigation and flood risk management decisions that depend on timely Federal action. The nation is better served when WRDA remains regular, reliable, and aligned with community needs.

WHO NON-FEDERAL SPONSORS ARE AND HOW THE PARTNERSHIP WORKS

Non-Federal sponsors are generally state, local, or tribal governments, as well as special districts that function as extensions of state or local government and are funded directly by the communities they serve. Special districts are established under state law, governed by public boards, and carry out responsibilities delegated by the state. Examples include port authorities, levee districts, and water and flood control districts, along with regional agencies that manage navigation, water supply, or flood protection. Together, these governmental entities bring statutory authority, local funding, and long-term stewardship to the WRDA partnership.

Most Corps projects require a shared investment between the Federal government and non-Federal sponsors. Sponsors contribute funding, acquire and provide real estate, coordinate locally, and assume long term operation and maintenance responsibilities once construction is complete. These commitments ensure that Federally authorized projects reflect both national purpose and community needs, and they also represent substantial public investments at the state and local levels.

Non-Federal sponsors work closely with the Corps before construction ever begins. They help define risks, supply essential data, shape feasibility studies, and determine whether solutions are appropriate for consideration in WRDA. They also coordinate with their Congressional delegations to ensure that WRDA proposals align with local priorities and national objectives. This early and continuous engagement is central to ensuring that projects are technically sound, economically justified, environmentally responsible, and grounded in the realities of the communities that will carry them forward.

The WRDA process depends on this partnership. When Congress, the Corps, and non-Federal sponsors communicate clearly, consistently, and freely, projects advance more efficiently and with greater certainty. This alignment helps keep Federal water resources policy responsive, balanced, and connected to the communities responsible for long term implementation.

THE WRDA PARTNERSHIP MODEL AND WHY IT WORKS WHEN ALL THREE POINTS COMMUNICATE

WRDA is built on a partnership among Congress, the Corps, and non-Federal sponsors. Each carries responsibilities that are distinct but interdependent, and the effectiveness of the WRDA process depends on open communication among all three. Congress provides the authorities for studies and projects, establishes national policy direction, and conducts oversight of how Civil Works missions are carried out. The Corps provides the technical foundation for these decisions, evaluating feasibility, engineering, environmental considerations, and economic justification. Non-Federal sponsors provide the local context, cost-sharing, and long-term stewardship that allow authorized projects to move from planning to construction and operation.

This model works because each partner depends on the others to supply information that only they can provide. Congressional staff rely on the Corps for accurate technical details, and on non-Federal sponsors for the community perspective that informs whether a potential WRDA provision is workable or needed. The Corps relies on sponsors to identify risks, provide local data, and carry out responsibilities that cannot be fulfilled at the Federal level. Sponsors, in turn, rely on both Congress and the Corps for clear authorities, transparent processes, and predictable guidance so they can plan budgets, acquire real estate, coordinate utilities, and meet their contractual and long-term obligations.

When these channels of communication function as intended, the WRDA process produces projects and policies that are technically sound and grounded in community needs. Studies advance more efficiently, project delivery is more predictable, and communities can plan responsibly for long term investment. When communication is restricted, delayed, or inconsistent, key information may not reach Congress, sponsors cannot plan effectively, and the alignment that WRDA depends on becomes strained. Uncertainty increases, timelines slip, and the quality of potential WRDA submissions may suffer because partners lack access to the information needed to shape proposals.

Maintaining consistent and open communication among Congress, the Corps, and non-Federal sponsors is therefore essential. It ensures that Federal water resources policy reflects both national priorities and the realities on the ground, and it preserves the integrity of a partnership model that has supported infrastructure, navigation, flood protection, and ecosystem restoration efforts for decades.

CHALLENGES IDENTIFIED BY NON-FEDERAL SPONSORS IN PREPARING FOR WRDA 2026

As Congress prepares for WRDA 2026, NWC has been gathering input from non-Federal sponsors across every region of the country. These sponsors include state and local governments, levee districts, water agencies, navigation districts, and port authorities who partner directly with the Corps to plan, fund, and deliver Federally authorized water resources projects. Their experience provides an essential perspective on how Federal policies and implementation practices affect the ability of communities to participate in and benefit from the WRDA process.

The purpose of this section is to share the challenges that non-Federal sponsors are currently encountering as they work with the Corps to advance feasibility studies, navigate real estate requirements, comply with program rules, and deliver authorized projects. Some of these challenges arise from long-standing policies that predate recent WRDA reforms. Others relate to newer provisions in WRDA 2024 that are still awaiting implementation by the Assistant Secretary of the Army for Civil Works (ASACW). In still other cases, sponsors are responding to evolving Federal practices or administrative directives that are creating uncertainty in planning and project delivery.

Not every issue highlighted here will require legislation. Some may be addressed through implementation guidance, administrative actions, or focused Congressional oversight. However, each issue represents a real-world barrier encountered by the partners who carry significant financial responsibility and legal obligations under Federally authorized projects. The WRDA partnership model depends on transparency, predictability, and shared understanding among Congress, the Corps, and non-Federal sponsors. Identifying these challenges early in the WRDA 2026 process helps ensure that all three points of the partnership can work together to maintain a responsive and effective national water resources program.

1. Minimum Necessary Real Estate Interests and LERRDs Practices

Non-Federal sponsors must provide land, easements, rights-of-way, relocations, and disposal areas for Corps projects, collectively known as “LERRDs.” These requirements are governed by long-standing USACE real estate regulations and standard estates, many of which predate recent WRDA reforms. Sponsors have repeatedly expressed concern that these requirements often mandate fee title or perpetual easements even when a lesser estate would fully support project construction, access, and long-term function.

