



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

October 23, 2013
(House)

STATEMENT OF ADMINISTRATION POLICY

H.R. 3080 - Water Resources Reform and Development Act of 2013

(Rep. Shuster, R-PA, and 47 cosponsors)

The Administration supports investing in the Nation's water resources to build the foundation for long-term economic growth, to address significant risks to public safety, and to protect and restore our environment. The Administration's key policies and principles will help meet our Nation's water resources challenges in a fiscally responsible way. The Administration supports House passage of H.R. 3080 as it would advance some of these policies and principles, but it should be improved with additional reforms and modifications of problematic provisions.

Currently, the Army Corps of Engineers (Corps) has a \$60 billion construction backlog and increasing operation and maintenance costs of existing infrastructure. The Administration supports provisions in the bill to de-authorize projects that no longer meet the Nation's needs or have become too costly. The bill, however, would authorize the Corps to construct several new projects that the Administration has not recommended for authorization due to their marginal return on investment or other concerns. The Administration would like to work with Congress on authorizations of projects and studies that provide high economic and environmental returns to the Nation, or address a significant risk to public safety, within the Corps' three main missions: flood and storm damage reduction; commercial navigation; and aquatic ecosystem restoration.

Creating and maintaining our Nation's water resources infrastructure is a shared responsibility between federal and non-federal beneficiaries and requires that the management, use, protection, and restoration of our water resources continue to evolve to meet the Nation's future needs. H.R. 3080 would enable non-federal parties to move forward with certain water resources projects on their own more easily. However, it would also weaken key reforms enacted by the Congress in the landmark Water Resources Development Act of 1986. For example, the bill would shift significant costs to the taxpayer that are now the responsibility of barge operators on inland waterways, and would expand the Federal role in the maintenance of coastal ports to areas that have historically been a non-federal responsibility.

The Administration is concerned that the project permitting and delivery provisions in H.R. 3080 may slow project approval and do not adequately protect communities, taxpayers, or the environment. The Administration appreciates the omission of financial penalty provisions for agencies; however, the bill includes provisions that could constrain science-based decision making, increase litigation risk, and undermine the integrity of several foundational environmental laws, including the Clean Water Act, the Endangered Species Act, and the National Environmental Policy Act. The Administration is making significant progress to improve the efficiency of Federal permitting and reviews in a manner that encourages early collaboration, stakeholder engagement and better environmental outcomes while not jeopardizing bedrock environmental laws. The Administration urges the House to reaffirm the

current foundational environmental review framework for all water resources projects that fosters transparency, informed decision-making, and strong environmental outcomes, and to encourage the Corps to continue efforts to evaluate the full range of reasonable alternatives, including the use of natural infrastructure where appropriate, and to promote better environmental stewardship.

The Administration supports efforts to enhance resilience in light of future risks of substantial storm and flood damage, including from a changing climate. Federal policies and investments should encourage and incentivize improved management of water and related land resources at the local level to reduce vulnerabilities and enhance the resiliency and natural functions of floodplains and coastal areas and the communities in them, advance public safety, and promote efforts to preserve and restore aquatic ecosystems.

The Administration also urges reform of the laws governing the Inland Waterways Trust Fund, which a proposal in the President's FY 2014 Budget would accomplish. The proposal would establish an annual per vessel fee to raise \$1.1 billion in additional revenue over 10 years from the commercial users of the inland waterways. It would support economic growth, and reflect actual costs incurred by the Corps on their behalf.

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