

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

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Congress authorizes and funds the U.S. Army Corps of Engineers (USACE) to undertake civil works activities, including planning and construction of water resource projects and maintenance of navigation improvements and other infrastructure (e.g., multipurpose dams).

Division J, Title III, of the Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58), which became law on November 15, 2021, provided \$17.1 billion in emergency appropriations to various USACE accounts (see **Figure 1**), with the majority going to three accounts:

- Construction (68%)
- Operation and Maintenance (O&M, 23%)
- Mississippi River and Tributaries (MR&T, 5%)

IIJA also provided

- \$251 million for repair of damages to existing projects, including nonfederal levees and shore protection through the Flood Control and Coastal Emergencies (FCCE) account.
- \$75 million to the [Water Infrastructure Finance and Innovation Act \(WIFIA\) account for USACE](#) to implement a direct loan and loan guarantee [program](#), which IIJA limited to nonfederal dam safety work (similar to a limit applied to FY2021 and FY2022 appropriations).

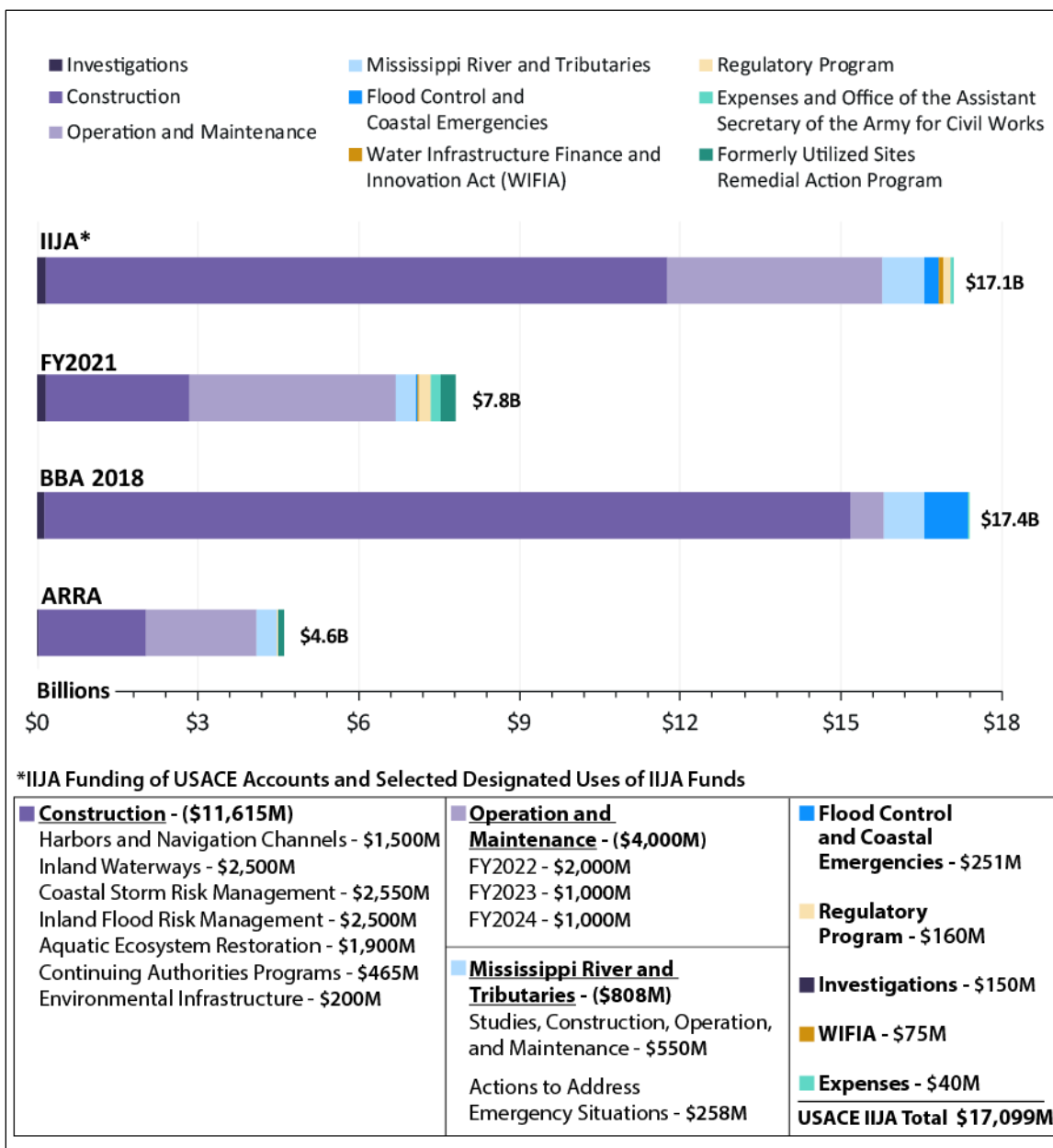
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Figure 1. IIJA's USACE Funding in Context of Other USACE Appropriations and Selected IIJA Designated Uses, by Account

(amounts are nominal and in billions [B] or millions [M] of dollars)



Sources: CRS using P.L. 117-58, P.L. 116-260 (Consolidated Appropriations Act, 2021), P.L. 115-123 (Bipartisan Budget Act of 2018, BBA 2018), and P.L. 111-5 (American Recovery and Reinvestment Act of 2009, ARRA).