In WRDA 2024, Congress included a provision (Section 1104) directing the Corps to obtain only the minimum real estate interest necessary for a project. The ASACW identified this provision as requiring policy development before it can be implemented – the guidance has not been issued yet. Until it is released, districts must continue relying on existing requirements, including templates that often require more expansive or permanent interests than a project may truly need. Implementing this section should be fairly straightforward for the Corps, as it is noted that the Corps has already required, in its own guidance, that minimum interests in real property necessary to support various types of projects be identified, and that if a non-standard estate or real estate policy deviation is needed, it needs to be coordinated with the Corps division and headquarters Real Estate offices, with the aim of ensuring that the justification is sound, the proposed action is within the law, and project authority will serve the project's purposes. (*See, e.g., USACE, Real Estate Policy Guidance Letter No. 31-Real Estate Support to Civil Works Planning.*)

As a result, non-Federal sponsors remain concerned about higher acquisition costs, reduced landowner cooperation, and delays associated with larger or more burdensome real estate requirements. Some districts also prohibit real estate acquisitions until late-stage design, which compresses schedules and increases local risk. Sponsors stress that these challenges will persist until the WRDA 2024 provision is implemented.

NWC Member Concerns and Suggestions to Consider:

- WRDA 2024's minimum interest provision has not yet been implemented, and Corps districts continue to require fee title or perpetual easements where lesser interests may be sufficient.
- Larger-than-necessary easements raise costs and reduce landowner participation.
- Some districts delay authorization for acquisition until late-stage design.
- Continuing variation in real estate practices across districts.

Members request stronger alignment between WRDA 2024 and district practice, including:

- Clear guidance reinforcing the use of easements when they provide adequate access and long-term project performance, with fee title reserved for cases where it is truly necessary.
- Flexibility for sponsors to select nonperpetual or smaller area easements for time limited projects such as beach renourishment.

- Reconsideration of district policies that categorically require fee title for dredged material placement sites.
- Updated crediting approaches for very large or Mega Projects, including valuation of land at the time of real estate certification for each construction package, within defined criteria.

2. Streambank Stabilization and Restoration Easements

Section 14 of the Rivers and Harbors Act authorizes small projects to stabilize streambanks and protect infrastructure such as roads, bridges, utilities, and agricultural lands. Many non-Federal sponsors rely on this authority because it allows rapid, targeted intervention at locations vulnerable to erosion. Sponsors report, however, that current real estate requirements for certain stream or habitat restoration projects may require fee title above the ordinary high-water mark even when a stabilization or conservation easement would support long-term project access and durability.

This creates obstacles for projects in rural, agricultural, or privately owned corridors where landowners are unwilling to convey full ownership. Sponsors emphasize that streambank stabilization often succeeds when landowners trust that the government will take only what is necessary. Requirements that exceed project needs can discourage participation, raise costs, and delay projects intended to prevent infrastructure failure.

NWC Member Concerns and Suggestions to Consider:

- Fee title required above the ordinary high-water mark even for limited stabilization features.
- Higher acquisition costs and reduced landowner willingness to participate in projects.
- Delays that increase erosion risk or force local governments and special districts to self-fund interim measures.
- A need to clarify when habitat or restoration components do and do not trigger different real estate interest requirements above the ordinary high-water mark.
- Encourage use of stabilization or conservation easements as the default interest unless a documented engineering need requires fee title.
- Allow sponsors to propose corridor tailored easement templates for multi-landowner reaches where fee title is impractical.
- Provide flexibility for phased real estate acquisition in areas with accelerating erosion so sponsors are not delayed by late-stage design requirements.

- Improve coordination between real estate and engineering teams to ensure real estate requirements match the project's actual stabilization footprint.
- Encourage alignment between Corps real estate requirements and existing state conservation or agricultural easement programs.
- Allow the Corps to accept pre-existing easements or state held interests when they offer equivalent access and long term protection needed for project maintenance.

3. Section 408 Review Requirements and Delays

Section 408 of the Rivers and Harbors Act of 1899 requires Corps approval before any entity alters or affects Federal Civil Works infrastructure. This applies not only to large projects but also to local improvements such as bridge replacements, levee tie-ins, municipal utility crossings, and highway construction. Non-Federal sponsors acknowledge the importance of protecting Federal assets but report significant variation across districts in how Section 408 is applied and how long reviews take.

Because sponsors must coordinate 408 approvals with local contracting, state permitting, and regulatory deadlines, inconsistent or prolonged reviews create cost and schedule risks. Some sponsors report uncertainty about whether 408 applies when a Federal project has been deauthorized or substantially modified, or how fees and cost recovery are calculated. These uncertainties complicate planning and can delay essential local improvements.

WRDA 2024 Section 1105 (Section 408 Program Review Process) addresses Section 408. It aims to standardize and streamline the review process by directing USACE to establish clear, concise, and specific guidance to ensure consistency across districts; provide pre-application meetings upon request by non-Federal entities to discuss design standards, recommend design package submissions, and identify potential conflicts and authorize use of contributed funds. However, this provision has not yet been implemented.

Additionally, WRDA 2024 Section 1244(c) requires the Government Accountability Office (GAO) to conduct a thorough review of the Section 408 program. GAO is beginning this study. Separately, USACE has undertaken rulemaking on Section 408; a proposed rule was issued and comments received, but a final rule has not been released.

NWC Member Concerns and Suggestions to Consider:

- Major variation in Section 408 expectations across districts; 408 reviews continue to be a major source of delay and inconsistency for many NWC members.

- A need for clear, concise, and specific guidelines on when and how Section 408 applies, to ensure consistency across districts.
- A need to clarify whether, when, and how Section 408 applies after project deauthorization or modification, or to legacy footprints.
- Unpredictable timelines that disrupt local contracting.
- Uncertainty about applicable fees or cost recovery procedures.
- Consider whether non-Federal sponsors could play a greater role in 408 reviews, for example, whether a certified engineer could perform a 408-certified analysis on behalf of the non-Federal sponsor, under USACE standards, to improve timeliness while maintaining safety.

4. P.L. 84-99 Emergency Levee Repair and Dual Levee Systems

P.L. 84-99 authorizes the Corps to provide emergency assistance for the repair and rehabilitation of eligible levees and flood control works following floods and coastal storms. For non-Federal sponsors, this program is a core Federal safety net that helps restore damaged infrastructure quickly, reducing local financial burdens and maintaining protection for communities, agriculture, and critical infrastructure.

