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Committee on Environment  
and Public Works

Washington, D.C.

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EXAMINING THE BENEFITS OF INVESTING IN USACE WATER  
INFRASTRUCTURE PROJECTS

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The committee, met, pursuant to notice, at 10:05 a.m., in room 406, Dirksen Senate Office Building, the Honorable Thomas R. Carper [chairman of the committee] presiding.

Present: Senators Carper, Capito, Cardin, Whitehouse, Duckworth, Kelly, Padilla, Inhofe, Cramer, Boozman, Wicker, Sullivan, Ernst.

STATEMENT OF THE HONORABLE THOMAS R. CARPER, A UNITED STATES  
SENATOR FROM THE STATE OF DELAWARE

Senator Carper. Good morning, everyone. I am pleased to call this hearing to order.

I want to start by taking a moment to thank Ranking Member Senator Capito and her staff and other members of our committee here today for joining us to kick off this discussion for the development of the next Water Resources Development Act, affectionately known as WRDA.

I am very proud of our successful bipartisan work on water infrastructure so far this Congress, including passage of our Drinking Water and Clean Water Bill by a margin of 89 to 2 in the Senate. Negotiations, I think, continue with respect to a bipartisan infrastructure package. Color me more hopeful today that I have been in a while, so we will see how that works out.

I am grateful for the opportunity that WRDA affords us to review the Army Corps' operations every two years. This is an agency facing an extraordinarily important and difficult task with a list of worthy projects far outstripping the resources that are available to it.

Indeed, due to a rampant underfunding for a number of years, the backlog of authorized but not completed projects has grown to over \$100 billion. I think the number is \$109 billion,

and that is more than 15 times the agency's annual operating budget, which should be of concern to all of us.

Clearly, there is something wrong with this picture, and when demand for projects so outstrips the supply of resources, the Corps is placed in an untenable position. Moreover, its decision-making process is growing far more difficult as we all struggle to address the needs of small, rural, and often disadvantaged communities, as well as the infrastructure-straining impacts of sea level rise, more intense storms, pervasive droughts, and other climate change consequences.

My hope is that today's hearing will provide us with important insights into all of these challenges as we begin to work on the next WRDA Bill. I look forward to hearing testimony, we look forward to hearing testimony from our stakeholders today about their experiences with the Corps to inform us as we set priorities for the next authorization bill.

Understanding that our concerns with the adequacy of Corps funding are universal and will be a key focus of negotiations with the Administration and our colleagues on the Appropriations Committee, I would like to focus today on the upcoming challenges presented by small, worthwhile, but oftentimes overlooked projects and the magnifying problems associated with changing climate.

For some time, I have spoken about how the current process for evaluating benefits and costs of the Corps projects shortchanges our abilities to address the critical needs in smaller, economically disadvantaged communities, including those in rural and tribal areas, sometimes referred to as "the least of these."

Because the benefit-to-cost ratio, affectionately referred to as BCR, does not account for the regional and local economic benefits of a project, a number of communities that need federal investment the most are the last to receive it because the benefits associated with the construction of projects in these areas are not great enough to register as significant on a national scale.

Thus, from the perspective of the White House Office of Management and Budget, these projects oftentimes don't make the cut.

In the 2020 WRDA law, our committee provided the Corps with flexibility and the authority to partner with rural and economically disadvantaged communities; however, those 2020 provisions were just the tip of the iceberg of what is needed. We need to do more for communities that depend on federal investments for essential flood and storm protection.

Along with a number of other States, Delaware and West

Virginia and Rhode Island have oftentimes ended up on the short end of the stick when it comes to federal investments in Corps projects, Corps infrastructure. We will continue to explore ways to expand the Corps' programs to better reach the small, rural communities in States that all of us represent.

We witness on an almost daily basis how the States of all of us on this dais are being increasingly hammered by increasingly powerful storms, more devastating floods, encroaching sea levels, and seemingly endless droughts. The Corps has been thrust into the position of prime defender against these all too frequent and increasingly costly disasters.

To be better able to respond to climate change, the Corps needs to update its economic assessments as well as its engineering standards to ensure the Nation's infrastructure is resilient to these impacts of climate change. In short, the Corps needs to take a longer view with climate consequences in clear focus.

As my colleagues frequently hear me say, maybe too frequently hear me say, the State of Delaware is the lowest-lying State in the Nation, as Collin knows. Our highest point of land is a bridge, and we are acutely aware of the need to develop solutions that not only work today, but also will

protect us well into the future.

Incorporating natural infrastructure into our resilience efforts in Delaware has proven a critical element of those long-term solutions. We would like to see the Corps embrace and use natural infrastructure solutions more broadly as a tool to respond to climate change.

We also need for the Corps to plan for the new climate reality that we face. Failure to do so is extremely costly. From 1990 through 2019, the Corps received \$53.9 billion, that is \$53.9 billion in supplemental appropriations. The majority of that money was for flood risk projects, typically in response to flooding disasters and severe storms.

Over the last decade, these funds have more than doubled the Corps' construction program for flood risk reduction projects. We shouldn't be waiting for the storms to address these projects; we should be addressing these initiatives before the storms ever arrive. The trick is to prevent these massive losses in the first place.

So, let's begin our work on WRDA this year with equity and climate goals more in mind than before.

With that, I want to turn over to Senator Capito for her opening remarks, and say how much we look forward to working on this legislative project together with her and members of this

committee on both sides of the aisle, from Iowa all the way to Rhode Island and back. Thank you.

Senator Capito?

[The prepared statement of Senator Carper follows:]



STATEMENT OF THE HONORABLE SHELLY MOORE CAPITO, A UNITED STATES  
SENATOR FROM THE STATE OF WEST VIRGINIA

Senator Capito. Yes, thank you, Mr. Chairman. I look forward to working on this, as well.

It is that time again when the committee begins the biennial process of crafting water resources legislation. As the Chairman said, WRDA, the Water Resources Development Act, authorizes water resource projects and sets national policies for the Civil Works Program of the U.S. Corps of Engineers.

