CLAY HIGGINS
3RD DISTRICT, LOUISIANA

BOARD OF DIRECTORS
HOUSE FREEDOM CAUCUS

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
CHAIRMAN, FEDERAL LAW ENFORCEMENT
ECONOMIC GROWTH, ENERGY POLICY, AND REGULATORY AFFAIRS

COMMITTEE ON ARMED SERVICES
SEAPOWER AND PROJECTION FORCES
READINESS

Congress of the United States
House of Representatives
Washington, DC 20515

October 10, 2025

Unleashing Federal Construction and Eliminating Bureaucratic Obstacles: Army Corps of Engineers Civil Works

Executive Overview

The U.S. Army Corps of Engineers' (USACE) civil works functions are critical to maintaining America's navigable waterways. However, the agency itself has become a significant barrier to infrastructure development nationwide. USACE consumes massive amounts of federal taxpayer dollars, feeding a culture of environmental regulatory actions and endless studies. As a result, massive infrastructure projects are consistently behind schedule and over budget.

I have witnessed this firsthand through our engagement with USACE's New Orleans District. In the region I represent, the USACE is holding approximately $725 million in previously appropriated funds – some of which were initiated by Congress more than four years ago. Despite construction having been authorized long ago, these projects are being held up by USACE's insistence on additional studies and environmental review.

Projects in my district are a microcosm of what is happening nationwide. Namely, that USACE is hoarding federal dollars and delaying infrastructure development. These delays are injurious to our nation – perpetuating cost overruns, preventing important mitigation work, and jeopardizing economic benefits from proper maintenance of our water resources.

We have an opportunity during this administration to radically alter the way USACE does business. President Trump should use existing authorities to waive regulatory burdens and empower non-federal sponsors on USACE projects. I believe we can use executive authorities to unleash the largest construction endeavor in our nation's history, rivaling that of the Works Progress Administration, without any new spending.

All we have to do is get the USACE's bureaucracy the hell out of our way and allow states and localities to utilize existing federal funds to move forward with construction on water resources projects nationwide.

The Civil Works Mission

USACE's civil works responsibilities include studying and constructing water resource projects, administering water-related regulatory authorities, and leading emergency response activities for public works under a National Response Framework. These activities are focused on improving coastal and inland commercial navigation, reducing flooding and storm damage, and restoring aquatic ecosystems.

The USACE contracts heavily with civilian companies for design work and project construction. The agency has an estimated 37,000 full-time employees, of whom 98% are civilians. Of that workforce, about 26,000 civilian employees are designated for civil works activities. The civil works mission is managed by USACE headquarters, eight divisions, and 39 district offices.

According to the USACE's FY24 Financial Report, the civil works mission includes nearly $250 billion in assets. This calculation is based on assessed replacement value. Assets include:

- 25,000 miles of navigable waterways, channels, and harbors
- 1,067 coastal structures
- 93 inland navigation locks and dam sites
- More than 40,000 channel training dikes
- 3,145 floating vessels
- 716 dams
- 2,200 levee systems
- 3 hurricane barriers
- 75 hydropower plants
- 12 million acres of land at 400 water resource projects
- 136 reservoirs providing water supply storage
- Recreation sites including: 3,000 miles of trails; 91,000 campsites, bathrooms, boat ramps, and other facilities.

Source: CRS Report, U.S. Army Corps of Engineers Civil Works: FAQs on Organization and Efficiency Reviews; January 7, 2025

Background on USACE Civil Works Funding

While regular appropriations average nearly $10 billion annually, USACE Civil Works receives multi-year and no-year appropriations, allowing funds to carry over indefinitely until obligated. As of FY2025, total budgetary resources stand at $84.04 billion, including new appropriations, prior-year carryovers, and supplements. This represents 0.5% of the federal budget but masks inefficiencies: unobligated balances—funds appropriated but not committed to contracts—total an estimated $20-30 billion across accounts like Construction ($10-15 billion), O&M ($5-8 billion), and Investigations ($2-3 billion).

These balances stem from delayed obligations due to permitting holdups and prioritization of urgent O&M. For context, FY2025 new discretionary funding is $7.22 billion, but carryovers from Infrastructure Investment and Jobs Act (IIJA) supplements ($17 billion total since 2021) remain largely untapped for new starts. This "sitting money" could fund 50-100 stalled projects if permitting were streamlined.

Account	**FY2025 Appropriated ($ billions)**	**Estimated Unobligated Carryover ($ billions)**	**Total Resources ($ billions)**
Investigations	0.15	2-3	2.15-3.15
Construction	1.85	10-15	11.85-16.85
O&M	4.34	5-8	9.34-12.34
Other	0.88	3-4	3.88-4.88
Total	**7.22**	**20-30**	**84.04**

Sources: USACE FY2025 Budget Justification and USAspending.gov estimates.