Established in 1976, the P.L. 84-99 Rehabilitation and Inspection Program has operated for nearly 50 years with a clear emergency response purpose: to repair flood-damaged levees as efficiently as possible so communities are not left exposed for extended periods of time.

In recent years, NWC members report that the program has increasingly shifted away from its Congressionally intended emergency response mission and toward a more prospective planning and compliance framework. Sponsors describe heightened documentation demands, expanded eligibility reviews, stricter expectations related to systemwide improvement frameworks, and longer pre-approval processes before repairs can begin. NWC has consistently stressed the need to keep P.L. 84-99 aligned with its original purpose and to avoid layering on requirements that Congress did not authorize.

Rather than focusing on rapid rehabilitation after flood events, districts are increasingly applying requirements more typical of long-term construction programs. As a result, sponsors report that it can take 2 to 3 flood seasons to complete repairs that were intended to be addressed on an emergency basis.

For communities with limited budgets and narrow construction windows, these delays increase financial risk, prolong exposure to flood hazards, and raise local costs. Sponsors also report

uncertainty regarding reimbursement timing and whether emergency or interim repairs can be undertaken with confidence while awaiting Federal action.

One example of how eligibility has been narrowed through policy rather than statute involves dual levee configurations. In some river systems, non-Federal sponsors design flood protection using two levees based on topography, existing land uses, or the need to protect critical infrastructure, agricultural assets, or developed areas.

Under current P.L. 84-99 policy, when a Federally constructed levee is located landward of a non-Federal levee, the Federal levee is designated as the primary levee. The non-Federal levee is designated as secondary unless it is the levee that directly protects life safety. Once designated as secondary, the non-Federal levee loses eligibility for P.L. 84-99 rehabilitation assistance.

NWC members report that this policy can discourage appropriate dual levee designs and create inequities for sponsors that construct and maintain levees to Corps standards but are excluded from emergency assistance solely because of system configuration. Significant commercial, agricultural, and residential investments may rely on the outer or non-Federal levee, yet that levee may remain ineligible for rehabilitation assistance following flood damage.

This approach undermines local flood risk management strategies and leaves communities exposed during future flood seasons despite substantial local investment in flood protection infrastructure.

WRDA 2024 included Section 1146 (Systemwide improvement framework and encroachments), which addresses the P.L. 84-99 program. Among other changes, this provision amends the program to establish criteria for non-Federal interests to remain eligible for repair and rehabilitation assistance for levee systems under a systemwide improvement framework. This provision has not yet been implemented.

In the meantime, sponsors report uncertainty about whether districts are accepting new P.L. 84-99 submissions or whether additional requirements may apply. Several districts appear to be in a transitional posture as program guidance evolves following the recent WRDA provisions and internal policy reviews. In some cases, sponsors have been told informally that additional documentation may be required or that reviews may take longer, even though no formal changes have been made.

This variation across districts leaves sponsors unsure how their requests will be evaluated or what timelines to expect, making it difficult for sponsors to plan for upcoming flood seasons or initiate repairs with confidence while district-level expectations remain in flux.

NWC Member Concerns and Suggestions to Consider:

- The Corps' shift of the P.L. 84-99 program away from its Congressionally intended emergency response focus towards a more prospective planning and compliance framework.
- Short windows of time to use funds and persistent problems with timely delivery for repair projects.
- Longer and slower review processes delaying essential repairs.
- Expanded documentation requirements not specified in statute.
- Unpredictable and slow reimbursement timelines.
- Difficulty performing sponsor-led interim repairs with confidence in reimbursement.
- Loss of eligibility based on system configuration rather than function or condition.
- Inconsistent district-level expectations and uncertainty about eligibility as guidance continues to evolve.
- A need to establish a longer window and clearer process for using P.L. 84-99 funds, faster contracting authority, and more opportunities for non-Federal sponsor-led implementation of repairs.
- A need to solve the problem of communities either operating damaged facilities or self-funding repairs without certainty of reimbursement, by allowing a waiver or exemption for non-Federal sponsors, in circumstances where disaster funding is delayed, to ensure rehabilitation reimbursement for repairs undertaken in good faith while waiting for Federal approval.

5. Section 902 Cost Limits and Construction Pauses

Section 902 of the Water Resources Development Act of 1986 establishes the maximum allowable total cost for a Corps project. This is commonly referred to as the Section 902 limit. It serves as a statutory cap that prevents the Corps from obligating or expending funds on a project once total costs exceed a defined threshold. Congress intended Section 902 to promote fiscal discipline and ensure that major Federal investments do not move forward without updated Congressional approval when costs rise significantly.

The Section 902 limit is based on several factors, including the authorized project cost, inflation adjustments, and certain cost estimate updates. Although the calculation framework appears straightforward, it has become increasingly difficult to manage in practice. Projects now experience long timelines between feasibility, authorization, and construction. Inflation, supply chain conditions, labor costs, environmental compliance requirements, and evolving engineering data can all push project costs upward over time. Even when non-Federal sponsors maintain strong controls on their side, external factors can increase the total project cost and place the project near or over the 902 limit.

When a project approaches or exceeds its Section 902 limit, USACE cannot award contracts or continue progressing major elements of work. The Corps must prepare a Post-Authorization Change Report (PACR), secure approval from the Assistant Secretary of the Army for Civil Works, and ultimately obtain a new Congressional authorization. This process can take years. In the meantime, contractors reprice bids, schedules slip, and communities wait for projects that have already demonstrated Federal interest and national benefit.

These delays directly affect non-Federal sponsors. Local governments, state agencies, and special districts often have legal obligations, real estate commitments, and community expectations that continue regardless of pauses in the Federal share. Project interruptions can disrupt local planning cycles, complicate financial commitments, and create uncertainty for industry partners and residents. These challenges occur with navigation, flood risk management, coastal resilience, ecosystem restoration, and water supply projects.

