

**DEPARTMENT OF THE ARMY
ARMY CIVIL WORKS

COMPLETE STATEMENT OF

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ASSISTANT SECRETARY OF THE ARMY FOR CIVIL WORKS
AND
LIEUTENANT GENERAL TODD T. SEMONITE
COMMANDING GENERAL
BEFORE
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON ENERGY AND WATER DEVELOPMENT, AND
RELATED AGENCIES
UNITED STATES HOUSE OF REPRESENTATIVES
ON
THE FISCAL YEAR 2021 BUDGET
FOR THE U.S. ARMY CORPS OF ENGINEERS, CIVIL WORKS**

MARCH 10, 2020

Madam Chairwoman and Members of the Subcommittee:

I am R.D. James, Assistant Secretary of the Army for Civil Works and I am honored to testify before your committee today along with LTG Todd Semonite, the Commanding General of the United States Army Corps of Engineers, on the President's Fiscal Year 2021 (FY 2021) Budget for the U. S. Army Civil Works Program.

Thank you for allowing us the time to address the committee.

The Army Civil Works Program is the Nation's largest water resources program and has three main missions: flood risk management, commercial navigation, and aquatic ecosystem restoration. The water resources infrastructure the Army has constructed has contributed to the Nation by helping communities reduce their flood risk, facilitating commercial navigation, and contributing to the restoration of several significant aquatic ecosystems.

A key priority for the Administration is encouraging stronger partnerships between the Federal Government and non-federal stakeholders. Non-federal stakeholders are an integral part of the process from project development to the day-to-day operations of completed projects. Stronger partnerships will help leverage a broader range of financial resources for infrastructure investment, encourage more non-federal leadership, and remove barriers that can impede the ability of non-federal parties to move forward on their own with investments in the water resources infrastructure projects they deem priorities.

SUMMARY OF FY 2021 BUDGET

The FY 2021 Civil Works Budget is a performance-based budget, focused on reducing flood risk in communities across the Nation, facilitating commercial navigation, and restoring aquatic ecosystems. The Budget uses a targeted approach to investing in water resources projects based on their economic, environmental, and safety return to the Nation.

The Budget focuses on high-performing projects and programs within the three main Civil Works missions and includes \$5.966 billion in discretionary funding for Civil Works activities throughout the Nation.

INVESTIGATIONS

The FY 2021 Budget provides a total of \$108.345 million for the Investigations program, including \$102.6 million in the Investigations account, and \$5.7 million in the Mississippi River and Tributaries account to evaluate and design projects within the three main Civil Works mission areas and for related work, including research and development. The Budget includes \$31.4 million for Dam Safety Modification studies and design. The Investigations account also includes \$25 million for Corps efforts, in conjunction with state floodplain management authorities, to provide technical and planning assistance

to enable local communities to reduce their flood risk, with emphasis on non-structural approaches. The Budget continues to invest in the development of interagency teams known as Silver Jackets, which work with the states to enable local communities to understand their flood risks and to identify options to help them manage those risks, with emphasis on non-structural solutions.

The Investigations account includes funding to complete 16 studies and five preconstruction engineering and design efforts.

CONSTRUCTION

The Budget provides a total of \$2.265 billion for the construction program, consisting of \$2.173 billion in the Construction account, \$45.3 million in the Mississippi River and Tributaries account, and \$47.1 million in the Harbor Maintenance Trust Fund account and funds seven projects to completion.

The Budget also funds two new, innovative programs in the Construction account to improve project delivery and increase cost savings:

- \$250 million for the Innovative Funding Partnerships program, which would be used in conjunction with funds voluntarily provided by non-Federal interests in excess of the non-Federal sponsor's statutory cost share to accelerate the completion of construction of authorized projects; and
- \$250 million for the Section 1043 of the Water Resources Reform Development Act of 2014 Non-Federal Construction of Federal Projects program, under which the Army would transfer appropriated funds to non-federal sponsors to construct projects on their own thereby accelerating projects and creating efficiencies. The Budget also proposes to extend this program's authorization.

OPERATION AND MAINTENANCE

The Army today is focused on the maintenance, repair, and replacement of the key features of our water resources infrastructure, and on the repair of the aquatic ecosystems that Army projects have adversely affected. The overall budget for the civil works program is primarily devoted to these systems so that they can continue to provide economic and environmental benefits to the Nation, and to address significant risks to safety.