The Corps' main mission area of navigation, flood risk management, and ecosystem restoration support the lives and livelihoods of millions of Americans and facilitates commerce throughout this Country and internationally.

As I noticed in the previous hearing, 2.3 billion short tons of goods and commodities were transported over water in the United States in just one year. This is made possible by the Nation's ports and inland waterway systems constructed and maintained by the Corps.

According to the Corps' own estimates, its flood risk management projects have prevented over \$1 trillion in riverine and coastal flood damages, mostly within the last 35 years.

These projects and activities, in addition to other important mission areas, are authorized and directed by Congress

under WRDA. The most recent WRDA legislation enacted by Congress in 2020 included several provisions that are important to the Country and my home State of West Virginia.

Importantly, the legislation changed the cost share for projects on the inland waterways system, included provisions to support the development of projects in rural and economically disadvantaged communities, and provided assistance to non-federal sponsors on identifying flood risk management project deficiencies.

I was glad to secure an increase in authorization of \$160 million for West Virginia's two environmental infrastructure programs under the Corps, which help support our drinking water and wastewater projects in the State.

But there is much more to do, as you said, Mr. Chairman, and I look forward to working with the Chairman and my colleagues to develop the next WRDA Bill. It is important that future WRDA legislation supports the development and delivery of water resources projects in communities that need them, while continuing to meet our national priorities.

This is underscored by events such as the 2016 flood in West Virginia, which claimed 23 lives and destroyed over 1,000 homes. We are still waiting on initial funding for a comprehensive study by the Corps to assess existing flood

protection gaps and inform future projects in the Kanawha River Basin where most of the damage in the 2016 flood occurred.

While I fully intend to see that this study receives a new start, it will do little good if recommended projects are held up due to analyses that sort of disregard the needs of certain communities. In that same vein, it is also important that Congress promote efficiencies in the Corps' project delivery process to support its central missions.

The Corps decision-making process is often perceived as a black box by non-federal sponsors without the requisite expertise or experience, and this should change. The Congress should continue to encourage and enhance assistance on the part of the Corps to communities and non-Federal sponsors.

People on the ground know what their water resource challenges are, and the experiences and expertise of the hard-working men and woman at the Corps can help inform them of paths forward to address those challenges.

As we make these changes and other changes, however, it is important that we do not become too overly prescriptive. Our Nation's water resources are diverse. As I said, communities know better about their unique needs than policymakers here. So we must preserve the important role of non-federal sponsors in the development and delivery of projects.

In closing, let me reiterate my gratitude for our witnesses for being here today, and I thank Chairman Carper for having this hearing. The mission of the Corps is more critical than ever, and the testimony we hear today will inform this committee as it continues its integral role.

Mr. Chairman, I would like to take a point and introduce a friend of mine, but also a great West Virginian, who is on our panel before we begin our testimony.

[The prepared statement of Senator Capito follows:]

Senator Carper. I am not going to ask the witnesses to stand up, but we have a couple really tall guys here, and you are right between them. Take it away.

Senator Capito. Take it away. I am really pleased to have with us today Robert McCoy from Sissonville, West Virginia. Robert and I have known each other for several years. He is the President and CEO of Amherst Madison, which employs over 350 people. They are a marine transportation construction and repair business. It has been in business since 1893.

Robert is a father of two, a daughter who is at the University of Charleston, and a 14-year-old son. He went to West Virginia State University. He was born in Matewan, and we are really happy, Robert, that you are here.

Mr. Chairman, you have to know, since you are the one who can crack the funniest jokes, this is the real McCoy, right here.

[Laughter.]

Senator Capito. I know. He has probably heard it a hundred times.

Anyway, welcome Robert, and all the other witnesses. Thank you.

Senator Carper. That was good. I understand we have been joined by Mario Cordero remotely. Is that correct? He is

Executive Director of the Port of Long Beach, California. He is also an attorney and the current Chairman of the Board of the American Association of Port Authorities.

Mario, I was a midshipman many, many years ago in the Navy. I was stationed on a big, 1,000-foot-long jumbo oiler Navy ship at the Long Beach Naval Station. I have some fond memories of Long Beach and the time that I spent there that year.

Mr. Cordero is also an attorney and current Chairman of the Board of the American Association of Port Authorities. Welcome. Bienvenido.

Our second witness is Mr. Collin O'Mara. Collin is the President and Chief Executive Officer of the National Wildlife Federation, America's largest wildlife conservation organization with 53 State and territorial affiliates and nearly 6 million hunters, anglers, birders, gardeners, hikers, paddlers, and wildlife enthusiasts. That is a lot of people.

Prior to leading the National Wildlife Federation, Collin led the Delaware Department of Natural Resources and Environmental Control as our Cabinet Secretary from 2009 to 2014. He did a great job. I have very fond memories of his service in our State. I am proud to claim him as our own.

The third witness is Amy Larson. Amy is the Founding Partner of Larson Strategies LLC and has more than 25 years of

water resources and waterways transportation policy and funding expertise.

Now, we look forward to hearing from our panel, our witnesses.

We are going to start with Mr. Cordero. Mr. Cordero, you are recognized for your statement. Please proceed.

STATEMENT OF MARIO CORDERO, EXECUTIVE DIRECTOR, PORT OF LONG  
BEACH

Mr. Cordero. Chairman Carper, Ranking Member Capito, and members of the committee, I want to thank you for the opportunity to provide remarks to the Environment and Public Works Committee on Examining the Benefits of Investing in USACE Water Infrastructure Projects.

I am Mario Cordero, Executive Director of the Port of Long Beach. The Port of Long Beach is the second largest containerized cargo port in the United States and is a major economic contributor to our local, State, and national economy. Maritime traffic moves in excess of 80 million tons annually through the port, which drives \$200 billion in annual economic activity and supports 2.6 million U.S. jobs and more than 576,000 jobs in Southern California.

I am speaking on behalf of the American Association of Port Authorities, AAPA, as its chairman. My remarks today will focus on port experiences partnering with the Corps, planning for resiliency, sea level rise, and priorities for future legislation.