NWC members report that Section 902 is particularly difficult for smaller projects under approximately \$50 million. Smaller projects tend to have tight cost margins, and even moderate price adjustments can bring them close to or above the statutory cap. When this happens, work must pause until Congress provides new authority. For non-Federal sponsors, a project that was intended to move quickly can stall for a year or longer, despite the availability of the local cost-share and clear operational need. These smaller investments often support regional and rural economies. Delays can cause missed construction windows, disrupt dredging schedules, and undermine the reliability of the water resources infrastructure system.

The underlying issue is not a conflict with the Section 902 goal of fiscal discipline. Rather, the challenge is ensuring that necessary infrastructure projects do not become stuck due to statutory caps that may not reflect current economic conditions or real-world project timelines. The question for Congress is whether targeted updates could help the Corps and non-Federal sponsors manage risk more effectively while preserving Congressional oversight. Flexibility for inflation, improved tools for phased or incremental delivery, or clearer processes for smaller

projects could help maintain accountability without slowing delivery of nationally significant infrastructure.

NWC Member Concerns and Suggestions to Consider:

- Concerns about project delivery delays tied to Corps processes that halt or slow construction.
- Rising project costs and uncertainty created by inflation, supply chain pressures, and changing Federal requirements.
- Challenges with inconsistent application of Corps policies across districts, leading to unclear expectations for planning and budgeting.
- The need for greater predictability in Corps timelines, decision points, and Federal approvals.
- Frustration when local cost-share obligations continue while Federal progress stalls.
- Concern that long pauses in Corps processes undermine local planning cycles, public expectations, and financing.
- Strong interest in ensuring that all project categories, including small navigation and flood risk reduction projects, maintain steady progress once authorized.
- Difficulty aligning local budgets with Federal pauses or reauthorizations, especially when sponsors have contractual or legal obligations they cannot delay.
- A need for expedited contributed-funds authority for small projects; consider increasing allowable contract award flexibility by raising the Section 902 limit variance, or allowing non-Federal sponsors to pre-authorize contributed funds within the PPA, with USACE concurrence, so contracts can be awarded when bids come in slightly above the 902 limit without waiting for new legislation.

6. Recognizing and Advancing Multi-Use Benefits in Corps Projects

Many Corps Civil Works projects provide benefits that extend well beyond the single business line under which they are authorized or evaluated. For non-Federal sponsors, these multi-use benefits are often essential to securing local financing, building public support, achieving resilience goals, and meeting state and regional requirements. However, Federal policy and Corps planning guidance do not always fully recognize or capture these broader benefits, which can complicate project justification, funding eligibility, and long-term implementation.

Non-Federal sponsors increasingly propose and design projects that address multiple regional needs at once, such as reducing flood risk while restoring habitat, improving water quality, enhancing recreation, or supporting navigation reliability. Local sponsors may also invest their own funds to incorporate multi-use features that provide social, environmental, and economic value to their communities. When Federal evaluation processes narrowly categorize benefits under a single Corps mission area, it can understate the full value of a project and create obstacles to Federal participation.

This issue has gained visibility across multiple WRDA cycles. Project sponsors have consistently highlighted the practical challenges. For example, multi-benefit flood risk reduction projects often deliver measurable environmental, recreational, and water management outcomes that are not fully reflected in a traditional single-purpose benefit cost analysis. As a result, sponsors face difficulties advancing solutions that align with both local priorities and modern resilience needs.

Non-Federal sponsors emphasize that the Corps' current evaluation framework may not fully capture:

- The ecosystem and water quality benefits embedded in flood risk reduction and stream restoration projects.
- The groundwater recharge and habitat outcomes associated with levee setback projects.
- The economic and community benefits of recreation facilities that accompany ecosystem or resiliency improvements.
- The navigation-reliability benefits associated with nature-based features that also provide habitat or erosion reduction.
- The climate adaptation value of projects designed to provide overlapping protections across multiple risk categories.

Sponsors note that when multi-use benefits are not recognized or counted, projects may appear less cost-effective at the Federal level even though they deliver significant regional and national value. This can limit the use of innovative solutions, discourage integrated project designs, and reduce the ability of sponsors to pursue the most resilient and sustainable approaches.

Non-Federal sponsors believe this issue is especially important as communities face increasing climate-related hazards, aging water infrastructure, and pressures to maximize the value of public investments. Multi-use solutions often represent the most efficient way to meet overlapping community needs, and improved recognition of these benefits would better align Corps practices with modern integrated water management.

NWC Member Concerns and Suggestions to Consider:

- Narrow benefit classification that does not reflect the full set of outcomes a project provides.
- Difficulties justifying multi-benefit project features when benefits fall outside the Corps' primary mission area for the study.
- Challenges aligning Corps planning criteria with state and local requirements for integrated water management.
- Limited flexibility in incorporating sponsor-funded enhancements that improve resilience or environmental performance.
- Risks that multi-use features may not receive Federal credit or may complicate the approval process.
- A need to recognize and advance multi-use benefits in the evaluation and implementation of Corps projects.

7. Cost Overruns and Delays and Design Maturity Expectations

Non-Federal sponsors are experiencing growing delays, rising costs, and significant uncertainty due to evolving expectations about design maturity at the feasibility stage.

NWC shares Congress's and the Corps' goal of delivering authorized water resources projects efficiently, predictably, and in a manner that reflects responsible stewardship of Federal and local resources. Our members recognize the complexity of the Civil Works program and the constraints under which both Congress and the Corps operate.

Cost growth and schedule delays across the Civil Works portfolio are not confined to the construction phase. In many cases, these challenges begin earlier, during feasibility studies and the transition from study to design, and compound over time as projects move through authorization and funding.

Non-Federal sponsors care deeply about this issue because they are full partners throughout the project lifecycle. Sponsors include states, local governments, tribal governments, and special purpose public entities established under state law, such as flood control districts, port authorities, water districts, levee districts, and similar public agencies. Many of these special purpose districts function as extensions of state or local government and are funded directly by the communities they serve.