IIJA Funding in Context

Figure 1 shows IIJA funding in the context of annual appropriations and two emergency appropriations:

- [FY2021 annual civil works appropriations](#) (Division D, Title I, of P.L. 116-260)
- [Bipartisan Budget Act of 2018](#) (BBA 2018; P.L. 115-123), which funded USACE flood disaster repair and recovery and flood risk management studies and projects

- American Recovery and Reinvestment Act of 2009 (ARRA; P.L. 111-5), which funded USACE activities for economic stimulus purposes and other policy objectives

As shown in **Figure 1**, IIJA funding provided funding equal to multiple years of annual appropriations, particularly for the Construction account. Below are some project types that IIJA funded, with FY2021 funding levels provided in parentheses:

- \$2.50 billion for inland waterways construction (\$0.81 billion)
- \$2.55 billion and \$2.50 billion for risk management of coastal floods and inland floods (\$0.81 billion and \$0.36 billion), respectively
- \$1.90 billion for aquatic ecosystem restoration (\$0.56 billion)
- \$465 million for [continuing authorities programs](#) (\$69.5 million)
- \$30 million in FY2023 for a new USACE pilot program for flood risk management feasibility studies for economically disadvantaged or rural communities

Similar to other emergency appropriations legislation, Congress applied some but not other requirements and limitations to IIJA funds (see **Table 1**). IIJA included the following direction for USACE in using the \$2.50 billion for inland flood risk construction: prioritize projects benefitting “economically disadvantaged communities,” and consider prioritizing projects benefitting areas with minority groups and populations in poverty greater than the national average percentages.

Table 1. Selected Requirements and Policies Applied to Certain USACE Funding

Statutory Requirements or Other Policies (Source)	IIJA	FY2021	BBA 2018	ARRA
Project Costs and Starts				
Limit to increases in project cost without obtaining congressional authorization (33 U.S.C. §2280)	Not applied	Applied	Not applied	Not applied
Limit to number of construction starts ^a (annual appropriations bills)	Not applied	Applied (limit was seven new starts)	Not applied	Applied ^b (no new starts)
Trust Fund Contributions				
Harbor Maintenance Trust Fund (HMTF) pays eligible harbor maintenance costs (33 U.S.C. §2238)	Not applied	Applied	Applied	Applied
Inland Waterways Trust Fund pays a portion of certain waterway construction costs (33 U.S.C. §2212; §109, Division AA, of P.L. 116-260)	Not applied	Applied	NA (construction funds were for flood activities)	Not applied
Nonfederal Construction Cost Share (e.g., 33 U.S.C. §§2211-2213 for most water resource projects)				
Ongoing construction	Applied ^c	Applied	Not applied	Applied
New construction	Applied ^c	Applied	Applied (waived for Puerto Rico and U.S. Virgin Islands)	Applied
Nonfederal Share of Costs for Repair of Certain Damaged Flood Control Works (33 U.S.C. §701n)				
Repairs to damaged shore protection	Not applied	Applied	Not applied	NA
Other eligible repairs (e.g., inland levees)	Applied	Applied	Applied	NA

Sources: CRS using P.L. 117-58; P.L. 116-260; P.L. 115-123; P.L. 111-5; the *U.S. Code*; U.S. Congress, House Committee on Transportation and Infrastructure, *Recovery Act: One-Year Progress Report for Transportation and Infrastructure Investments*, hearing, 111th Cong., 2nd sess., February 23, 2010 (Washington, DC: GPO, 2010), p. 102; and USACE, *ARRA Financial and Operational Review Report*, undated.

Notes: NA = Not applicable.

- a. Congress limited the number of new starts in USACE annual appropriations from FY2014 to FY2021.
- b. The Administration interpreted ARRA as limiting new construction starts and providing for HMTF contributions.
- c. IIJA maintained nonfederal construction cost-share requirements, except for certain projects and assistance related to restoring fish and wildlife passage.

Next Steps

IIJA included account-specific language regarding reporting to congressional appropriations committees. IIJA required the USACE Chief of Engineers to deliver

- *Spend plans* within 60 days of enactment on use of IIJA funds available in FY2022 for the Investigation, O&M, and MR&T accounts and use of IIJA funds available in FY2022, FY2023, and FY2024 for the Construction account
- Monthly reports on allocations and obligations for the Investigations, Construction, and MR&T accounts, beginning within 120 days of enactment (March 15, 2022)
- Spend plans as part of the President's FY2023 budget request for IIJA FY2023 Investigations and O&M funds and FY2024 budget request for IIJA FY2024 O&M funds

[USACE has published IIJA spend plans](#) for FY2022 and FY2023 that include project names and locations; USACE has not released IIJA spend plans for FY2024. Of the IIJA funds available as of FY2022, some remain unassigned to specific projects (e.g., almost 44% of the flood risk reduction construction funds and around 1% of O&M funds are unassigned). IIJA did not require reporting for IIJA's FCCE and WIFIA funds or activities.

Issues for Congress may include USACE implementation of IIJA funds and long-term oversight of implementation. Implementation concerns have arisen with USACE emergency appropriations at times. For example, an August 2021 Senate Appropriations Committee report, S.Rept. 117-36, identified shortcomings in the pace and approach to managing BBA 2018 construction funding and compliance with required BBA 2018 reporting.

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