

# **IN FOCUS**

#### Updated January 10, 2023

# **U.S. Army Corps of Engineers: Supplemental Appropriations**

The U.S. Army Corps of Engineers (USACE) is a Department of Defense agency with civil works responsibilities, consisting largely of projects to maintain navigable channels, reduce flood and storm damage, and restore aquatic ecosystems. USACE also has a role in responding to natural disasters, especially floods. This In Focus covers the appropriations that Congress has provided USACE that are in addition to annual appropriations, referred to as *supplemental appropriations*. The 118<sup>th</sup> Congress may consider how effectively and efficiently the agency uses these funds, the outlook for completing studies and projects undertaken with these funds, and the Administration's interpretation of the law and policies related to USACE's use of the funds.

**Table 1** summarizes in nominal dollars the most recentsupplemental appropriations acts funding USACE. Mostbut not all of the supplemental bills in **Table 1** principallyfunded USACE flood response, recovery, and related

projects and activities, with some exceptions. P.L. 116-135 provided funds for USACE coronavirus prevention and response, and P.L. 117-180 designated USACE funds for environmental infrastructure assistance. The Biden Administration used the P.L. 117-180 funds to assist in the response to the 2022 Jackson, MS, water crisis. Division N, Title IV, of P.L. 117-328 provided supplemental appropriations for construction and operation and maintenance (O&M) of authorized projects, regardless of flood impacts, while limiting some of the funds to flood response and recovery for areas affected by three 2022 hurricanes. The Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58) provided \$17.1 billion for activities spanning USACE's navigation, flood, and aquatic ecosystem restoration authorities. Although the IIJA's focus was on infrastructure investment, the IIJA targeted its USACE coastal storm risk reduction funds for states affected by declared disasters over a six-year period.

Public Law	Invest. & Expenses	Const.	O&M	FCCE	MR&T	WIFIP & Regulatory	Total	Disaster-Related Limitations on Invest. & Const. Account
P.L. 117-328	10	559	377	519	16	_	1,480	States and insular areas impacted by Hurricanes Ian, Fiona, and Nicole for Invest. and for \$261 million from Const.
P.L. 117-180	_	20	—	—	—	_	20	Environmental infrastructure assistance
P.L. 117-58	190	11,615	4,000	251	808	235	17,099	\$2,550 million from Const. for coastal storm risk management targeted for states impacted by "declared disasters over the last six years" (~11/2015-11/2021)
P.L. 117-43	130	3,000	887	826	868	—	5,711	States affected by Hurricane Ida for Invest. and for \$1,500 million from Const.
P.L. 116-135	20		50	—	—	—	70	Coronavirus
P.L. 116-20	35	740	908	1,000	575	_	3,258	States and territories affected by Hurricanes Florence and Michael, Typhoon Mangkhut, Super Typhoon Yutu, Tropical Storm Gita
P.L. 115-123	155	15,055	608	810	770	_	17,398	States and territories affected by Hurricanes Harvey, Irma, and Maria or by more than one flood in CY2014-CY2017 for some funds
P.L. 114-254	—	55	260	420	291	—	1,026	No specific disaster or location specified
P.L. 113-2	60	3,461	821	1,008	_	—	5,350	Areas affected by Hurricane Sandy in USACE's North Atlantic Division

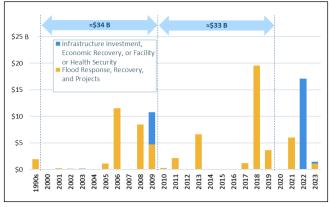
Table I. Recent Enacted USACE Supplemental Appropriations by Budget Account (in millions of nominal dollars)

Source: CRS, using referenced laws.

**Notes:** Const. = Construction; Expenses = General Expenses; FCCE = Flood Control and Coastal Emergencies; Invest. = Investigations; MR&T = Mississippi River and Tributaries; O&M = Operation and Maintenance. WIFIP = Water Infrastructure Finance and Innovation Program (a new USACE account since FY2021 for a credit assistance program for water resource projects).

### Figure 1. USACE Supplemental Funds Enacted in Fiscal Years in 1990s and for FY2000-FY2023

(in constant 2022 dollars, B = billion)



**Source:** CRS, using enacted legislation. Amounts except FY2023 adjusted to FY2022 dollars using Bureau of Economic Analysis, National Income and Product Accounts, Table 1.1.9.

