H.R. 1310--Army Corps Reform Act of 2001

Overview:

The purpose of this legislation is to revise the project review and authorization procedures at the U.S. Army Corps of Engineers. The aim is to increase transparency and accountability, to ensure fiscal responsibility, to balance economic and environmental interests, and to allow greater stakeholder involvement.

This year, a committee of experts from the National Research Council completed a study of the Corps' analysis of a proposed extension of several locks on the Upper Mississippi River—Illinois Waterway after approximately $50 million was spent examining the feasibility of the proposed project. The National Research Council made several recommendations to revise the inland waterway and water resources system planning.

This bill builds on the key recommendations of these National Research Council studies:

- the Corps should have project review by an interdisciplinary group of experts outside the Corps of Engineers,
- the Corps should include a broader range of stakeholders in the planning process, and
- revise the water resources project planning framework in the *Principles and Guidelines* so that ecological concerns are not considered secondary to the maximization of economic benefits.

Further, this legislation will increase transparency of the Corps' decision-making process through greater accessibility to information by the public and interested stakeholder groups.

Bill Summary:

Title I: Project Planning Reform

SEC. 101. PRINCIPLES AND GUIDELINES

This bill will call on the Corps to select project alternatives that maximize both economic and environmental benefits and improve cost-benefit analyses through revision of the *Principles and Guidelines* guiding water resources projects to:

- improve the methods used in determining the value of environmental benefits and costs,
- incorporate new techniques in risk and uncertainty analysis, and
- eliminate biases in the planning process that lead it to underestimate or fail to consider the possibility of nonstructural approaches to flood reduction.

SEC. 102. STAKEHOLDER ADVISORY COMMITTEES

Currently the Corps goes through a multi-step process leading to project approval and construction. In the existing process, the public has minimal involvement and environmental costs are systematically underestimated. This title modifies the existing process through establishment of Stakeholder Advisory Committees.

- Stakeholder Advisory Committees–consisting in a balance of social, economic, and environmental interests—would provide input in the planning process.

SEC. 103. INDEPENDENT REVIEW

This section will provide a comprehensive review of water resources projects by a panel with expertise in biology, engineers and economists. Those projects that will become subject to review include those:

- with an estimated cost of over $25 million;
- for which the Governor of an affected State requests independent review;
- determined to have significant adverse impacts on fish and wildlife or environmental and cultural resources after implementation of proposed mitigation plans; and
- determined to be controversial in its scope, impact, or cost-benefit analysis.

Important change: The Stakeholder Advisory Committees and the Independent Review Panel shall be under the authority of the Office of the Assistant Secretary to provide the greatest amount of independence for the review process. The Office of the Assistant Secretary is separate from the Corps [it is located at the Pentagon], and it is charged with stopping the Corps from proceeding with projects that do not comply with law and policy.

SEC.104. PUBLIC ACCESS TO INFORMATION

This bill increases transparency in the decision-making process of the Corps by requiring that information on water resources project analyses be made available for review on the Internet by interested members of the public throughout the planning process.

SEC. 105. BENEFIT-COST ANALYSIS FOR FLOOD DAMAGE REDUCTION PROJECTS

One common concern over water resources project analyses by the Corps is that private benefits are often included, thus inflating the benefit-cost ratio. This section attempts to correct this problem by excluding private benefits from analyses to reflect a more accurate benefit-cost ratio.

SEC. 106. PROJECT CRITERIA

Some water resources projects by the Corps have been criticized for their destruction of the natural functions of aquatic ecosystems. Under this section, the Secretary shall authorize projects that minimize adverse impacts on the hydrology and value of aquatic ecosystems to the greatest extent possible.

Title II: Full Mitigation

SEC. 201. FULL MITIGATION

Title II seeks to ensure that environmental damages incurred by project construction are fully mitigated. Under this legislation, the Corps is required to acquire and restore an acre of similar habitat to replace each acre of habitat negatively impacted by a project, and undertake mitigation is a timely, cost-effective manner.

The point here is for the Corps of Engineers to apply to itself the same standards that it applies to other federal agencies and private entities in its own permitting process. Evidence indicates that the Corps of Engineers, in its wetland permitting process, is more stringent on private developers and other federal agencies than it is on itself. This bill seeks to rectify that situation.

SEC. 202. CONCURRENT MITIGATION

Currently, project mitigation is not a priority, and funds are often spent before mitigation has begun. To address these problems, this section will ensure that progress is made with respect to mitigation within a watershed prior to initiation of water resources projects within the same watershed, and that appropriate project funds are allocated towards mitigation.

SEC. 203. MITIGATION TRACKING SYSTEM

Importantly, this section calls for establishment of a mitigation tracking system to allow greater access to information regarding the status of project mitigation. This will provide the information necessary to monitor the progress of mitigation.

Appropriations:

New programs authorized by this bill are paid out of existing funds. Accordingly, no new appropriations are required.