AAPA members appreciate that Congress understands the importance of our seaports' role in the U.S. economy. Seaports and their maritime partners sustain 31 million jobs and generate



economic activity representing 26 percent of the U.S. economy. Constructing and maintaining the Nation's 21st century maritime infrastructure is essential to the Nation's economic future.

Public ports and their private sector partners are committed to this challenge, with plans to invest upwards of \$155 billion by 2025 in port-related facilities. These investments can only be fully realized when the federal navigation assets managed by the Corps of Engineers and are kept modern and in a state of good repair.

I thank the Environment and Public Works Committee members for their landmark WRDA 2020 legislation, which resolved the long-standing issue of the full use of the Harbor Maintenance Trust Fund with equitable distribution for all ports: small ports, national defense ports, and donor and energy transfer ports.

AAPA members are pleased that the House Fiscal Year 2022 Energy and Water Development appropriations bill has established a precedent for supporting this funding level. We look forward to the WRDA 2020 funds distribution approach when full implementation is effective in September 2022.

Federal navigation channels are the foundation of global freight movement. We have all witnessed the important role of ports and the supply chain through the COVID-19 pandemic, where

ports and our labor partners were able to stay open and safely move freight, like personal protective equipment. These channels and port facilities must keep pace with the increasing size of the global fleet of ships. If we don't, we risk losing the water transportation cost savings that makes products like agricultural exports competitive in the global marketplace.

At the Port of Long Beach, our Deep Draft Navigation Improvements Feasibility Study, performed in collaboration with the United States Army Corps of Engineers, was conducted to identify opportunities to remove constraints, improve efficiencies, and reduce transportation costs.

Based on fiscal year 2021 discount rate of 2.5 percent and a 50-year period of analysis, the equivalent annual benefits and costs are estimated at \$20 million and \$5 million, respectively. The project is estimated to provide annual net benefits of \$15 million and a benefit-to-cost ratio of 3.6.

In addition to navigation improvements, we are embarking on a \$5 million project to repair wharves and have identified approximately \$140 million in maritime infrastructure repair and replacement projects, including wharves, rock dikes, bulkheads needed to prevent potential impacts to critical port business operations.

The Port of Long Beach has been proactive in strategically

preparing for and adapting to climate change, including impacts associated with sea level rise and coastal hazards through our Climate Adaption and Coastal Resiliency Plan. This plan, the first of its kind of a North American seaport, includes adaptive measures to address sea level rise and other risks to ensure continuity for port operations and protection to local communities surrounding the port.

AAPA members report that WRDA legislation has led to profound improvements in Corps processes. For example, the three-year feasibility study process, partnering improvements with non-federal sponsors being actively involved in the Corps, and aligning dredge projects will fill projects for the beneficial reuse of dredged material.

AAPA has three key issues for the WRDA as follows. One: authorize for both new studies for navigation channel improvements and proceed to as well as construct navigation project improvements recommended by the Chief of Engineer reports. Two: visibility of the Corps' plans to restore and properly maintain Federal navigation projects with the increased funding for full use of Harbor Maintenance Trust Fund revenues established by WRDA 2020. Three: continue to identify process improvements for improved product delivery. AAPA will submit the list of specific streamlining improvements soon.

Finally, I want to thank the committee leaders, members, and staff for their efforts to ensure that port-related infrastructure like federal navigation channels, jetties, and breakwaters as a part of any infrastructure investment legislation being developed. AAPA estimates that \$3 billion would provide completion for funding of the federal share of current federal navigation and channel improvements.

I commend the committee and leadership for recognizing the nexus between water resources development and economic prosperity. I urge you to develop and pass both an infrastructure package and WRDA legislation at the earliest possible time.

I am happy to address any questions you may have. Thank you so much for this opportunity to speak on behalf AAPA.

[The prepared statement of Mr. Cordero follows:]

Senator Carper. We appreciate very much your joining us.  
Thank you for that testimony, Mr. Cordero.

Next is Mr. O'Mara. Collin, you may begin when you are  
ready. Please proceed. Thank you.

STATEMENT OF COLLIN O'MARA, PRESIDENT AND CEO, NATIONAL WILDLIFE  
FOUNDATION

Mr. O'Mara. Thank you, Chairman Carper, Ranking Member Capito. It is great to be with all of you today. Thank you for the invitation to testify on the vital issues of improving the resilience of our water resources and the communities and wildlife those resources sustain.

This conversation comes at a critical time. The flooding that we are seeing, the above-average hurricane season, and it is time for some real talk, because we are facing real risks. The Ranking Member talked about the flood of 2016; we can talk about Hurricane Sandy. It is hitting every part of the Country. It is affecting lives, livelihoods, perpetuating historic inequalities.

At the same time, we are seeing in places where we have healthy wetlands, streams, rivers, shorelines, they are protecting us from these extreme weather events. We are also seeing the devastating consequences when these systems have been paved over or degraded.

Unfortunately, despite this escalating damage that we are seeing, resilience investments that are proposed are maybe 1, maybe 2 percent of the infrastructure package, both bipartisan piece and what comes after. This is woefully inadequate. There

is virtually nothing for the Army Corps in many of these proposals right now of any magnitude. We believe we need at least \$36 billion to make these investments in the coming years.

This is just simply pound foolish, as the Chairman laid out. We know that every \$1 that we spend in resilience is going to save us \$6 to \$8 in avoided damages, avoided costs. But because of our budget rules, we score the \$1, we don't account for the \$6, and then you all fight with Appropriations trying to get resources. It is costing us hundreds of billions of dollars in impacts.

Because of these rules, it is easier to spend hundreds of billions of dollars after the fact, after the disaster occurs, than it is to invest in that ounce of prevention that could have mitigated the damage in the first place. As a result, we spent almost \$300 billion in the last 10 years on supplemental disaster appropriations, a fraction of which could have funded a lot of the backlog, a third of which could have funded the backlog that Senator Carper talked about.

