

DEPARTMENT OF THE ARMY

**WRITTEN STATEMENT
OF**

**MR. MICHAEL L. CONNOR
ASSISTANT SECRETARY OF THE ARMY
FOR CIVIL WORKS**

**BEFORE
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON ENERGY AND WATER DEVELOPMENT
AND RELATED AGENCIES
UNITED STATES SENATE
ON**

**THE FISCAL YEAR 2024 BUDGET
FOR THE CIVIL WORKS PROGRAM
OF THE ARMY CORPS OF ENGINEERS**

April 26, 2023

Chairman Feinstein, Ranking Member Kennedy, 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.

The Fiscal Year 2024 Budget request includes over \$7.4 billion for the Army Civil Works program — which is the largest request in history — complemented by an additional \$1.05 billion from the Infrastructure Investment and Jobs Act — or IIJA. These investments demonstrate President Biden's ongoing commitment to funding the construction of critical infrastructure projects that will strengthen our economy, protect people and property, and restore key ecosystems. It will also create good paying jobs that provide the free and fair chance to join a union and collectively bargain. Overall, we believe in smart investments that yield high economic and environmental returns, while, also reducing deficits and improving our country's long-term fiscal outlook.

It's important to note that the water resources challenges of today and tomorrow are not like yesterday's. Weather extremes

are increasingly the norm, creating risk to communities, the economy, and natural systems. As a result, understanding vulnerabilities and increasing our preparedness is of paramount importance. For that reason, the Budget provides \$86 million — the largest request in Corps' history — for research and development. The focus of this work will be on innovative solutions that would help achieve significant cost savings in the civil works program and address the emerging water resources challenges of the 21st Century, including climate change.

The Army Civil Works Budget focuses on the highest performing work within the three main missions of the Civil Works program:

- commercial navigation,
- flood and storm damage reduction, and
- aquatic ecosystem restoration.

In developing the Budget, consideration was also given to advancing three key objectives that reflect the Administration's priorities: 1) decreasing climate risk for communities and

increasing ecosystem resilience to climate change based on the best available science; 2) promoting environmental justice in underserved and marginalized communities and Tribal Nations in line with the Justice40 Initiative; and 3) strengthening the supply chain.

With respect to the first Administration priority, climate-focused investments include more than \$1.4 billion for construction of flood and storm damage reduction and aquatic ecosystem restoration projects, over \$64 million to improve climate resiliency and/or sustainability at existing Corps-owned projects, and \$35.5 million for technical and planning assistance programs with an emphasis on actions to help local communities identify, understand, and address their flood risks including work that would directly benefit disadvantaged communities by improving their resilience to climate change. The Budget also funds the continuation of studies to investigate climate resilience along the Great Lakes coastlines as well as in Central and Southern Florida.

For priority two, the Budget supports the Administration's Justice40 Initiative through investments in 23 studies, and in the construction of 33 projects to help disadvantaged and tribal communities address their water resources challenges—including funding for the Tribal Partnership Program. The Army is committed to helping to achieve the broader goals of the Administration regarding equity and environmental justice and will continue to improve outreach and access to Civil Works information and resources, including technical and planning assistance programs; maximizing the reach of Civil Works projects to benefit disadvantaged communities; and, ensuring that updates to Civil Works policies and guidance will not result in a disproportionate negative impact on disadvantaged communities.

Supply chains remain a priority, which the Civil Works supports through its Commercial Navigation program. The Budget facilitates safe, reliable and sustainable commercial navigation to support U.S. competitiveness and improve the resilience of our nation's manufacturing supply chain to support American jobs and

the economy. In support of the Administration's commitment to our nation's coastal ports and inland waterways, the FY 2024 Budget includes over \$3.4 billion for the study, design, construction, operation and maintenance (O&M) of inland and coastal navigation projects. Of this amount, over \$1.7 billion is derived from the Harbor Maintenance Trust Fund for eligible projects with an emphasis on operation and maintenance, including dredging, of completed projects and over \$1 billion will be used to maintain and improve navigation on the inland waterways.