With proper maintenance and periodic rehabilitation, we can extend for many years the effective lifetime of most, if not all, of the key features of the water resources infrastructure the Army Corps of Engineers owns or operates. As stewards of a large portfolio of projects, we are working to sustain the benefits these key features of our infrastructure provide.

The Army continues to improve the efficiency and effectiveness of the operation and maintenance (O&M) of its large portfolio of water resources development projects. The Budget focuses on investments that address infrastructure maintenance needs on a risk-informed basis. It invests in the highest priority needs among the infrastructure the Army owns and operates, and in work that will reduce long-term O&M costs.

The Budget provides a total of \$3.123 billion for the operation and maintenance program, consisting of \$1.996 billion in the O&M account, \$158.8 million in the Mississippi River and Tributaries account, and \$967.9 million in the Harbor Maintenance account. The allocation of funding for maintenance among projects reflects a risk-informed assessment that considers both project component conditions as well as the consequences in the event of a failure.

Generally, O&M supports completed works owned or operated by the Army, including the operation and maintenance of the locks and dams of the inland waterways; and of multi-purpose dams and reservoirs for flood risk management, hydropower, recreation, and related purposes. The O&M program also includes funding for dredging of coastal and inland Federal channels; maintenance and repair of Corps-owned facilities; monitoring of completed projects; and general management of Corps lands associated with its projects including work to serve as a responsible steward of the natural resources on those lands.

Typically, the concerns that lead to dam safety modifications and interim risk reduction measures first become apparent through the inspections and monitoring that the O&M account funds. Additional measures are considered and evaluated as new and existing issues are identified.

OTHER BUDGET REFORMS

The Budget repropose revisions to appropriations language for the Construction, Operation and Maintenance, and Mississippi River and Tributaries accounts; and includes appropriations language for the Harbor Maintenance Trust Fund account and the Inland Waterways Trust Fund account. This language would provide greater transparency to the public in how these funds are spent, including the users that pay fees to finance some of the Trust Funds costs. It is also needed to improve accountability, and ensure appropriations are being used for the purposes for which Congress intended. Specifically, the proposal would make trust fund amounts definite and executed out of the trust funds rather than transferring them to the expenditure accounts for execution. Doing so will simply clarify the accounting for expenditure of funds from each account.

The Budget also proposes to establish an inland waterways user fee to help finance anticipated capital investments on the inland waterways and 10 percent of the cost of operating and maintaining them to support the transportation of goods. The current diesel fuel tax is insufficient to support the users' share of these costs.

The Budget proposes to divest the Washington Aqueduct, which is the only local water supply system in the Nation owned and operated by the Corps. Divesting the aqueduct would encourage a more efficient allocation of economic resources and mitigate risk to taxpayers.

In addition, the Budget proposes to return responsibility for management of the Formerly Utilized Sites Remedial Action Program (FUSRAP) back to the Department of Energy. The Army Corps would continue to perform cleanup of FUSRAP sites on a reimbursable basis with DOE. Consolidation of FUSRAP with the other DOE federal cleanup programs under a single agency will allow DOE to consider a broader range of federal cleanup responsibilities in prioritizing work each fiscal year and result in efficiencies for taxpayers.

EMERGENCY MANAGEMENT AND RESPONSE

The FY 2021 Budget provides \$77 million in funding for the Flood Control and Coastal Emergencies account, including \$50 million for emergency response work on future flood-related major disasters declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Act. The remainder of the funds requested, \$27 million, is for preparedness and training of Corps staff, so that they will continue to be able to respond to floods, hurricanes, and other natural disasters. The Harbor Maintenance Trust Fund also includes an additional \$50 million for emergency response work (primarily dredging) following future flood related major disasters declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Act.

CONCLUSION

The FY 2021 Budget represents a continuing, fiscally prudent investment in the Nation's water resources infrastructure and the restoration of its aquatic ecosystems. The Army Civil Works Program is committed to a performance-based program, based on innovative, resilient, and sustainable risk-informed solutions.

Thank you, Madam Chairwoman and Members of Subcommittee. This concludes my statement. I look forward to answering any questions you or other Members of the Subcommittee may have.