The evidence is incredibly clear that the best way to protect communities most cost effectively is to restore the natural systems. It is hard to believe that Hurricane Sandy was almost 10 years ago, but since then, coastlines and flood plain communities have been pummeled by disaster after disaster.

As we have shown in a recent report, *The Protective Value of Nature*, prioritizing the protection and restoration of wetlands and other natural systems would have saved billions upon billions of dollars in the past, and would save even more in the years ahead.

As Senator Whitehouse said just yesterday, this year is the worst year of the last 10. It is going to be the best year of the next 10. We need to avoid the unintended consequences, also, that can be created by structural solutions that just push the floodwater into other communities.

As we experience more frequent weather events, the Army Corps really needs a new playbook, one that treats nature as an ally. The Army Corps has been asked to fight against nature for almost two centuries, embedding this approach into its organizational structure and its very DNA. But we know now that healthy systems are essential for our well-being and our survival.

Building upon the important provisions from the previous Water Resources Development Act and ones before that, we must accelerate this thinking towards natural systems, as Senator Carper mentioned. We must overcome the Corps' entrenched over-reliance on structural solutions, overhaul the siloed approach to project planning, and establish an integrated approach that



works with nature to bolster resilience and protect communities.

We have four specific recommendations. First, we urge the committee to make critically needed reforms to the Corps cost-benefit analysis, the benefit-cost analysis process. It is a process that is fundamentally broken in several ways. To make the best choice among alternatives, the Corps must properly account for all costs and all benefits, including risk reduction from flooding, water quality improvements, soil stabilization, carbon sequestration, wildlife habitat, expanded recreational opportunities. If these benefits are lost to a project, they should also be counted as a project cost.

Second, we encourage the committee to continue to focus on environmental justice, as you have in the SRF debates a few months ago, by directing the Corps to focus more on remediating toxic pollution in industrial and urban waterway projects in places like the Ohio River, the Delaware River, the Lower Mississippi. We encourage expanding the pilot projects in economically distressed communities, as Senator Capito just mentioned.

We suggest establishing a senior advisor for environmental justice and an environmental justice advisory council, advancing innovation in this space, and hiring more folks of color and contracting more minority businesses across the Corps.

Third, we urge Congress to establish a resilience directorate to ensure that resilience measures, especially the restoration of natural systems, are fully integrated and leveraged across flood protection, navigation, ecological restoration business lines, which is really essential to protect communities, advance equitable solutions, and protect wildlife. To be effective, this kind of inter-departmental directorate should be within the Office of the Chief of Engineers and have significant budget authority.

Fourth, we must vastly improve the condition and collaboration with the Fish and Wildlife Service and State, territorial, and tribal wildlife agencies to recover thousands of at-risk fish and wildlife species that live in Corps project areas.

These reforms will take concerted bipartisan push to shift centuries of planning and practices of the Corps, but they will bear immense benefits to people and wildlife alike, saving lives and money in the process.

On behalf of the National Wildlife Federation, I just want to thank you for committing to making these types of reforms and leveraging nature as an ally. I look forward to your questions. Thank you.

[The prepared statement of Mr. O'Mara follows:]

Senator Carper. Thank you. Thank you, Collin. Thanks so much for joining us and for a really excellent testimony.

Our next witness is Amy Larson. Ms. Larson, you are recognized for your statement. Please proceed. Thank you.

STATEMENT OF AMY LARSON, FOUNDING PARTNER, LARSON STRATEGIES LLC

Ms. Larson. Good morning, Chairman Carper, Ranking Member Capito, and members of the committee. It is a privilege for me to appear before you this morning to testify on the benefits of investing in Army Corps of Engineers water resources infrastructure projects.

My name is Amy Larson. I am currently a consultant, but previously served for 12 years as the President of the National Waterways Conference, an association whose membership includes the non-federal sponsors of Corps Civil Works projects, as well as the stakeholders who rely upon those projects and the multiple benefits they bring to this Nation.

This morning, I would like to address the importance of flood control and flood risk management measures to small and rural communities. I will touch upon the opportunities those communities may have, as well as impediments they face, and offer suggestions for more effective planning and investment strategies going forward.

We hear a lot about the traditional planning process, and we know that it generally produces the recommended plan as the one that has the greatest net economic benefit consistent with protecting the environment. But a particular challenge with this metric is that the BCR considers the value of real estate

in the proposed project area. What that means is it is a clear detriment to regions with lower property values. If we look at this Administration's emphasis on equity and environmental justice, we know that we need a more focused response to address flood risks in these disadvantaged communities.

An alternative approach could be to consider, for example, the number of homes, structures, and most significantly, lives at stake, rather than simply economic benefits. Consideration of life safety should be paramount, derived from the Corps' focus on risk-informed decision-making rather than a straight economic analysis.

There is also a major disconnect, though, when it comes to funding projects. In establishing the Administration's budget priorities, and this goes back over several administrations, OMB uses a BCR of 2.5 to 1 at a 7 percent discount rate. In practical terms, that means many authorized projects simply won't be included in the President's budget. So while the Administration's Fiscal Year 2022 budget would lower that to two to one, the unrealistic 7 percent remains a huge hurdle for many projects to get started.

There are other alternative funding opportunities that may help these small communities that don't typically avail themselves of the large planning process. So, the Continuing

Authorities Program is designed to plan and implement projects of limited size, scope, and complexity. Typically, the feasibility study here at \$100,000 is 100 percent federally funded, and thereafter, if a decision is made, to construct there is a cost-share model. If we look at the CAP authorities, the Section 205, which looks at small flood control projects, the cost-share is 65 percent federal, and 35 percent non-federal.

While that is a great program, if we look at the actuals, it is only estimated that about 20 percent of those projects that go through the study phase go on to construction, and there are pretty much two reasons for this. These small communities simply do not have the funds for their local cost share, and second, they don't have the technical expertise to manage their end of the project.

So, in funding CAP in Fiscal Year 2021, Congress gave \$69.5 million. That is compared to \$3 million in the Administration's budget. That is a good step. And you have mentioned the WRDA 2020 provision, which established a pilot program for these small and rural communities at a 100 percent cost-share.