Flood and storm damage reduction is at the center of the Civil Works program's actions to support the Administration's goal of tackling the climate crisis. Accordingly, the Budget contains nearly \$2 billion for flood and storm damage reduction, including funding to provide technical and planning assistance to local communities to enable them to understand and better manage their flood risks. The Budget proposes to assist these local efforts, with emphasis on non-structural approaches.

Equally important to building community resilience is the work of the aquatic ecosystem restoration mission (AER). The Budget includes \$653 million for AER, including \$415 million for the South Florida Ecosystem Restoration (SFER) program, which will enable significant progress in restoring America's Everglades while building ecosystem resilience to climate change in South Florida. The Budget also includes \$93 million to support salmon recovery efforts in the Columbia River basin, another priority within the AER program.

Other significant initiatives include \$655 million for construction of a critical dam safety project at Prado Dam, and \$350 million for replacement of the Cape Cod Canal Bridges. Additionally, to facilitate action on Cape Cod, the Budget includes a legislative proposal that would allow the Corps to transfer funds to the Commonwealth of Massachusetts to design and construct the replacement bridges. Ultimately, the ownership of these bridges will be conveyed to Massachusetts, which will be responsible for future operation and maintenance. Also, of significant note, the

Budget includes \$235 million to continue construction of the Sault Ste. Marie (Replacement Lock) project in Michigan.

In total, the FY 2024 Construction program is funded at more than \$2 billion. While most of this funding is in the Construction account, over \$37 million is in the Harbor Maintenance Trust Fund account, and nearly \$64 million is in the Mississippi River and Tributaries account. By significantly increasing funding of construction for crucial infrastructure projects, this budget will help us get things done and ensure momentum on much needed infrastructure improvements across the nation. The Army also has allocated the \$50 million provided for construction in 2024 in the IIJA for shore protection projects that will support coastal communities and improve their resilience to storm and climate change impacts.

As I wrap up the discussion on construction, I want to acknowledge that there is no funding proposed from the Inland Waterways Trust Fund (IWTF) in this year's budget in view of the \$2.5 billion made available in the IIJA for construction,

replacement, rehabilitation, and expansion of inland waterways projects. The IWTF is a very valuable funding source and I anticipate there will be ongoing and significant use in the future beyond the investments provided by the IIJA.

Of course, in addition to new projects, the Budget focuses on maintaining the key features of the vast water resources infrastructure that the Corps owns and manages, and on finding innovative ways to rehabilitate it or divest it to others. The Budget invests in operating and maintaining the Corps' existing infrastructure and improving its reliability and performance. Specifically, the FY 2024 Budget funds the Operation and Maintenance program at over \$4.4 billion, consisting of over \$2.6 billion in the Operation and Maintenance account, nearly \$1.7 billion in the Harbor Maintenance Trust Fund account, and nearly \$154 million in Mississippi River and Tributaries account. The allocation of funding among projects for maintenance reflects a risk-informed approach that considers both project and project component conditions and the potential consequences of a

failure. The Budget also gives priority to the maintenance of coastal ports and inland waterways with the highest commercial traffic. Additionally, the Budget is complemented by \$1 billion for operation and maintenance in 2024 from the IIJA.

For the Investigations program, the FY 2024 Budget provides \$139 million, consisting of nearly \$130 million from the Investigations account and over \$9 million in Mississippi River and Tributaries. Within those amounts, the Budget includes \$35.5 million for technical and planning assistance programs. These programs help local communities, including disadvantaged communities, identify and address their flood risks, including flood risks associated with climate change.

Continuing with the budget summary, it's significant that the FY 2024 Regulatory Program is funded at \$221 million to protect the nation's waters and wetlands and provide efficiency in permit processing. And the Recreation program is funded at \$275 million to ensure the Corps — one of the nation's leading Federal

providers of outdoor recreation — can continue to effectively serve the public's desire to experience the great outdoors.

To summarize, the Budget makes critical investments in water resources that will benefit the American people and promote greater prosperity and economic growth for decades to come. From solving water resources challenges facing communities, to nurturing sustainable aquatic ecosystems, the Corps is delivering on its mission to serve the public.

I am very honored to implement the President's priorities for the Army Civil Works program and excited to be a part of a great team — serving our Nation.

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