Project Delays & Backlogs

USACE Civil Works projects—encompassing flood control, coastal protection, inland navigation, and aquatic ecosystem restoration—routinely experience delays averaging 5-10 years beyond initial schedules, with some spanning decades. These delays erode public confidence, inflate costs (often by 50-100%), and exacerbate risks like flooding and supply chain disruptions.

Delays stem from lengthy National Environmental Policy Act (NEPA) reviews and interagency coordination, often extending the study phase by years. NEPA requires environmental impact statements (EIS) or assessments for major projects, often triggering reviews under the Clean Water Act (CWA) Section 404 (wetlands permits), Endangered Species Act (ESA), and other laws. These processes involve public scoping, agency consultations, and mitigation planning, which can extend 2-5 years per project. Recent data shows 61% of NEPA reviews exceed statutory timelines, driven by interagency coordination failures among USACE, EPA, DOI, and others.

Despite carrying over billions in unobligated funding each year, USACE cites financial constraints for prioritizing O&M over new start projects and construction. Congress authorizes civil works projects via biennial Water Resources Development Acts (WRDAs), but USACE's processes create a backlog of authorized but unfunded initiatives.

Over 900 such projects await construction, with total estimated costs exceeding $100 billion. The backlog injures economic development, community resilience, and storm mitigation, with many projects stalled in pre-construction (design/permitting) and planning phases.

LA-03 Examples: Bureaucratic Delays and Unspent Dollars

The USACE is hoarding approximately $725 million in appropriated and allocated funds for projects in Louisiana's 3rd District. Most of that funding was delivered by Congress more than four years ago. These examples reflect what is happening nationwide due to the USACE's flawed model.

Vermilion River Dredging

- Authorized under the Flood Control Act of 1941 for the overall O&M framework, the USACE has failed to maintain the rivers' mandated parameters. An extensive hydrologic and hydraulic (H&H) analysis was carried out in 2020, showing flood mitigation and increased retention benefits for dredging. Congress approved $50 million in funding for the project in 2021 and included it in the FY2022 USACE Work Plan. However, nearly four years later, no dredging has been completed. The USACE New Orleans District has instead initiated new H&H modeling of the river, and the project remains in pre-construction status.

Morganza to the Gulf Hurricane and Storm Risk Reduction Project

- Initially authorized by the Water Resources Development Act (WRDA) of 2007 at an estimated $886.7 million, it was reauthorized and redesigned under the Water Resources Reform and Development Act (WRRDA) of 2014 to incorporate post-Hurricane Katrina standards, with total costs now estimated at $6.5 billion. Federal appropriations total approximately $378 million to date for design and partial construction across multiple reaches. However, the only actual construction on the project has been completed by non-federal sponsors, who have invested $1.2 billion in local and state funding. The project is further delayed due to the environmental review process, and approximately $200 million of the federal funding remains unexpended.

Southwest Coastal Louisiana Storm Risk Management and Ecosystem Restoration Project

- Authorized by the Water Infrastructure Improvements for the Nation (WIIN) Act of 2016, with further enabling legislation via WRDA 2020. Total appropriations stand at about $455 million (65% federal, 35% non-federal via the Louisiana Coastal Protection and Restoration Authority), including $120 million from the 2022 Infrastructure Investment and Jobs Act (IIJA) for initial construction and $10 million in FY2022 direct congressional appropriations for restoration features like six miles of shoreline protection. Construction of the project finally began in 2025. However, only $5-10 million has been expended since 2022.

Proposed Solutions

The President holds significant authority to accelerate Civil Works projects by directing federal agencies to streamline or bypass reviews, rooted in Article II executive powers, NEPA's flexibility, and statute-specific waivers. These tools do not require congressional action.

Already, President Trump has shown a willingness to use executive authority and the federal rulemaking process to streamline permitting requirements. The administration has made it clear that it shares a desire to construct this infrastructure better, faster, and more cost effectively. I believe we can go further, using executive authority to deliver massive infrastructure development without spending any new dollars.

National Emergencies Act

- Expand the use of national emergency declarations to waive NEPA requirements for "imminent threats," to include flood and storm-prone areas, commercial activity on navigable waterways, and other projects of interest to the economic security of the United States.

Section 404 of the Clean Water Act (CWA)

- The President can instruct USACE to issue general permits or emergency authorizations to greatly shorten Section 404 reviews to 30 days.

Expanding Work-in-Kind (WIK) Credits

- Historical precedent exists for recognizing WIK credits for non-federal work on flood mitigation projects. Extending this framework to encompass direct federal work performed by a non-federal sponsor under Civil Works authorities would result in faster project completion at a lower cost. This approach would use existing mechanisms to empower state and local partners, bypassing USACE's inability to move beyond the pre-construction phase.

