DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
441 G STREET, NW
WASHINGTON, DC 20314-1000

MAY 19 2016

CECW-P

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Implementation Guidance for Section 1022 of the Water Resources Reform and Development Act of 2014 (WRRDA 2014) – Credit in Lieu of Reimbursement

1. Section 1022 of WRRDA 2014 provides that with respect to an authorized flood damage reduction project or separable element thereof, that has been constructed by a non-federal interest under Section 211 of the Water Resources Development Act of 1996 (WRDA 96) (33 U.S.C. 701b-13) before the enactment of WRRDA 2014, the Secretary of the Army (Secretary) may provide to the non-Federal interest, at the request of the non-Federal interest, a credit in an amount equal to the estimated federal share of the cost of the project or separable element, in lieu of providing to the non-Federal interest a reimbursement in that amount. Section 1022 further provides that the Secretary may apply such credit to the share of the cost of the non-Federal interest of carrying out other flood damage reduction projects or studies. A copy of Section 1022 of WRRDA 2014 is enclosed.

2. A non-Federal sponsor that has constructed a flood damage reduction project, or separable element thereof, under the provisions of Section 211 of WRDA 96 and has executed a reimbursement agreement with the Army Corps of Engineers but has not been fully reimbursed for the federal share of the project under the terms of the agreement, may request that the District Commander apply the unreimbursed amount as a credit against another flood damage reduction project or study. The non-Federal sponsor request shall identify the Section 211 project and the unreimbursed amount and identify the project or study to which the unreimbursed amount is to be applied as a credit and the applicable cost sharing agreement.

3. After review of the request, the District Commander will forward the non-Federal request through the Major Subordinate Commander (MSC) to HQUSACE with a recommendation on whether the request should be approved by the Assistant Secretary of the Army (Civil Works) (ASA(CW)). HQUSACE will review the request and transmit it to the ASA(CW) for action.

4. If the request is approved by the ASA(CW), HQUSACE will provide direction to the District and the MSC on the development and approval of the provisions in the

applicable cost sharing agreement to provide for the application of the approved credit including the timing of the credit.

5. My point of contact is Ms. Jan Rasgus, Senior Policy Advisor, who can be reached at 202-761-7674.

Encl

THEODORE A. BROWN, P.E.
Chief, Planning and Policy
Directorate of Civil Works

DISTRIBUTION:
COMMANDERS,
GREAT LAKES AND OHIO RIVER DIVISION, CELRD
MISSISSIPPI VALLEY DIVISON, CEMVD
NORTH ATALANTIC DIVISION, CENAD
NORTHWESTERN DIVISION, CENWD
PACIFIC OCEAN DIVISION, CEPOD
SOUTH ATLANTIC DIVISION, CESAD
SOUTH PACIFIC DIVISION, CESPD
SOUTHWESTERN DIVISION, CESWD

SEC. 1022. CREDIT IN LIEU OF REIMBURSEMENT.

(a) REQUESTS FOR CREDITS.—With respect to an authorized flood damage reduction project, or separable element thereof, that has been constructed by a non-Federal interest under section 211 of the Water Resources Development Act of 1996 (33 U.S.C. 701b–13) before the date of enactment of this Act, the Secretary may provide to the non-Federal interest, at the request of the non- Federal interest, a credit in an amount equal to the estimated Federal share of the cost of the project or separable element, in lieu of providing to the non-Federal interest a reimbursement in that amount.

(b) APPLICATION OF CREDITS.—At the request of the non-Federal interest, the Secretary may apply such credit to the share of the cost of the non-Federal interest of carrying out other flood damage reduction projects or studies