What I would encourage you to do when you are at your town halls is encourage your local communities avail themselves of these CAP opportunities. Go to the local Corps district,

express interest in this project, because what happens is they finally get a budget, and then the Corps has to ramp this up. If there is a letter of interest with the Corps district, the communities then will be called by the Corps and be able to work and try to move forward on their CAP programs.

We can't forget, also, long-term operation and maintenance activities in order to have sustainable solutions for this. How do they pay for that? That is one of the things that we know falls by the wayside with these small flood control projects, is the O&M.

I have looked at other programs within the Corps and other Federal agencies that may provide this committee guidance as you seek to help these small and rural communities. The Corps' Tribal Partnership Program, the Corps' CWIFIA Program, EPA's WIFIA, TIFIA, Department of Agriculture, and HUD have zero to low interest loans. They may provide some sort of model so that these communities who are in need can get their cost-shares for construction and for O&M.

Thank you for the opportunity to be here today, and I look forward to any questions.

[The prepared statement of Ms. Larson follows:]

Senator Carper. You were great to join us. Thank you for that testimony.

Now, the real McCoy. Mr. McCoy, take it away.



STATEMENT OF ROBERT MCCOY, PRESIDENT AND CEO, AMHERST MADISON, INC.

Mr. McCoy. Chairman Carper, Ranking Member Capito, and members of the committee, thank you for the opportunity to speak today on the benefits of investing in the U.S. Army Corps of Engineers' water infrastructure projects.

Senator Carper. If I would close my eyes, I would feel like I am back in my native State of West Virginia. A great sound.

[Laughter.]

Mr. McCoy. My comments today will highlight the improvements made in the Water Resources and Development Act of 2020, also known as WRDA, and why a comprehensive infrastructure bill that includes significant funding for lock and dam modernization will provide and sustain more jobs, increase efficiency, and make our inland waterway system more resilient.

As Ranking Member Capito said earlier, my name is Robert McCoy. I am the President and CEO of Amherst Madison. Amherst Madison is a 100 percent employee-owned company involved in the transportation, construction, and repair business. We are based on the Kanawha River in Charleston, West Virginia.

I also serve as a trustee of the National Waterways Foundation and as a member of the Board of Directors of the

Waterways Council. WCI is the national public policy organization that advocates for a modern and well-maintained system of inland waterways and ports. Our Nation's rivers are the fourth R of a critical national multimodal transportation system that also includes roads, rails, and runways.

The inland waterways system is comprised of 12,000 miles of navigable waterways in 38 States. The United States has the largest navigable inland waterway system in the world. Each year, this system typically moves almost 600 million tons of freight, valued at approximately \$250 billion. River transportation is the safest, most environmentally responsible and efficient mode of transporting bulk commodities.

I would like to thank this committee for continuing to prioritize the biennial enactment of WRDAs, and I especially thank you for Section 109 of WRDA 2020. Section 109 of WRDA 2020 established an important new statutory cost share formula for the construction and major rehabilitation of inland waterways navigation projects receiving an appropriation in the next 10 years. That provision changed the construction and major rehabilitation cost-share for inland navigation projects to 65 percent from the General Treasury, 35 percent from the Inland Waterways Trust Fund. When fully appropriated, it will deliver roughly an additional \$100 million annually in

construction funding for navigation improvements. I cannot thank this committee enough for your support in adjusting the cost share.

The Inland Waterways User Board is a federal advisory committee established by Congress to give commercial users a strong voice in the Corps' investment decisions. I have included with my written testimony a copy of the User Board's most recent report and recommendations.

Congress created the User Board to work with the Corps of Engineers to help prioritize construction projects through what is called the Capital Investment Strategy. In January of this year, the Corps submitted the first update of the Capital Investment Strategy that this committee called for in WRDA 2014. The Corps' 2020 Capital Investment Strategy Report illustrates that by completing 15 Congressionally authorized priority projects valued at \$7 billion over a 10-year time frame rather than the expected 30-year baseline funding scenario, the Corps will save \$2.2 billion.

By including capital construction funding for the inland waterways in a positive manner in the comprehensive infrastructure legislation that Congress currently is developing, you will create a sustainable advantage to American industries that ship their products on our waterways, making

those industries more competitive at home and in the world market.

Both WCI and the Inland Waterways User Board have recommended at least \$3 billion of infrastructure funds should be appropriated in the comprehensive infrastructure investment legislation for the Capital Investment Strategy list of 15 Congressionally authorized projects.

That concludes my testimony. Thank you for giving me the opportunity to be here today, and I will be happy to respond to any questions.

[The prepared statement of Mr. McCoy follows:]

Senator Carper. Mr. McCoy, great to hear from you this morning. Thank you very much for joining us, and for your testimony, as well.

I want to start off the questioning with a question for each of our panelists. What I would like to ask each of you to do, and we will start with Mr. Cordero, but just share with us maybe the three top issues, maybe the biggest issues that you believe we should be tackling with the next Water Resources Development Act, maybe the top three, just briefly.

Mr. Cordero, would you lead us off, please, with that?

Mr. Cordero. Yes. Thank you, Mr. Chairman. I think what you gathered here this morning is addressing the benefit-to-cost ratio. Obviously, it is too rigid, and we need to have the issue of including natural infrastructure as part of this dynamic. We need to have a way to capture and quantify natural infrastructure with regard to these assessments.

Going forward, again, I think you heard the very important issues of climate change. Sea level rise is a big issue for coastal communities and ports, so I think number one, that is essential.

I think, going forward again, if we move forward to address natural infrastructure, as an example, using sediment as a result, what we get from our dredging projects in a more

environmentally-friendly way for those purposes. I think those are a couple key issues that I want to leave with this committee.

Senator Carper. Good. Thanks, thank you for those.

Mr. O'Mara?

Mr. O'Mara. Thank you. In addition to just more resources in general, I think there are some fundamental changes that are needed. I think we have heard from the entire panel around the benefit cost analysis.

