



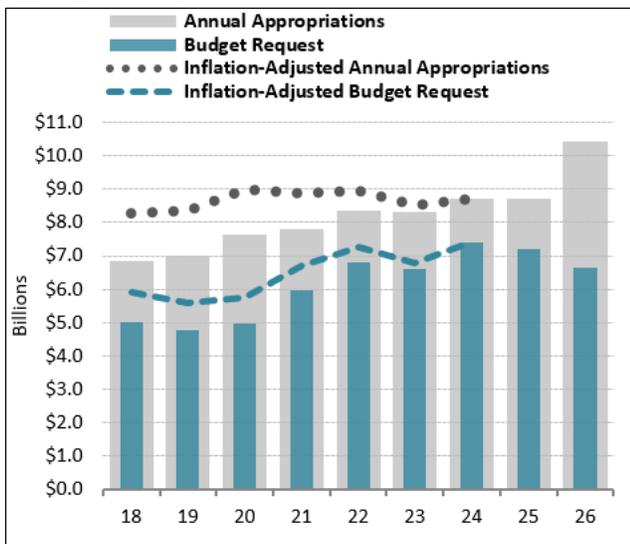
Updated February 6, 2026

U.S. Army Corps of Engineers: FY2026 Appropriations

Congress generally funds the civil works activities of the U.S. Army Corps of Engineers (USACE) in Energy and Water Development appropriations acts and provides related policy direction in accompanying congressional documents. These activities primarily include the planning and construction of authorized water resource projects and the operation and maintenance (O&M) of USACE-managed infrastructure and navigation improvements. P.L. 119-74 (signed on January 23, 2026), which was accompanied by an explanatory statement published in the *Congressional Record* on January 8, 2026, included FY2026 appropriations for USACE. As has been the case in recent years, the agency is directed to prepare within 60 days of enactment a *work plan* assigning *additional funding* (i.e., funding Congress appropriated for categories of work) to specific studies and projects. Issues for Congress include the Administration’s implementation of USACE activities using the FY2026 appropriations and its consistency with the act’s accompanying congressional direction.

The FY2026 budget request proposed \$6.66 billion for USACE, which was \$2.04 billion less in nominal dollars than the roughly \$8.70 billion provided in each of FY2024 and FY2025. After the lapse in appropriations at the start of FY2026, USACE was operating under a continuing resolution (CR; P.L. 119-37). P.L. 119-74 appropriated \$10.44 billion for USACE for FY2026 (Figure 1).

Figure 1. Annual USACE Budget Requests and Appropriations, FY2018-FY2026



Source: Congressional Research Service (CRS), based on appropriations laws and USACE budget requests.

Notes: Does not reflect supplemental appropriations, redirection of prior-year appropriations, rescissions, or reprogramming. Lines show

inflation-adjusted FY2018-FY2024 amounts in FY2024 dollars using Bureau of Economic Analysis, Line 25, Table I.1.9.

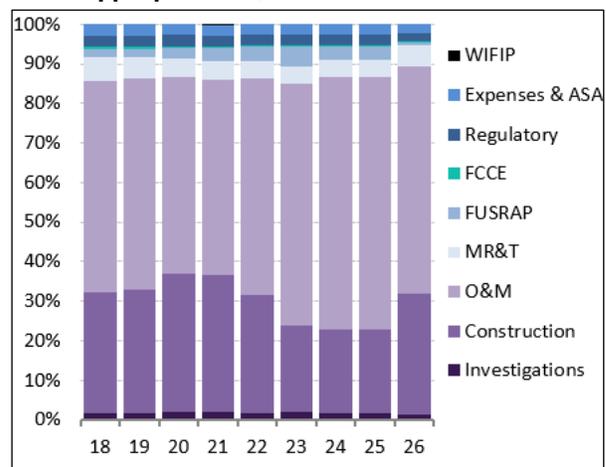
Figure 2 shows the relative distribution of USACE appropriations across accounts and the prominent role of O&M funding. For more on FY2026 appropriations, see CRS Report R48599, *Energy and Water Development: FY2026 Appropriations*.

Topics of Congressional Interest

Member-Requested Spending

Figure 1 shows that the President’s request consistently has been less than enacted annual appropriations. From FY2022 through FY2024, much of the difference was from Member-requested funding for geographically specific studies and projects, referred to as *community project funding* (CPF) in the House and as *congressionally directed spending* (CDS) in the Senate. CPF/CDS has funded studies and projects above the budget request amount or those absent from the budget request. No CPF/CDS items were funded under the full-year continuing resolution for USACE in FY2025; however, the FY2026 explanatory statement identified 218 USACE CPF/CDS requests, totaling \$1.83 billion. Construction projects constituted the four largest CPF/CDS, the top two being for inland waterway projects: \$213 million for Chickamauga Lock, TN, and \$184 million for Upper Ohio River, PA.

Figure 2. USACE Accounts as Percentage of Total Annual Appropriations, FY2018-FY2026



Source: CRS, based on appropriations laws.

