

April 3, 2023

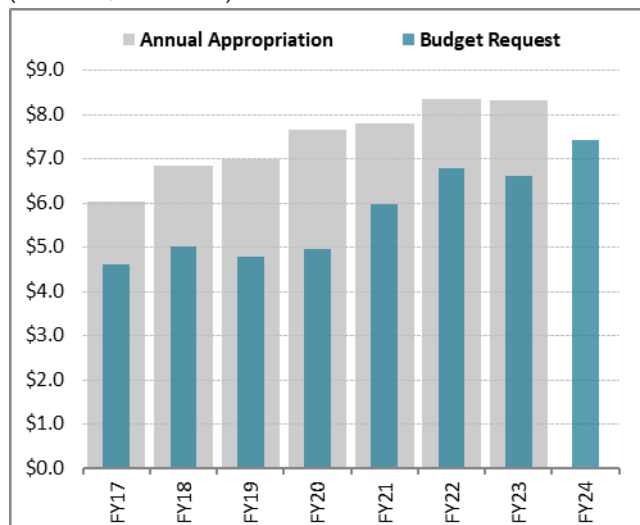
U.S. Army Corps of Engineers: FY2024 Appropriations

Congress generally funds the civil works activities of the U.S. Army Corps of Engineers (USACE) in annual Energy and Water Development appropriations acts. These activities include the planning and construction of authorized water resource projects and the operation and maintenance (O&M) of infrastructure and navigation improvements managed by USACE. USACE directly commits funds for project planning and construction. It uses most of its appropriations for work on specific studies and projects authorized by Congress. Nonfederal project sponsors or users often share in project construction costs. For more on the USACE appropriations process and related issues, see CRS Report R46320, *U.S. Army Corps of Engineers: Annual Appropriations Process*.

For USACE civil works, President Biden requested \$7.41 billion for FY2024 (see **Figure 1**), which is \$903 million lower than FY2023 enacted annual appropriations of \$8.31 billion (Division D, Title I of P.L. 117-328).

Figure 1. Annual USACE Budget Requests and Appropriations, FY2017-FY2024

(nominal \$, in billions)



Source: Congressional Research Service (CRS).

Notes: Does not reflect supplemental appropriations, including those provided by Division N of P.L. 117-328.

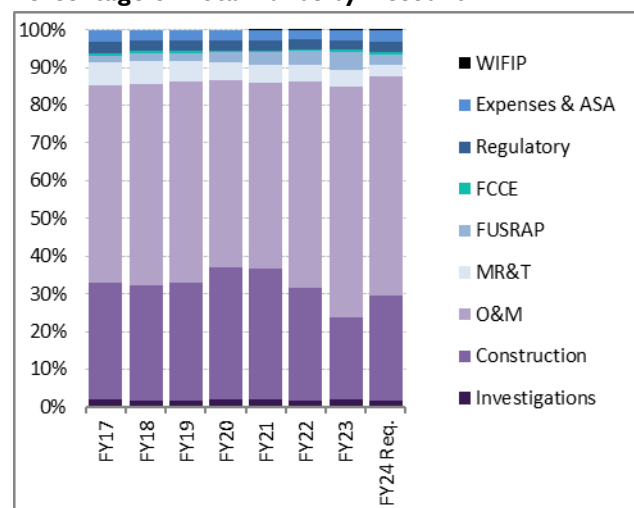
In addition to annual appropriations, Congress provided supplemental appropriations to USACE for FY2023 (not shown in **Figure 1**). For more information on USACE supplemental funding, see CRS In Focus IF11945, *U.S. Army Corps of Engineers: Supplemental Appropriations*. Of the \$1.48 billion in emergency supplemental funds from Division N of the FY2023 enacted appropriations bill, \$350 million of this amount was available for USACE to allocate to construction and O&M of certain categories of

authorized projects (i.e., similar to *additional funding* provided through annual appropriations). USACE allocated this funding along with FY2023 annual discretionary funding, provided by Division D, in its FY2023 work plans. For more information, see CRS In Focus IF12090, *U.S. Army Corps of Engineers: FY2023 Appropriations*.

USACE Funding in the FY2024 Request

As with previous budget requests, a majority of President Biden's FY2024 USACE request would fund maintenance of existing infrastructure, as reflected by the share of funds requested for the O&M account (see **Figure 2**). The next largest share of funding in the FY2024 budget request is for construction, at 28%. The Administration notes in its request that the Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58) provided \$1.05 billion in advance appropriations for FY2024—\$1.00 billion for O&M activities and \$50 million for coastal flood damage reduction construction. The Administration allocated these supplemental funds toward eligible USACE activities in FY2024 IIJA spend plans.

Figure 2. USACE FY2017-FY2023 Annual Appropriations and FY2024 Budget Request, Percentage of Total Funds by Account



Source: CRS, based on appropriations laws and FY2024 request.

Notes: ASA = Assistant Secretary of the Army; FUSRAP = Formerly Utilized Sites Remedial Action Program; Regulatory = Regulatory Program; Req. = Request; WIFIP = Water Infrastructure Finance and Innovation Program. FY2023 does not reflect supplemental appropriations, including those provided by Division N of P.L. 117-328. Although the FY2024 request included a proposal to fund certain expenses directly from a navigation trust fund, the FY2024 request is shown using traditional USACE accounts.

Newly funded USACE studies and projects are referred to as *new starts*. For FY2024, the Administration requested

funding for five new studies and one new construction start—Cape Cod Canal Bridges, MA. Annual and supplemental appropriations in the 117th Congress funded at least 48 new studies and 50 new construction projects in FY2022 and FY2023.

