



CORPS OF ENGINEERS—CIVIL WORKS

Funding Highlights:

- Provides \$4.6 billion, a reduction of \$913 million from the 2010 level. The Budget proposes to create savings and efficiencies through the elimination of duplicative and lower-priority programs including Corps funding of local water and wastewater treatment projects.
- Focuses funding on water resources infrastructure projects that produce high economic and environmental returns to the Nation and those that address public safety needs.
- Restores high-priority ecosystems such as the California Bay-Delta, the Everglades, the Great Lakes, and the Gulf Coast, which is still recovering from damage incurred by the Deepwater oil spill. This funding will help ensure their ecological sustainability and resilience, which also help support the economic growth of the surrounding areas.
- Supports a comprehensive levee safety initiative to help ensure that Federal levees are safe and to enhance efforts to assist non-Federal parties in addressing safety issues with their levee systems.
- Provides priority funding for the maintenance of existing high performing projects, such as the high commercial use Mississippi and Ohio Rivers and the Illinois Waterway.
- Reforms the civil works program to improve the way that the Army Corps of Engineers addresses the Nation's most pressing water resources challenges.
- Proposes changes in the way Federal navigation activities are funded, and supports increases in inland waterways receipts.
- Increases the organizational efficiency and improves the management, oversight, and performance of ongoing programs.

The Army Corps of Engineers (Corps) civil works program develops, manages, restores, and protects the Nation's water resources through studies of potential projects, construction of projects, operation and maintenance, and its regulatory program. Working with other Federal agencies, the Corps also helps communities respond to and recover from floods and other natural disasters. To support this work, the Budget

provides \$4.6 billion, a reduction of \$913 million from the 2010 level. This level reflects the Administration's Government-wide efforts to create cost savings by eliminating duplicative and lower-priority programs, including all Corps funding of local water and wastewater treatment projects. The Budget also includes proposed reforms to the civil works program to improve the way Federal funds are used.

Invests in Water Resources Infrastructure to Support Competitiveness, Growth, and the Environment

Constructs Projects with High Economic and Environmental Returns While Addressing Public Safety. The Administration proposes \$1.5 billion for high-return construction projects in the three main mission areas of the Corps: flood and storm damage reduction, commercial navigation, and aquatic ecosystem restoration, as well as hydropower. In addition, the Budget emphasizes funding for dam safety work, construction of projects with substantial life saving benefits, and projects that will complete construction in 2012.

Restores High-Priority Aquatic Ecosystems. The Administration proposes funding aquatic ecosystem restoration efforts based on sound science, criteria grounded in research and development, and adaptive management. Funds are provided for work on several priority ecosystems, including the California Bay-Delta, Chesapeake Bay, the Everglades, the Great Lakes, and the Gulf Coast, which will also help support the economic growth of the surrounding areas. Consistent with the frameworks and action plans developed by interagency Federal working groups led by the White House Council on Environmental Quality (CEQ), the Corps will continue to work with CEQ and other Federal agencies to help restore these key ecosystems in a sustainable manner.

Invests in the Reliability and Safety of Water Resources Infrastructure. The Administration prioritizes funding for the operation and maintenance of critical national infrastructure, including the inland waterways with the most commercial use (such as the Mississippi and Ohio Rivers and the Illinois Waterway) and the major coastal harbors and their channels. Consistent with the President's Executive Order on Stewardship of the Ocean, Our Coasts, and the Great Lakes, the Budget supports the operations and analysis of the Coastal Data Information Program. To assess the impact of climate change

on water resources projects, the Budget also continues the development of models, monitoring tools, and guidance for adaptation and mitigation.