Notes: WIFIP = Water Infrastructure Finance and Innovation Program; ASA = Assistant Secretary of the Army; Regulatory = Regulatory Program; FCCE = Flood Control and Coastal Emergencies; FUSRAP = Formerly Utilized Sites Remedial Action Program; MR&T = Mississippi River and Tributaries; O&M = operation and maintenance. Does not

reflect supplemental funds or redirection of prior-year appropriations, rescissions, or reprogramming.

Navigation and Two Trust Funds

The request, the appropriations act and its explanatory statement (e.g., CPF/CDS and direction), and the USACE work plan's assignment of additional funding each shape which projects receive navigation investments in FY2026. For example, not only did the explanatory statement identify O&M appropriations for individual projects, but also Congress directed USACE in the work plan to assign more than \$1.5 billion in additional O&M funding to navigation projects.

The Harbor Maintenance Trust Fund (HMTF) pays for work on federal coastal navigation channels and harbor O&M. The HMTF receives revenues primarily from taxes on waterborne commercial cargo imports and domestic cargo. P.L. 116-136 and Division AA of P.L. 116-260 enacted an accounting change whereby certain amounts of discretionary spending from the HMTF do not count toward the discretionary budget cap. The explanatory statement indicated that through P.L. 119-74, an estimated \$3.473 billion is made available for HMTF-eligible activities, consistent with those accounting changes.

The Inland Waterways Trust Fund (IWTF) receives proceeds of a tax on barge fuel for vessels engaged in commercial transport on 27 federally designated inland and intracoastal waterways. Since 1986, Congress has generally required that construction and major rehabilitation for inland and intracoastal waterways be paid for in part by the IWTF. The most recent budget request to include IWTF monies was for FY2023. The explanatory statement, including through Member-requested CPF/CDS, provided for IWTF cost-shared inland waterway construction, while also directing USACE to brief the appropriations committees on management of ongoing IWTF projects.

Flood Risk Reduction and Aquatic Ecosystem Restoration Activities

The FY2026 work plan will determine the final funding amount for both inland and coastal flood risk reduction activities, and for aquatic ecosystem restoration. The explanatory statement also directed USACE to brief the appropriations committees on unfunded coastal storm risk reduction projects and beach nourishment. The explanatory statement provided \$461 million for USACE's Everglades restoration, exceeding the \$446 million in the request.

New Starts

Generally, use of USACE appropriations is limited to those water resource studies and projects that are authorized by Congress, typically in a Water Resources Development Act. Once authorized, the next step typically is to obtain federal funding to start work on the study or construction project. *New start* is a term that describes USACE studies or projects receiving their initial federal funding. In addition to stating congressional direction on what does and does not require a new start designation, the explanatory statement indicated that it included funding for various individual new study and construction starts. It also directed USACE to

propose a single group of new starts as part of the work plan.

Continuing Authorities Programs

The FY2026 request did not include funding for small USACE projects under the various continuing authorities programs (see CRS In Focus IF12635, *Continuing Authorities Programs (CAPs) of the U.S. Army Corps of Engineers*). The explanatory statement provided \$33 million for CAPs.

Environmental Infrastructure Assistance

In addition to undertaking federal water resource studies and projects, since 1992, Congress has authorized USACE to provide design and construction assistance to nonfederal infrastructure in specified municipalities, counties, and states. This assistance, which is broadly labeled *environmental infrastructure* (EI) assistance, supports publicly owned and operated facilities, such as water distribution works, stormwater collection, and surface water protection projects, among others. The FY2026 request did not include funding for USACE's environmental infrastructure assistance. The explanatory statement for P.L. 119-74 identified at least \$350 million for EI, primarily through CPF/CDS items. It also indicated that the work plan may assign at least \$14 million in additional funding to EI assistance. For more on EI, see CRS In Focus IF11184, *Army Corps of Engineers: Environmental Infrastructure (EI) Assistance*.

Work on Projects

Some Members have expressed concern about how recent changes in USACE staffing and hiring may affect USACE's performance of project work (e.g., some Members have requested information on staffing of specific districts). Also, on October 17, 2025, a post by Russell Vought, Director of the Office of Management and Budget, raised concerns that the Administration may act to pause or cancel some USACE civil works projects in certain areas. The explanatory statement prohibited USACE from pausing or terminating any project without providing prior written notice (inclusive of a justification) to the appropriations committees.

Corps Water Infrastructure Financing Program

In 2014, Congress authorized USACE to establish a program to provide credit assistance (i.e., direct loans or loan guarantees) for a range of water projects. Congress provided the program's first funding in FY2021 for certain nonfederal project types. The Corps Water Infrastructure Financing Program (CWIFP) is funded by the Water Infrastructure Finance and Innovation Program (WIFIP) account (see CRS Insight IN12021, *Corps Water Infrastructure Financing Program (CWIFP)*). According to the FY2026 budget request documents, funding for the account was no longer supported because "there is no demonstrated need in the private market" for this federal assistance. In FY2026, Congress continued CWIFP funding at \$7.2 million.

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