Non-Federal sponsors share costs during feasibility studies, design, and construction and assume responsibility for long-term operation and maintenance once projects are completed. These entities often operate within fixed or voter-approved revenue structures and must plan and budget years in advance based on anticipated scopes, schedules, and cost estimates. When studies extend, design assumptions change, or timelines shift, the financial and planning impacts are felt immediately at the local level.

The Corps has taken meaningful steps to address cost growth and schedule risk, including reassessing how much design detail is completed earlier in the process. The recently adopted 35 percent design standard reflects a good-faith effort by Corps leadership to improve cost certainty and reduce downstream risk. At this time, NWC is not taking a position on the 35 percent design standard and believes additional discussion with the Corps and non-Federal sponsors is warranted.

Members have raised concerns, however, about how the 35 percent design standard fits within existing feasibility study and project delivery frameworks. In particular, sponsors have noted uncertainty about how design expectations at the feasibility stage interact with schedule targets and cost assumptions under the 3x3x3 framework, as well as how this approach would align with the 5x5x3 authority included in the Water Resources Development Act of 2024, which has not yet been implemented. Additional guidance on how these elements are intended to work together would support more consistent application and clearer expectations.

Regardless of whether projects proceed under 3x3x3 or a future 5x5x3 framework, non-Federal sponsors remain concerned that the fundamental drivers of cost overruns and delays persist. These challenges stem from the cumulative effects of extended feasibility studies, evolving design assumptions, gaps between authorization and appropriation, and incremental funding over multiple years.

In many cases, Chief's Reports are authorized years before construction funding becomes available. During this period, inflation, labor and materials pricing, real estate requirements, and staffing costs continue to rise. Over the past five years, these increases have been substantial, meaning that cost estimates developed during feasibility or early design frequently no longer reflect construction realities by the time funding is available.

Once projects enter construction, incremental appropriations further extend schedules and compound cost growth. While these funding practices reflect broader budget constraints and competing national priorities, they directly affect both Federal and non-Federal partners and limit the ability of sponsors to plan with certainty.

NWC recognizes that the feasibility, authorization, and appropriations processes each serve important and distinct purposes, and we do not suggest that any single element is flawed in isolation. However, when these phases operate on disconnected timelines, cost growth and schedule delays become systemic rather than exceptional, regardless of design standards or delivery frameworks.

In that spirit, NWC has reached out to the Corps to request a partnership discussion with non-Federal sponsors focused on feasibility, design, funding alignment, and cost growth. Our members want to be part of the solution and bring practical, real-world project delivery experience. NWC believes continued collaboration among Congress, the Corps, and non-Federal sponsors is essential to improving outcomes while preserving the integrity of the Civil Works program.

NWC Member Concerns and Suggestions to Consider:

- Applying a 35 percent design standard across the board may present challenges for larger, more complex, or phased projects, where design progression and risks evolve over time.
- There is an inherent balance that must be struck between keeping feasibility studies streamlined and affordable while also advancing sufficient design detail to support authorization decisions.
- Some sponsors have indicated that expectations for design detail during feasibility may, in certain cases, exceed what can be supported within available feasibility study funding.
- One size does not fit all for project cost estimating because projects differ widely in scope, uncertainty, complexity, schedule, and institutional context.
- The disconnect between authorization and appropriation means that even a refined estimate at authorization can become outdated if a project waits multiple fiscal years for construction funding.
- Members worry that the current approach drives risk-averse cost estimating and higher contingencies without truly reducing cost risk and may make it impractical to bring large projects forward for authorization.
- For some sponsors, the additional design work required upfront may increase non-Federal costs that cannot be recouped if the project does not ultimately receive appropriation.
- Sponsors also seek clarity on how 35 percent design maturity will interact with the statutory 5x5x3 framework, once implemented, and what flexibilities may exist for projects where the required level of design cannot be reasonably achieved within feasibility constraints.

- They also need clarity on what flexibilities may exist for projects where the required level of design maturity cannot be reasonably achieved within feasibility constraints, and how these expectations will be applied consistently across Corps districts.
- A need for clarity on what flexibilities may exist for projects where the required level of design maturity cannot be reasonably achieved within feasibility constraints, and how these expectations will be applied consistently across Corps districts.
- A need to consider the differences between uncertainty (how well we know internal and external factors) and complexity (size, time horizon, number and interactions of elements) and how these factors can affect the determination of project costs.
- Whether a tiered design-maturity framework should be considered that differentiates small, moderate, and large or phased projects.

8. Non-Federal Delivery Tools and Corps Governance

For decades, Congress has provided a set of authorities that allows non-Federal sponsors to participate more directly in delivering water resources projects, when doing so can save time, reduce cost, or accelerate public benefits. These include Section 203 feasibility studies, Section 204 construction projects, Section 1043(b) project implementation pilots, and other authorities such as Section 211. Each was created to recognize that many local partners have technical capacity, local knowledge, and capital resources that can be mobilized more quickly than the Federal process allows. The core concept behind these tools is partnership. When structured well, they give non-Federal sponsors flexibility to advance work within the parameters of Federal law while preserving the Federal interest, safety standards, and environmental compliance.

However, the implementation of these authorities often falls short of Congressional intent. Non-Federal sponsors report that the delivery tools do not function as intended because of internal Corps governance practices that add layers of review, introduce procedural uncertainty, and delay decision-making. Although Congress designed these authorities to decentralize and streamline delivery, in practice the Corps applies many of the same planning, policy, and technical review requirements that apply to Federally executed projects. This can make alternative delivery functionally indistinguishable from the traditional Corps process, erasing the benefits Congress intended.

A central part of the challenge relates to the Corps' internal governance structure. The agency operates through a hierarchy that flows from headquarters to divisions to districts. While this structure supports national consistency, it can create bottlenecks when decision authority is not delegated to the level closest to the work. Many non-Federal sponsors report that districts are willing to make decisions or approve work, but divisions require extensive policy reviews,

iterative resubmittals, or elevate decisions to headquarters. In some cases, even routine approvals must move through multiple layers, adding months or years to schedules. When this occurs, the non-Federal delivery tools established by Congress cannot be used efficiently because sponsors are still subject to lengthy Federal internal processes that were never designed for decentralized delivery.