WRRDA 2014 § 1043(b)

- Pilot programs to evaluate the cost-effectiveness and efficiency of allowing non-federal sponsors to carry out authorized flood and hurricane risk reduction projects should be expanded. Section 1043(b) authorizes existing appropriations to be transferred to non-federal sponsors to provide construction and project management.

WRDA 1986 § 204

- Authorizes a non-federal sponsor to carry out authorized water resources development projects and be reimbursed by USACE for the federal share. Aggressive use of these authorities would allow non-federal sponsors to perform construction work at a faster pace. However, states and localities would face constraints due to the need for reimbursement, rather than the upfront transfer of funds.

In 2018, President Trump's first administration released a government reorganization plan through the Office of Management and Budget (OMB) that included key reforms to the USACE. The proposal would have transferred the civil works program to the Department of Transportation and the Department of the Interior. The proposal recognized the need to streamline permitting processes, reduce interagency friction, and deliver better outcomes.

Historical Precedent for Executive Action

In addition to the legal authorities outlined above, historical precedent further supports President Trump's ability to make significant changes to USACE's processes through executive action. Presidents have periodically used executive authority—through orders, memoranda, and agency directives—to waive, expedite, or streamline requirements under NEPA as well as related environmental laws such as the Clean Water Act and the Endangered Species Act, and permitting processes for federal infrastructure projects.

- During President George W. Bush's administration, the Bureau of Land Management greatly expanded categorical exclusions for oil and gas drilling on federal lands, exempting thousands of permits from detailed environmental reviews.
- President Obama expedited environmental reviews for American Recovery and Reinvestment Act projects, bypassing site-specific Endangered Species Act studies and reducing average NEPA timelines.
- In the first Trump administration, President Trump used his national emergency declaration to waive NEPA, ESA, and CWA requirements for construction on the border wall system.
- Following hurricanes and wildfires, former President Biden invoked NEPA's emergency provisions to waive reviews for recovery constructions, enabling project starts within weeks via Stafford Act integrations.

Intent for Legislative Action

While I believe executive action offers the most expedient remedy, my office is actively pursuing Article I solutions to address the USACE's obstruction of life and property-saving infrastructure development. We are drafting legislation to abolish USACE's role in civil works and leading efforts within the Oversight Committee to investigate the USACE.

My office has produced draft legislation that removes civil works from the USACE's mission. Our bill returns these functions to the sovereign states, empowering them with block grant funding to undertake large-scale water resource construction projects more efficiently and at a lower cost. The bill will also send the Army's engineers back to their military construction mission. While I understand that such legislation faces significant headwinds in Congress, we need aggressive action to reimagine the status quo and transform how the federal government manages and develops its water resources.

Additionally, I have initiated investigative efforts within the House Oversight & Government Reform Committee to explore USACE's role in obstructing massive infrastructure progress. I believe that in some instances, the USACE has acted in a manner that is non-compliant with federal law and in contradiction to congressional intent.

I would challenge others to identify exactly who opposes the general intent of these reforms. The sovereign states would welcome additional control over USACE projects, and widespread construction would move forward on critical infrastructure. These are projects that protect life and property, improve water management, and support local economies. They benefit Republican and Democrat districts alike, delivering wins nationwide.

Cost of Inaction

There is a tremendous cost to inaction. Delays or failures to construct authorized USACE projects, such as flood risk management, navigation, and ecosystem restoration, result in significant economic, social, and environmental losses due to the absence of incremental mitigation benefits. Many of these projects are designed to protect communities, infrastructure, and ecosystems from flooding, hurricanes, and environmental degradation. Delays exacerbate vulnerabilities, inflate costs, and miss opportunities to mitigate recurring damages. The result is an increased cost to American taxpayers for disaster recovery.

The cost of inaction on navigation and commerce projects is also very real. Dredging and channel deepening projects are crucial for commercial shipping, international trade, and the maritime sector. Delayed construction results in foregone economic activity, limits vessel size, and transit efficiency.

Each year of inaction increases costs by 5–10% due to inflation, sacrifices economic productivity, and costs billions in disaster recovery costs.

Conclusion

The current USACE model is broken. Projects are consistently years behind schedule, over budget, and bogged down in an endless environmental review and study process. With $20-30 billion in unobligated funds and over 900 authorized but unconstructed projects, we are missing an opportunity to address urgent flood, navigation, and restoration needs.

We have an opportunity to unleash the most massive construction endeavor in our nation's history…without any new spending. The President has the legal authority to expedite or waive regulations via executive orders, emergency declarations, or agency directives. I encourage your consideration of these facts and hope that you will pursue action to accelerate high-priority projects.