Maximizes the Return on Federal Investments

Reforms the Civil Works Program to Improve Efficiency and Effectiveness. The Administration has identified the following general principles to guide Corps policy and funding decisions when addressing the Nation's most pressing water resources challenges. The Army Corps of Engineers civil works program will:

- Support those water resources projects, including modification of existing projects, within its main missions—commercial navigation, flood and storm damage reduction, and aquatic ecosystem restoration—that are highly justified from a national perspective based on current information; give priority to maintaining existing high-performing projects; and support de-authorizing existing and proposed civil works projects, or portions thereof, that no longer address the water resources priorities of the Nation.
- Work with other Federal agencies and non-Federal interests to ensure that its programs encourage improved management of water and related land resources at the local level to reduce vulnerabilities and enhance the resiliency and natural functions of floodplains and coastal areas, advance public safety, and promote efforts to preserve and restore aquatic ecosystems.
- Require non-Federal cost sharing that reflects the benefits received by non-Federal parties. Where an investment primarily serves an identifiable group or a specific geographic area, those who benefit most directly should pay all or a substantial share of the costs; work to extend, expand, rehabilitate, or replace an existing project should be cost-shared the same as a new project, using direct financing where appropriate.

- Employ best practices in planning for the future use and management of the Nation's water resources, including support of the ongoing effort to revise the principles and guidelines for Federal water resources planning, and promoting a watershed and integrated water resources management approach; seek to revise or repeal statutory provisions that limit its ability to plan projects appropriately.
- Be organized and operate in a manner that promotes improved management efficiency, accountability, and transparency of its operations and the productivity and responsiveness of its staff.

Reforms the Way Federal Navigation Activities Are Funded. The Administration proposes to expand the authorized uses of the Harbor Maintenance Trust Fund, so that its receipts are also available to finance the Federal share of other Federal efforts in support of commercial navigation through our ports. The Administration will also work with the Congress to reform the laws governing the Inland Waterways Trust Fund, including increasing the revenue paid by commercial navigation users sufficiently to meet their share of the costs of activities financed from this trust fund.

Eliminates Duplicative and Lower Priority Programs and Increases Organizational Efficiency. The Administration proposes to eliminate programs and projects that duplicate other Federal, State, or local efforts, including all Corps funding of local water and wastewater

treatment projects. The Administration will also focus on ways to ensure the responsiveness, accountability, and operational oversight of the civil works program in order to best meet current and future water resources challenges. Together, these efforts will improve performance and free up resources for other uses and deficit reduction.

Emphasizes a Well-Coordinated Regulatory Process for Preservation of Water Resources. The Administration will ensure a well-coordinated process with the Corps, the Environmental Protection Agency, the Department of the Interior and other agencies on permitting and related activities necessary to protect the waters of the United States. Through its permitting decisions, the Corps will continue to avoid, minimize and mitigate adverse environmental impacts from proposed activities to prevent a net loss of aquatic resource function.

Supports a Comprehensive Levee Safety Initiative. The Budget includes a comprehensive levee safety initiative to help ensure that Federal levees are safe and to enhance efforts to assist non-Federal parties to address safety issues with their levee systems. The Budget focuses funds on completing the current data collection effort for the Corps levee infrastructure, and expediting completion of levee assessments and inspections, which will allow the Corps to begin prioritizing its levee systems using a risk-based model currently under development. This levee safety initiative also includes measures to help ensure greater coordination between the Corps, other Federal agencies, and non-Federal levee owners and operators.

Corps of Engineers—Civil Works

(In millions of dollars)

	Actual 2010	Estimate	
		2011	2012
Spending			
Discretionary Budget Authority:			
Construction.....	2,017		1,480
Operation and Maintenance.....	2,488		2,314
Mississippi River and Tributaries.....	342		210
Flood Control and Coastal Emergencies.....	—		27
Investigations.....	161		104
Regulatory Program.....	190		196
Expenses.....	185		185
Office of the Assistant Secretary of the Army for Civil Works.....	5		6
Formerly Utilized Sites Remedial Action Program.....	134		109
Cancellation of Unobligated Balances, Mississippi River and Tributaries ..	—		<u>-22</u>
Total, Discretionary budget authority.....	5,522	4,881	4,609
<i>Memorandum:</i>			
<i>Budget authority from supplementals.....</i>	<i>217</i>	<i>—</i>	<i>—</i>
<i>Cancellation of budget authority from supplementals.....</i>	<i>—</i>	<i>—</i>	<i>-35</i>
Total, Discretionary outlays.....	10,002	10,767	7,941
Mandatory Outlays:			
Existing law.....	<u>-88</u>	<u>-111</u>	<u>95</u>
Total, Mandatory outlays.....	-88	-111	95
Total, Outlays.....	9,914	10,656	8,036