Navigation Improvements, Flood Risk Reduction, and Ecosystem Restoration Activities

The FY2024 budget requests \$3.44 billion for navigation—\$2.36 billion for coastal navigation and harbors and \$1.08 billion for inland and intracoastal waterways. \$2.79 billion of the total would be for navigation O&M, of which \$1.68 billion is to be derived from the Harbor Maintenance Trust Fund. The request includes \$5 million for inland and intercoastal waterway construction, of which no funding is to be derived from the Inland Waterway Trust Fund. The FY2024 request for flood risk reduction is \$1.99 billion, of which \$1.92 billion is for inland flood risk reduction projects (including \$855 million for construction projects). The request includes \$73 million for coastal storm damage reduction (with \$2 million of this amount for construction). For FY2024, President Biden requests \$653 million for USACE aquatic ecosystem restoration efforts, of which \$415 million is requested for Everglades restoration.

Continuing Authorities Programs and Environmental Infrastructure Assistance

USACE may plan and construct projects of limited scope and cost without project-specific authorizations through its Continuing Authorities Programs (CAPs; see CRS In Focus IF11106, *Army Corps of Engineers: Continuing Authorities Programs*). President Biden's FY2024 request includes \$5 million for four of the nine authorized (CAPs). In the enacted FY2023 annual appropriations, Congress funded \$72 million for nine CAPs.

In FY2024, the Administration for the first time requested funding for environmental infrastructure (EI) assistance (\$5 million). FY2023 annual and supplemental appropriations for EI totaled \$169 million. For more information, see CRS Report R47162, *Overview of U.S. Army Corps of Engineers Environmental Infrastructure (EI) Assistance*.

Corps Water Infrastructure Financing Program

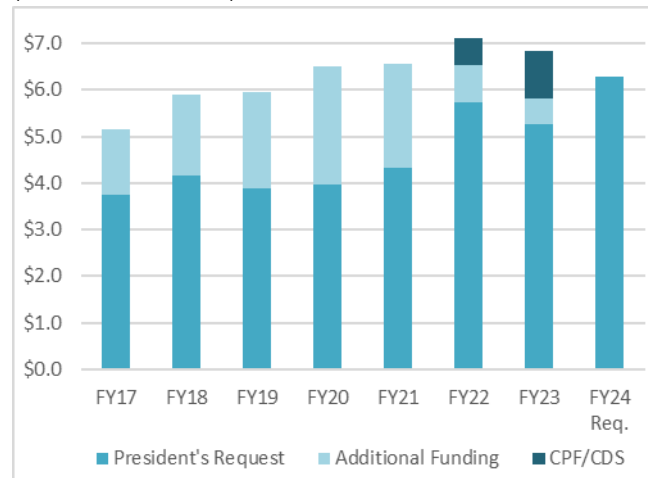
In 2014, the Water Infrastructure Finance and Innovation Act (WIFIA; 33 U.S.C. §§3901-3914, as amended) authorized USACE (and the Environmental Protection Agency, which operates its own separate WIFIA program) to provide credit assistance, in the form of direct loans or loan guarantees, for a range of water projects. Since FY2021, when Congress created a new USACE Water Infrastructure Finance and Innovation Program (WIFIP) account, Congress has funded the account multiple times, while limiting the program's lending to nonfederal dam safety projects. USACE's program, which is referred to as the Corps Water Infrastructure Financing Program (CWIFP), may solicit its first call for preliminary applications in FY2023. For FY2024, the Administration requested \$2.2 million for CWIFP lending for nonfederal dam safety projects and \$5.0 million for administrative expenses. (See CRS Insight IN12021, *Corps Water Infrastructure Financing Program (CWIFP)*).

Congressionally Directed Funding Process

From the 112th to the 116th Congresses, moratorium policies limited congressionally directed funding of site-specific studies and projects, which are sometimes referred to as *earmarks*. The 117th Congress included congressionally directed funding for these site-specific studies and projects in enacted FY2022 and FY2023 appropriations (see **Figure 3**). For these fiscal years, in addition to providing funds for the President's requested studies and projects, Congress in the joint explanatory statement funded (1) geographically specific studies and projects that were requested by Members of Congress (i.e., *community project funding/congressionally directed spending items, CPF/CDS items*), and (2) broad categories (referred to as *additional funding*), such as shore protection. Congress also directed USACE to develop work plans to distribute the additional funding to individual studies and projects (as had been the case in the 112th to the 116th Congresses).

Figure 3. USACE Funding for Site-Specific Studies and Projects, FY2017-FY2023 Annual Appropriations and FY2024 Budget Request

(nominal \$, in billions)



Source: CRS, using enacted appropriations explanatory statements and the FY2024 budget request.

Notes: CPF/CDS = community project funding/congressionally directed spending; Req. = Request. Continuing Authorities Programs and Tribal Partnership Program are not included. Does not reflect supplemental appropriations, including \$350 million provided by Division N of P.L. 117-328 that USACE allocated in FY2023 work plans along with additional funding from annual appropriations.

For FY2024, the House and Senate Appropriations committees invited Members of Congress to request CPF/CDS items, respectively. Their instructions identify USACE's Investigations, Construction, Mississippi River and Tributaries, and O&M accounts as eligible for requests. The submission process in the House for CPF requests includes certain information requirements related to establishing a federal nexus (e.g., congressional authorization for certain USACE activities) and USACE's spending capability in FY2024 for the activity.

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