#### **Funding Flood Response and Recovery**

Since the 1940s, Congress has authorized USACE to perform emergency flood fighting (e.g., sandbagging, temporary levee construction) and to repair certain nonfederal flood control works damaged by floods. Congress pays for these activities using the agency's Flood Control and Coastal Emergencies (FCCE) account. Congress pays for post-flood repairs of USACE-operated projects through the O&M account. Since the mid-2000s, Congress has regularly provided USACE with supplemental appropriations to study and construct flood control projects as part of post-disaster recovery efforts. After the 2005 hurricane season through FY2009, Congress directed most USACE supplemental appropriations toward repair and construction of projects in Louisiana. For more than a decade, Congress has often directed that most or some of USACE supplemental funds be used to construct new or ongoing USACE flood risk reduction projects in states and territories affected by specified disasters or for flood disasters from a specified period (see examples in Table 1).

### **Tailored Legislative Direction**

Congress generally has tailored supplemental appropriations acts to reflect specific characteristics of the disaster or the economic, infrastructure, or security concern. In USACE supplemental appropriations acts, unlike in annual appropriations, Congress often does not limit the initiation of new USACE studies and construction projects; Congress also may include exemptions to requirements that typically apply to USACE projects. These exemptions include waiving requirements that limit USACE's ability to proceed with projects that exceed their authorization of appropriations and waiving some nonfederal cost sharing. In some acts, Congress has allowed USACE to proceed from a feasibility study for a project to construction with approval of the Assistant Secretary of the Army (Civil Works), rather than requiring project-specific congressional construction authorization, if the construction is funded using supplemental appropriations. (For more on applying and waiving requirements in USACE supplemental appropriations, see CRS Insight IN11723, Infrastructure

Investment and Jobs Act (IIJA) Funding for U.S. Army Corps of Engineers (USACE) Civil Works: Policy Primer.)

#### **USACE Process After Enactment**

After supplemental appropriations are enacted, USACE selects specific projects from the qualifying projects to receive the funding, unless Congress has specified which projects to fund. Publicly available information on how USACE implements or uses supplemental appropriations varies and is shaped by congressional direction. For P.L. 116-20 and P.L. 115-123, the Trump Administration published its implementation guidance, as well as study and project lists. The Biden Administration has published lists of specific studies and projects to receive much of the funding provided in IIJA and P.L. 117-43. Congress often requires monthly reporting to appropriations committees on allocation and obligation of supplemental funds.

#### **Issues for Congress**

Issues for Congress include oversight of USACE's shortterm and long-term implementation of supplemental appropriations. There may be questions regarding how efficiently the funds are spent on projects and how effective the funded projects are in accomplishing the purposes set out by Congress. Implementation concerns have arisen with USACE emergency appropriations; for example, an August 2021 Senate Appropriations Committee report, S.Rept. 117-36, and the explanatory statement accompanying Division D of P.L. 117-328 identified shortcomings in the pace and approach to managing supplemental construction funds and in compliance with required allocation and reporting of funds. Challenges for oversight and evaluation of supplemental appropriations may include tracking output measures (such as obligations to projects or contracts completed), as well as assessing economic and environmental impacts of these investments. Other topics raised by USACE supplemental appropriations include the outlook for completing work on studies and projects that were partially funded by supplemental appropriations; how closely use of the USACE funds conforms with congressional direction; and the impact of Congress not applying some requirements and limitations that apply to annual appropriations to supplemental appropriations.

USACE supplemental appropriations have developed into a principal pathway for funding USACE flood risk reduction projects. The nation's flood risks appear to be increasing for a variety of reasons, including changing hydrological conditions (e.g., greater runoff due to impervious surfaces, more intense rainfall events), relative sea level rise in coastal areas, and increased population and assets in vulnerable locations. USACE supplemental appropriations-related flood policy questions include the following: How effective are federal investments through supplemental appropriations in USACE flood risk reduction in reducing near- and long-term flood risks? How equitable and efficient are USACE flood risk reduction investments using supplemental and annual appropriations?

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