One specific change on that, making sure we count increases in ecological services as a benefit, but also the loss of ecological functions as a cost would make a lot of the numbers pencil in a way that is more reflective of the impact of the project, so that is one.

The second one is the idea of this resilience directorate that I mentioned that said to have a shifting of the way that we design and executive projects across business lines. Then third, really embedding environmental justice and wildlife into the actual bones of the DNA of the Army Corps. Those three would make a huge difference.

Senator Carper. Good. Thank you.

Ms. Larson, please? Same question, three, maybe a couple of the biggest issues you think we ought to be tackling as we

undertake this legislative challenge.

Ms. Larson. The BCR is at the top of the list for a lot of non-Federal sponsors, and this is particularly true where non-federal sponsors are seeking to modify their projects and include multiple benefits. You heard in the testimony last month from Rick Johnson from the Sacramento Area Flood Control Agency the challenge with modifying the flood control project to include recreation, protection, irrigation, agriculture benefits.

So, I think pulling apart and delving into how the BCR is derived is really important. But I would suggest we need to get this right, because we do still need a planning process that is consistent, is predictable, is replicable. It should provide the planners, federal investments, and non-federal sponsors some consistency.

What we don't want is, let's throw every possible benefit into the pot and come up with a subjective mix, because that will lead to a waste of federal and local resources. So a consistent, practicable planning framework, I think, is really important. Part of that is how to quantify all of these multiple benefits, so that, I think, is really important.

Similarly, considering regional benefits, how do we quantify those and ensure that there is still a federal interest

and federal incentive to invest in these projects, and what does that mean? Secondary and tertiary benefits, as well.

I would also say that there are a lot of ideas out here. One of the false narratives, in my view, that typically comes up, and we have seen this through WRDA 2014 up until now, is this battle between gray and green. It is not a conflict. It can be an all-of-the-above solution. So I think anything that goes forward is an all-of-the-above solution that doesn't add additional bureaucratic hurdles to non-federal sponsors and federal planners alike.

Senator Carper. Good point, good point. Mr. McCoy?

Mr. McCoy. The most relevant issue I see is continuing the progress this committee has achieved recently by securing funding for the inland waterways priority projects. Currently, over 50 percent of your locks and dams are older than their estimated economic useful life, as determined by the Corps.

The inland river system is just that, it is a system. It is not made up of individual autonomous segments. So the system is as strong as its weakest link. With structures, over half of your structures being older than their life, I think that is a priority because inland rivers infrastructure has economic features; it has environmental benefits; it also has flood control benefits as well. Thank you.



Senator Carper. Thank you. You finished, like, right on the money. That never happens. That is pretty impressive. We have seven minutes set aside for questions for the panel, and you finished on a triple zero. That is amazing.

We have been joined here this morning by Senator Inhofe from Oklahoma, former Chairman of this committee, and by Senator Cramer. We welcome you both. The questioning order right now looks like Senators Capito, Whitehouse, Inhofe, and Cramer.

Senator Capito?

Senator Capito. Thank you, Mr. Chairman, and thank you all for the increased emphasis on improving the cost-benefit analysis process as we are moving through with the Corps. I think that is something that we hear from everybody, from different sides, but from everybody. So I think that is something that we need to prioritize.

Ms. Larson, you mentioned a lot about small and rural communities with the flood risk management projects and how difficult it is to get those funded and off the ground. How can we improve that process? Is it capacity to develop these projects? Besides the money issue, can you make some suggestions there?

Ms. Larson. One of the challenges, well, there are multiple challenges with these small and rural communities. One

of these challenges in these small towns is, you may have a director of public works, a one-person shop who is responsible for potholes to levees.

So in the prioritization, at the community level, these small flood control projects maybe aren't at the top of the list. So, encouraging and educating on CAP and the other authorities that are out there at least gets them in the door. Submit the letter of interest to the Corps so that when the local Corps district gets their funding through the appropriations process, they have a cue. They know who is eligible to do that.

The other part of this is, as we talk about BCR, and looking at the life safety example, if it is based only on NED, there aren't property values to allow that project to compete appropriately. So we need to look at, what is the life safety here, and what is being protected. We see all too often that these projects with the higher NED benefits are the ones that get the funding, or get a new start, and so that has to be changed. So we need to look at life safety.

Senator Capito. I appreciate that, and I appreciate that you mentioned that in your opening statement.

Mr. McCoy, we championed the provision WRDA 2020 that you mentioned in your statement that changed the construction cost

share for navigation projects on the waterways. What effect do you think this will have, changing that cost share? Are you seeing any of the effects of that? I know these things go into a process. But what kind of effect would you see on that, changing the cost share?

Mr. McCoy. Changing the cost share had an enormous effect on expediting construction costs on the priority projects of the Corps of Engineers. There is no question. It saved the Nation a lot of money in construction costs, and it has allowed the Nation to also recognize the benefits sooner.

Senator Capito. And you are seeing that on the waterways that you are using, the Upper Ohio, all the way down to New Orleans? You go all the way down there, don't you?

Mr. McCoy. Yes, ma'am.

Senator Capito. Let me ask you this. I know that in the Upper Ohio, a lot of the locks and dams in that area are very old. You mentioned this in your last answer to the last question.

Could you kind of quantify that for people? What is a very old lock and dam, and when was the last time major maintenance was done on those?

Mr. McCoy. Well, major maintenance is having to be done on an annual basis, and it is costing this Country a lot of money

because of the age and condition of the infrastructure, particularly Montgomery, Dashields, and Innsworth Locks. They are well over their design life, and they are in bad shape. So they are certainly costing a lot of O&M dollars, whereas expediting the construction process would save a lot of money on that side.

Senator Capito. Does your business have delays and other things that are associated with the inadequacy of those locks to function, that holds up commerce?

Mr. McCoy. Yes. There are unplanned outages occurring on the older infrastructure locks and dams that industry does not have an opportunity to respond to. Unfortunately, unlike the highway system, there are no detours on a river. So when you have an unplanned outage or a lock outage, traffic sits still for days, perhaps even weeks, and it is costing the Country billions of dollars and ultimately, the consumers. It is also making us non-competitive on the global market.