This situation creates several practical problems for non-Federal sponsors. First, uncertainty in approval timelines makes it difficult to plan financing, maintain contractor availability, or coordinate with state and local permitting processes. Second, Federal review delays can increase project costs and jeopardize the ability of local governments to meet their cost share obligations. Third, each district and division may interpret Congressional authorities differently, creating regional inconsistencies that complicate long-term planning and create inequities among project sponsors. Fourth, when internal Corps reviews extend for months or years, the benefit of alternative delivery is lost entirely, making it more difficult for communities to address urgent flood, navigation, ecosystem, or water supply needs.

Finally, the absence of a clear path for timely policy decisions is a recurring barrier. Non-Federal sponsors report that unresolved legal or policy questions can sit for years without clear guidance or elevation. Without a predictable way to resolve these issues, sponsors cannot proceed with design, right-of-way acquisition, or contracting. As a result, Congressional intent to encourage non-Federal initiatives and shorten delivery timelines remains largely unrealized.

NWC Member Concerns and Suggestions to Consider:

- Lengthy Corps district and division reviews slow sponsor-led progress.
- Policy questions not elevated promptly by districts for resolution.
- Challenges using Section 203, 204, and Section 1043(b) effectively.
- Sponsors facing uncertainty, despite Congressional intent to streamline delivery.
- A need for an output-based delivery approach, where sponsors commit to deliver defined outputs and USACE limits its review to life safety, National Environmental Policy Act (NEPA), and authorization compliance.
- A need to allow sponsors to begin acquiring rights-of-way at the design maturity level they are comfortable with, with USACE crediting only those interests actually needed for the project; and for audit-based approaches for real estate acquisitions, focusing USACE review on a sample of transactions and ensuring systems are in place for tracking and access.

- A need for more efficient decision-making and review, including setting timelines for division decisions and allowing waivers to bypass division review in specified circumstances.
- A need to clarify and, where necessary, strengthen authorities like Sections 203, 204, and 1043(b), and improve work-in-kind and contributed-funds policies so sponsors can advance work when Federal appropriations are uncertain.
- A need for PACR reform, including developing a faster, more focused mechanism to handle cost and scope changes, targeting decision timelines of months rather than years.

9. Project Partnership Agreements and Permitting Requirements

A Project Partnership Agreement (PPA) is the core legal contract between the Corps and a non-Federal sponsor that establishes the cost share, assigns responsibilities, and incorporates the Federal laws and policies that govern delivery of a water resources project.

For sponsors, signing a PPA is a major legal and financial commitment that triggers local appropriations, bonding, real estate acquisition, and long-term operation and maintenance obligations. Because of this, sponsors must be able to rely on the terms of the agreement and understand the requirements they are accepting. In recent years, however, PPAs have become increasingly complex as more layers of Federal guidance, interpretation, and evolving policy get folded into the agreements. This can create significant uncertainty when sponsors are preparing to sign and proceed.

In practice, sponsors report that the PPA process has become slower and less predictable. Routine agreements often require multiple rounds of review not only at the district level but also at the division and headquarters levels, which adds time and introduces inconsistent interpretations of the same statutory or policy language. When districts and divisions are not aligned, PPA execution can stall for months or years even when sponsors are ready to advance work. This uncertainty creates real consequences for local governments that must coordinate their own procurement schedules, contracting requirements, and financing timelines with Federal sequencing.

Another challenge is that the PPA often incorporates Federal requirements that did not exist when the feasibility study was completed or when the project was authorized. This can place non-Federal sponsors in difficult positions because they are legally bound by state budgeting cycles and must explain to elected officials and local taxpayers why costs or obligations have shifted late in the process. These changing requirements also create cases where a PPA includes

provisions that differ from what sponsors understood during feasibility or authorization, making it harder to maintain local support for Federally authorized projects.

Inconsistency across Corps districts is also a recurring issue. Sponsors describe cases where one district interprets a WRDA provision broadly, allowing a reasonable path forward, while another district interprets the same provision in a far more restrictive way. This makes it difficult for multi-jurisdictional sponsors, regional consortiums, or sponsors who work with multiple districts to plan effectively. It also creates inequity across the country, because similarly situated communities can experience very different timelines and requirements.

In addition, sponsors note that, when they wish to advance work with local funds, the Corps sometimes requires additional Federal permits or approvals even after NEPA compliance is complete. This undermines the purpose of project partnership, which is to allow Federal and local entities to work together to advance an authorized project efficiently. Congress has provided tools that allow sponsors to move forward when they have the capacity, but if the Corps requires duplicated reviews or new permits, those tools cannot be used as intended.

Overall, sponsors view PPAs as essential, but they need the process to be predictable, transparent, and grounded in clear Federal guidance. When the terms of a PPA shift late in the process, or when agreements sit unexecuted because internal Corps governance requires multiple layers of review, communities face delayed benefits and increased costs. Sponsors have emphasized that they respect Federal standards and oversight but believe the current PPA process could be streamlined in ways that preserve accountability while better aligning with Congressional intent and local fiscal realities. The goal is not to weaken Federal review but to improve efficiency, consistency, and fairness so that authorized projects can move into construction and deliver the national and local benefits Congress intended.

NWC Member Concerns and Suggestions to Consider:

- Inconsistent inclusion and application of PPA provisions across districts.
 - Whether there should be a requirement for a non-Federal sponsor, which wants to carry out design or construction work after execution of an agreement, to obtain additional Federal permits beyond those that would have been required if USACE constructed the work (assuming that NEPA and related Federal laws have been satisfied).
 - Difficulty aligning and incorporating updated WRDA provisions with current PPAs.
 - Challenges interpreting which requirements control during construction.
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10. Navigation Funding Metrics and Access to the Harbor Maintenance Trust Fund

Navigation projects depend on stable and predictable Federal funding, yet the current approach for prioritizing and allocating dollars does not always reflect the national economic and strategic value of certain waterways. Historically, ton miles have been the primary metric used to determine funding priority for maintenance dredging and navigation needs. While ton miles are an important measure of cargo movement by weight and distance, they do not capture the broader economic, national security, and supply chain importance of waterways that move high value, high consequence, or strategically essential goods. Several non-Federal sponsors have raised concerns that relying on ton miles alone disadvantages shorter waterways and regions where the commodities moved are critical to national energy reliability, fuel distribution, or specific industrial sectors, even if the total cargo tonnage is lower. When the funding model does not recognize these dimensions, channels that serve vital national interests can remain underfunded, which increases the risk of service interruptions, economic instability, and loss of Federal investment already made in those systems.

