



Department
of the Army
Office, Assistant Secretary
of the Army (Civil Works)

Fiscal Year 2008 Civil Works Budget for the U.S. Army Corps of Engineers

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DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL WORKS
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OVERVIEW OF FISCAL YEAR 2008 CIVIL WORKS BUDGET

The President's Budget for fiscal year (FY) 2008 for the Civil Works program of the Army Corps of Engineers addresses the continued development and restoration of the Nation's water and related resources, operation and maintenance of existing Corps water resources projects, protection of the Nation's waters and wetlands, and restoration of sites contaminated as a result of the Nation's early atomic weapons development program. The Budget continues to focus on the three main water resources mission areas of the Civil Works program, namely, commercial navigation, flood and coastal storm damage reduction, and aquatic ecosystem restoration.

The Budget provides \$4.871 billion in discretionary funding for the Civil Works program, the highest ever requested for the Corps. Additional sources of funding are estimated at \$535 million, including \$445 million contributed in cash by non-Federal interests.

Construction. In recent years, many more construction projects have been authorized, initiated, and continued than can be constructed efficiently. The funding of projects with low economic and environmental returns and of projects that are not within Civil Works main mission areas has led to the postponement of benefits from the most worthy projects and has significantly reduced overall program performance. To remedy this situation and to achieve greater value to the Nation from the Civil Works construction program, the Budget proposes objective performance criteria to guide the allocation of funds among construction projects. These guidelines give priority to the ongoing projects with the greatest net economic and environmental returns per dollar invested, those that address a significant risk to human safety, and dam safety assurance, seepage control, and static instability correction efforts.

The funded construction projects include 6 national priorities; 11 dam safety assurance, seepage control, and static instability correction projects; and 52 other ongoing projects.

The Administration is developing and will propose legislation to require barges on the inland waterways to pay a user fee. This proposal will address the decline in the balance in the Inland Waterways Trust Fund, which affects the government's ability to finance a portion of the continuing Federal capital investment in these waterways.

Operation and Maintenance. The Budget provides a substantial increase – 9 percent above the FY 2007 Budget level – for Operation and Maintenance. The Budget emphasizes performance of existing projects by focusing on the maintenance of key commercial navigation, flood and storm damage reduction, hydropower, and other facilities.

The Operation and Maintenance program now includes four types of activities that previously were funded in the Construction program. The Budget transfers responsibility for these activities to the O&M program – compliance with the Endangered Species Act at operating projects, rehabilitation of existing projects, use of maintenance dredging material, and replacement of sand lost due to the operation and maintenance of Federal navigation projects – because they are all directly related to the operation and maintenance of Corps projects.

The Budget continues to give priority to those harbors and waterway segments that support high volumes of commercial traffic, with emphasis on the heavily-used Upper Mississippi, Ohio, and Illinois waterways. The Budget also funds harbors that support significant commercial fishing, subsistence, or public transportation benefits.

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