Senator Capito. I know you do a lot of other work besides just transportation. Mr. O'Mara talked a lot about natural infrastructure and how important that is, and then Ms. Larson talked about green and gray, and all of that. As you are conducting your other business applications at Amherst Madison, what kind of considerations do you all take for natural

infrastructure? Is that something you think about?

Mr. McCoy. A large part of what we do is, as a contractor for the Corps of Engineers, we dredge. We dredge out the river to provide adequate river depths to allow commerce to continue to flow. Beneficial use of that dredged material is what we have got to do a better job as a Country of finding. So, yes, we do have to dispose of that oftentimes in incredibly expensive manners by taking it to landfills. Sometimes, we have got to get creative and use it to build environmentally sensitive or environmental structures for fish habitat structure.

Senator Capito. Thank you.

Senator Carper. Thanks for those questions, and for those answers.

Senator Whitehouse, who is faithful in attending the affairs of this committee, hearings and business meetings, and brings a lot of passion to this committee. Senator Whitehouse?

Senator Whitehouse. Thank you very much, Chairman. Thank you for this hearing.

Any time the Army Corps is the subject of our attention, I like to point out the studious way in which it seems the Army Corps ignores the priorities and wishes of this committee. I don't think that just making noise from the committee is going to make any appreciable difference in that behavior.

So I think as we go forward to do WRDA, we have got to think seriously about actually some protocol for directing the Army Corps' attention to the priorities of this committee. One of my proposals has been to have a hearing for things that have been designated as committee priorities where the Army Corps can come in and answer for the fact that they don't think it is their priority, so they are not going to do it, and they will explain to us why they are ignoring committee priorities.

But I have been on this committee a while. They have had plenty of chances to change and improve, and I have seen zero interest in doing that. I say that from a State where our local Army Corps District is terrific. They really try as hard as they can.

But up against headquarters, it is an uphill struggle. I frankly am sick of it, and I think we need to have some formal protocol of some kind to make sure that we are being listened to so the Army Corps doesn't believe that it was created by immaculate conception and all of its funding dropped on it by divine intervention, that they understand that this committee has something to do and works pretty hard and needs to be listened to. So, that would be point one.

As we talk about a new playbook, as Mr. O'Mara suggests, I think the new playbook should be some form of protocol to make

sure that this committee's priorities are attended to by the Army Corps, or they come and make a solid explanation of why they are not paying attention to us, why they think our priorities are wrong priorities, which is fine. We can have that debate.

The second is my customary concern with the so-called Flood and Coastal Storm Damage Fund. I repeat, Flood and Coastal Storm Damage Fund, which, for Fiscal Year 2022, is proposed by the Army Corps to spend \$1.7 billion. Of that \$1.7 billion, \$1.67 billion is proposed to be spent inland. That leaves \$37 million, not billion, million dollars to be spent on coastal things.

We have talked about what is happening to our coasts; we have talked about sea level rise. We have talked about worsening storms; we have talked about the ancient infrastructure. Mr. Cordero brings the view of the ports, which are kind of, by definition, often on the coasts, and Mr. O'Mara talked about a number of issues that are highly specific to coasts. Forty-five to one is the current ratio; \$45 inland for every \$1 on coasts.

It has been worse, believe it or not. In Fiscal Year 2017 it was \$120 to inland for every \$1 on coasts. I know we have some inland States here, and I don't want to take anything away

from the inland States, but I don't think 45 to 1 is fair. I don't think it is reasonable. I don't think it is consistent with the risk profile that we face.

And as Ms. Larson and other witnesses talk about the concerns of small communities, a hell of a lot of these small communities are small coastal communities who need a lot of support to understand what is coming at them, because they have never seen this before.

As Mr. O'Mara said, this is probably the worst year of the last 10 or 20 years for a lot of these climate consequences, but it is also probably the best year of the next 10 or 20 years for these climate consequences. It is these little, coastal communities that are not only suffering from all of the disabilities that Ms. Larson described, but they are also suffering from the disability of being on the losing end of a 45 to 1 discrepancy that has no justification whatsoever.

I will confess that my patience is at an end, as a Senator from the Ocean State, with continuing to put up with passing WRDA bills that countenance my State, the Chairman's State, Senator Wicker's State, and other coastal States losing out by 45 to 1. That just isn't going to work for me any longer. So we have to find a way through that as well.

I appreciate the bipartisanship of the WRDA bills in the



past. We have always tried to work together well. But there comes a times when you got to draw a line, and it is really preposterous to have a budget for flood and coastal storm damage out of which \$1.67 billion of the \$1.7 billion is going purely to inland, and only \$37 million is left for coasts.

Thank you for the hearing. I hope somebody at the Army Corps might even be listening to this, and certainly I hope that my committee members are listening to this so that we can find a way to pull together and solve these recurring problems.

Senator Carper. Your message is loud and clear and received. Thank you.

Okay, next up, Senator Inhofe. After Senator Inhofe, Senator Cramer.

Senator Inhofe. Well, thank you. Thank you, and I say to my friend, Senator Whitehouse, that it is loud and clear, and we have heard this. First of all, let me thank you for the respect that you paid to our fallen brother, Mike Enzi last night by staying there and observing the tribute to him.

Senator Whitehouse. You gave a great tribute, Chairman. I was pleased to be there.

Senator Inhofe. Thank you very much.

Now, we are, obviously, we are inland, and we are concerned, and I think that I have been complimentary in the

past, and the equal treatment, I have felt, has been given.

But in the WRDA 2020, I was chairman of the committee at that time, and I was able to include the authorization for the West Tulsa levee system. We had a devastating flood at that time. I think everyone in the Country was aware of that.

It is an old levee. You talk about something, one of the witnesses talking about something that was 50 years old, that levee is 80 years old and is far beyond its use for life, and I think finally we are going to be getting some action.