These concerns intersect with how the Harbor Maintenance Trust Fund (HMTF) operates. The HMTF was designed to provide a stable, formula-driven source of funding for harbor maintenance. Under the statutory framework established through the CARES Act and WRDA 2022, HMTF receipts are treated by Congress as off-budget and are supposed to be appropriated according to a formula that grows with collections. When Congress passes a full-year Continuing Resolution instead of a new appropriations bill, however, the Corps receives only the prior-year HMTF appropriation rather than the higher formula amount that Congress could have appropriated. The off-budget treatment cannot be retroactively applied in the following year, which strands funding capacity that Congress intended to make available.

This occurred in fiscal year 2025 when the Corps received \$2.771 billion, the fiscal year 2024 level, instead of the \$3.087 billion permitted by the formula. Approximately \$316 million could not be accessed and could not be recovered in fiscal year 2026 because the Energy and Water Appropriations funding for that year only applies the fiscal year 2026 formula amount. For port authorities, navigation districts, local governments, and the dredging industry that rely on stable dredging cycles and Federal predictability, stranded HMTF authority creates vulnerabilities that complicate planning, increase maintenance backlogs, and undermine the national interest in safe and reliable navigation channels.

For non-Federal sponsors, the problem is two-fold. First, the funding priority system does not fully account for the economic or strategic value of certain waterways, which results in chronic underfunding maintenance of projects that carry high-consequence goods or serve critical

regional infrastructure. Second, even when Congress intends to provide adequate funding through the HMTF, continuing resolutions can prevent the Corps from accessing the full amount the law allows, leaving sponsors without the maintenance support they rely on to keep channels open, safe, and competitive. These combined pressures create uncertainty, increase local financial burdens, and place additional strain on inland and coastal systems that are essential to national commerce.

Non-Federal sponsors have emphasized that reliable access to the HMTF and funding metrics that more accurately reflect national priorities are crucial for long-term planning, economic stability, and resilience. The underlying issue is not a lack of Federal commitment but a misalignment between statutory intent, appropriations mechanics, and the metrics used to determine which waterways rise to the top of the funding queue. Realigning these elements would allow navigation projects across the country to be maintained according to their true national importance, rather than solely their tonnage characteristics, and would provide the predictability needed for communities to sustain safe and efficient navigation systems.

NWC Member Concerns and Suggestions to Consider:

- Ton-mile metrics that undervalue high-importance or shorter navigation systems.
- Stranded HMTF authority during continuing resolutions, including \$316 million in fiscal year 2025, and a need to allow future appropriations bills to reach back and apply off-budget treatment to HMTF amounts that were stranded during a full-year continuing resolution.
- Missed dredging windows that increase cost and reduce reliability.
- Difficulty planning maintenance cycles without predictable funding.

11. The Importance of Meaningful Consultation and Clear Communication with Non-Federal Sponsors.

Non-Federal sponsors serve as essential partners in carrying out Federally authorized water resources projects. They bring local resources, technical capacity, and long-term operational responsibility to projects that serve national economic, environmental, and safety interests. Because of this partnership, sponsors depend on clear, timely communication from the Federal government to plan effectively and meet their obligations. Federal actions that alter project scope, delivery timelines, funding availability, or compliance requirements directly affect the sponsors tasked with managing these responsibilities at the local level.

This importance of consultation is also grounded in Federal policy. Executive Order 13132 on Federalism requires Federal agencies to engage with state and local governments when Federal actions have direct effects on their responsibilities or impose compliance costs. The Unfunded Mandates Reform Act (P.L. 104-4) reinforces this principle by directing agencies to avoid shifting substantial costs or burdens to state, local, or special district governments without early and meaningful dialogue. These frameworks reflect the same shared-responsibility model at the core of WRDA, where Federal and non-Federal partners must coordinate to deliver infrastructure that serves national and regional needs.

When communication is delayed or incomplete, sponsors may face contract complications, unanticipated local cost increases, scheduling disruptions, or legal constraints that make compliance difficult. Recent developments have underscored how quickly uncertainty can grow when sponsors do not have reliable visibility into how Federal decisions are made or how they will be implemented in the field. The subsections below highlight specific areas where communication challenges have created real impacts for sponsors and where strengthened consultation is essential for WRDA 2026.

A. Federal Funding Pauses and the Need for Transparency

In October 2025, the Office of Management and Budget announced that an estimated \$11 billion in Corps Civil Works projects were being paused. No public list identifying the affected projects has been released. Non-Federal sponsors, industry partners, and even some Congressional offices report learning about potential impacts only through informal, need-to-know conversations with the agency. This level of uncertainty is highly unusual in a program where projects have already been authorized by Congress and appropriated through annual Energy and Water Development Appropriations Acts.

For sponsors, the practical concern is how potential delays may affect ongoing planning, contracting, and project execution. Many sponsors have already signed Project Partnership Agreements, committed local funding, acquired real estate, and prepared to move forward based on Congressional authorization and appropriations. When questions arise about Federal timing or contract actions, sponsors may need to adjust schedules, revisit contracting assumptions, or prepare for potential changes in project sequencing.

These uncertainties can also affect the communities and industries that rely on water resources infrastructure. For example, if a port is preparing for a channel deepening project and has already invested in landside facilities to support larger vessels, a delay in Federal channel work could affect when those facilities can be fully utilized. Industries planning to route goods through that

port may need to adjust their logistics. Similar considerations apply to flood risk reduction, ecosystem restoration, or water supply projects, where changes in timing may affect local preparedness, construction windows, or project benefits.

