

**DEPARTMENT OF THE ARMY**

**WRITTEN STATEMENT  
OF**

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**BEFORE  
COMMITTEE ON APPROPRIATIONS  
SUBCOMMITTEE ON ENERGY AND WATER  
DEVELOPMENT, AND RELATED AGENCIES  
UNITED STATES HOUSE OF REPRESENTATIVES**

**ON**

**THE FISCAL YEAR 2027 BUDGET  
FOR THE CIVIL WORKS PROGRAM  
OF THE ARMY CORPS OF ENGINEERS**

**April 16, 2026**

Chairman Fleischmann, Ranking Member Kaptur and distinguished members of the committee, thank you for the opportunity to be here today to discuss the President's Budget request for the Army Civil Works program.

As you know, the President's discretionary funding request for Fiscal Year 2027 was submitted to Congress earlier this month. That request laid out the President's priorities for discretionary funding with recommendations to reach balance and restore confidence in America's fiscal management.

The President's topline discretionary funding request for Fiscal Year 2027 includes \$6.663 billion for the Army Civil Works program. The Civil Works program is dedicated to its primary missions of commercial navigation, flood and storm damage reduction, and aquatic ecosystem restoration. The Budget focuses on opportunities to support these missions that provide a high return to the American public, such as by facilitating maritime commerce and addressing the most significant flood risks facing

communities.

In support of these missions, the Budget includes \$2.06 billion for commercial navigation, including \$133.76 million for Upper Ohio, Allegheny and Beaver Counties, Pennsylvania for the completion of Montgomery Lock. Additionally, the Budget includes \$931 million for flood and storm damage reduction, including \$420 million for Prado Dam, California Dam Safety Project. The Budget also contains \$410 million for aquatic ecosystem restoration, including sufficient amounts for the South Florida Ecosystem Restoration program to help support the expedited completion of the Everglades Agricultural Area Reservoir by 2029.

The Budget also focuses on greater transparency and realigning incentives in how funds are expended in the Civil Works program.

A central feature of this year's Budget is the "District Salary Transparency" initiative, a significant policy change designed to increase emphasis on delivery as the U.S. Army Corps of Engineers manages and reports project costs. The previous

accounting framework inadvertently created an incentive for projects to be unnecessarily extended, as a Corps district office's ability to pay employee salaries and cover its overhead was tied to its ability to continue ongoing projects and studies or generate new business. This system also made it difficult to distinguish the actual cost of personnel and overhead expenses, thereby obscuring how federal and non-federal funds were being utilized.

To address this issue, the U.S. Army Corps of Engineers will now separate employee salaries and overhead costs from direct project costs. While this budget includes the same types of resources proposed in previous budgets, all salary and overhead costs will be identified and reported separately from a project's line-item costs. This change is a key component of the Administration's effort to promote greater transparency and accountability within the Army's Civil Works program. The benefits of this new approach will realign incentives to focus on building

infrastructure on time and within budget, rather than sustaining Corps districts and producing paperwork.

The FY2027 Budget is an historic effort by the Trump Administration to improve transparency in the Civil Works program and propel project delivery by removing perverse incentive structures within the program.

Thank you all for inviting me here today. I look forward to your questions.