The concern being raised is not about the merits of any individual pause, nor about the decision-making process itself. Rather, sponsors are seeking clarity where possible so they can manage their local obligations responsibly, communicate with governing bodies, and plan for potential adjustments in project delivery.

NWC Member Concerns and Suggestions to Consider:

- No public list identifying the projects subject to the estimated \$11 billion pause.
- Sponsors learning of impacts only through informal, need-to-know communication channels.
- Financial risk for obligations being undertaken pursuant to signed PPAs.
- Uncertainty affecting navigation reliability, dredging schedules, flood risk reduction, and other nationally significant missions.
- Difficulty managing construction seasons, local budgets, and contracting timelines.
- Reduced confidence in the predictability of the partnership model for both WRDA and Energy and Water Development Appropriations.

B. Communication Protocol Changes Affecting Congressional and Sponsor Engagement

Earlier in this testimony, WRDA was described as a three-way partnership among Congress, the Corps, and non-Federal sponsors. That partnership only works when all three are able to communicate openly about project needs, technical issues, and implementation challenges. On October 15, 2025, the Department of War issued a directive requiring Corps districts to obtain approval from the Office of the Assistant Secretary of War for Legislative Affairs (ASW(LA)) before engagement with Federal or state elected officials or their staff. While we understand the intent to ensure consistent messaging, this change has raised concerns about how it may impede the quality and completeness of information available to Congress as it prepares to develop WRDA 2026 and establish FY2026 appropriations.

Congressional staff have historically relied on technical assistance from Corps district, division, and headquarters offices and non-Federal sponsor input to understand project status and needs, technical constraints, and regional priorities. That information helps staff evaluate potential WRDA provisions, weigh the implications of proposed changes, and respond to constituents.

Since the October 15th Department of War directive, non-Federal sponsors and others have reported situations where districts are hesitant or unable to discuss project details, feasibility status, cost pressures, or implementation concerns without higher-level approval. If non-Federal sponsors or Congressional staff cannot readily engage with the Corps on these sorts of issues, the result may be fewer, less detailed, or less accurate WRDA proposals and a weaker factual foundation for committee deliberations and appropriations.

At the same time, our members in the field report that they are experiencing more difficulty obtaining information from their local Corps offices on project timelines and needs, implementation of recent WRDA provisions, and the status of specific studies or construction efforts. Sponsors depend on this information to manage local budgets, plan contracts, communicate with their own governing bodies, and coordinate with their Congressional delegations. When information moves more slowly or becomes harder to access, it complicates both oversight and day-to-day project management.

NWC Member Concerns and Suggestions to Consider:

- Congressional staff have more difficulty obtaining timely, detailed information from districts to support WRDA proposals and oversight.
- Districts indicate they cannot discuss project history, status, or technical details without higher-level pre-approval.
- Sponsors encountering delays or limitations when seeking basic information on study milestones, construction schedules, and implementation of WRDA provisions.
- Risks that incomplete or outdated information will reach Congress, affecting the quality of WRDA submissions and decision-making.
- Slower identification and resolution of issues that could otherwise be addressed early through direct engagement among Congress, the Corps, and non-Federal sponsors.

C. Additional Areas Where Early Consultation Is Essential

Beyond these specific examples, sponsors consistently stress that timely and meaningful consultation is vital whenever Federal actions have direct implications for local planning or financial commitments. This includes implementation of new WRDA provisions, updates to guidance documents, shifts in national funding priorities, or changes in program execution that affect real estate requirements, permitting expectations, or project sequencing.

Early communication allows sponsors to plan responsibly, manage risks, and align Federal actions with local obligations. When consultation occurs late or not at all, the consequences fall

disproportionately on communities that must absorb financial exposure, renegotiate contracts, or delay critical infrastructure improvements.

In many cases, these impacts raise the same federalism and unfunded mandate concerns that Executive Order 13132 and the UMRA were designed to address. While the Corps primarily implements policy through guidance, memoranda, and program execution rather than formal rulemaking, the practical effect on non-Federal sponsors can be comparable to regulatory action, particularly where Federal decisions alter cost exposure, project sequencing, or local financial commitments.

EPA has established a formal, structured Federalism consultation process to implement Executive Order 13132, entitled *EPA's Action Development Process. Guidance on Executive Order 13132: Federalism*, (Nov. 2008), which governs how the agency engages state and local governments early when Federal actions have Federalism implications. While EPA's actions are often regulatory, the underlying principle is directly relevant to Civil Works implementation, where guidance, memoranda, and program execution decisions can have comparable fiscal and planning impacts on non-Federal sponsors. A similarly structured, predictable consultation framework within the Corps, tailored to the Civil Works mission, would help surface issues earlier, reduce downstream friction, and improve shared understanding across headquarters, divisions, districts, and non-Federal sponsors.

This kind of top-down awareness paired with bottom-up input would improve transparency, reduce unintended consequences, and support more effective project delivery.

NWC Member Concerns and Suggestions to Consider:

- Limited visibility into WRDA implementation timelines.
 - Inconsistent and late-stage communication about policy updates or guidance development.
 - Difficulty planning long-term capital budgets without reliable scheduling information.
 - Delays in identifying and addressing implementation challenges at the district level.
 - Strengthen early consultation when Corps actions impact state and local and public districts responsibilities.
 - Use consultation to improve outcome rather than slow decision-making.
 - Lack of a consistent early consultation framework for guidance or implementation actions with federalism or cost implications for non-Federal sponsors.
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CLOSING

Thank you for the opportunity to share the perspectives of NWC and the non-Federal sponsors we represent. The challenges outlined in this testimony reflect the real-world experience of communities that partner with the Corps every day to plan, fund, and deliver projects that serve national needs. We recognize that not every issue raised here will require legislative action, and we are continuing to work closely with our members to develop practical solutions for those areas the committee believes are appropriate for WRDA 2026. We appreciate the committee's continued commitment to a strong and effective WRDA partnership, and we look forward to working with you as WRDA 2026 moves forward.