Ms. Larson, in your testimony, you note that consideration for life and safety should be paramount when evaluating the benefits of flood risk projects. Ms. Larson, how can the Corps take a more expansive view on the benefits of flood risk projects, such as what they did in the Tulsa Levee? I really think we could be used as a model for the successes that we had at that time. Any comments about that?

Ms. Larson. The chief's report was successful there because they got an exemption to the standard requirement to pick the NED project, and that was based on life safety risks, comparing the life safety risks versus the NED.

I would suggest that that should not require an exemption. That should be one of those selections that is available so that you don't have to go through what sometimes is a cumbersome

process to get that exemption.

A challenge going forward I see is that OMB is loath to fund or give new start status to those projects that aren't at the NED level. So I think a lot of advocacy continues to be needed to move forward. Hopefully, that will serve as a model going forward, that intercommunity that is protected there that could be better protected because of the degraded levees, that you need to look at the life safety, what is being protected, the people, the industry, utilities that are behind that levee and take a look at that. Use that life safety metrics.

I would say, this will require a complex and deliberative approach. The underlying planning documents, that I use to tell NWC members, I read so they didn't have to, are close to a 1,000 pages. They are a bit mind-numbing, and they look at how do you measure navigation projects through the transportation cost savings, how do you look at urban flooding projects, what is the protection to, say, land use.

So, this will require a long-term effort to review those underlying planning documents, make sure that life safety is not an exception, but is part of the rule.

Senator Inhofe. Okay. I am sorry, I am running out of time here, and I would suggest to you that you give those 10,000 pages to Senator Cramer, and he will explain them all to us.

[Laughter.]

Senator Cramer. I can't wait.

Senator Inhofe. Real quickly, I do want to get one comment in to Mr. McCoy. The American Society of Civil Engineers has given the inland waterway system an overall grade of D plus. That kind of is a little bit revealing, and somewhat inconsistent with some of the things we have heard.

It is clear that we need to address the aging infrastructure and critical maintenance of our Nation's inland waterways. On the MKARNS alone, we have \$230 million in backlogged maintenance, and I have led a delegation letters to the Corps, and they have submitted Congressionally directed spending requests to chip away at that backlog.

Mr. McCoy, they put as the benefit of investing in and maintaining our inland waterway infrastructure, you know, we are all concerned about it. We live with it on a daily basis, and it happens that a frailty in that system can cost lives. It is a very serious thing. What is your thought about where we are right now?

Mr. McCoy. The benefits, sir, in investing in the infrastructure is twofold. You create a resilient system that is more reliable. It creates jobs. It does so, and promotes an industry that is environmentally responsible. It does so in a

manner to reduce future O&M responsibilities. With new structures or newer structures or rebuilt structures, your operation and maintenance costs are going to be reduced. I have had the pleasure of visiting Murray Lock and Dam on the MKARNS, and I have seen those gentlemen from the Corps of Engineers do more with less than most other districts in the Country.

Senator Inhofe. I agree with that. That is excellent. We will stay hooked up with you.

You know, I can't even tell you right now what percentage of that waterway that goes through Arkansas and Oklahoma is actually a 12-foot channel as opposed to a 9-foot channel because we have been at this thing for so long. But we will continue to work together, as we have in the past, with successes. Thank you very much.

Senator Capito. [Presiding] Thank you. Senator Carper, Chairman Carper had to slip out for a minute, so he has handed me the gavel, and I am going to go to Senator Duckworth, who has joined us on WebEx.

Senator Duckworth. Thank you, Chairwoman. I am very much appreciative of the hearing that we are holding today. We advanced, and I am just so proud of the work that the committee has done this year. We advanced, and the full Senate passed overwhelmingly our bipartisan Drinking Water and Wastewater

Infrastructure Act. Along with AWIA, our bipartisan Surface Transportation Reauthorization Act is the foundational element in the broader, bipartisan infrastructure framework effort, and we are embarking today on another reauthorization of water resources legislation. This committee recognizes the tremendous societal benefits that modern, efficient transportation systems support.

Unfortunately, our inland waterway system continues to lag behind what the 21st century global marketplace demands, and many of our riverine ecosystems continue to degrade faster than they can be restored. Mr. McCoy, one of my top priorities in the last WRDA bill was improving the federal cost share for inland waterways projects from 50-50 to 63-35. Please describe some of the benefits this cost share change will have on navigation, interstate commerce, and global competitiveness.

Mr. McCoy. Thank you very much for your question, and thank you very much for supporting the cost share improvement to 65-35. It has created jobs on the construction, on the front end of these priority projects that have been Congressionally authorized and throughout construction. Then at the completion of construction, it has created a more efficient system that has allowed each of the States or the companies that locate and ship products by river, to do so in a competitive manner, not only

for United States consumption, but for the world market.

Senator Duckworth. Thank you. Now, Mr. McCoy, WRDA 2020 included a provision that limits the improved inland waterways cost share to 10 years. What, in your view, would consequences be with this 10-year sunset on future projects?

Mr. McCoy. Should the system revert back to the 50-50 cost share, you are going to see a slowing of the new construction or the authorized spending on the 15 priority projects, and revert back to a system that is inefficient, and that federal dollars will, for the construction, will increase as time it takes to build the projects. It is an inefficient, it has proven to be inefficient, and the new cost share has proven to be much more efficient in delivering infrastructure that is more reliable to the Country.

Senator Duckworth. Thank you.

Mr. O'Mara, the Upper Mississippi River System, which includes the Illinois River, is the only river system designated by Congress as both a nationally significant commercial navigation system and also a nationally significant ecosystem.

This Upper Mississippi-Illinois waterway transports more than 60 percent of America's corn and soybean exports. It is home to 25 percent of North American fish species and is a flyway for 60 percent of all North American bird species.

I often talk about the Corps' Navigation and Ecosystem Sustainability Program, otherwise known as NESP, in terms of lock and dam capacity and infrastructure reliability. But really, NESP ecosystem restoration components would also provide tremendous economic benefits by improving quality of life for local communities and reinforcing the waterways' \$25 billion tourism and recreational industry that supports more than 400,000 jobs.

Mr. O'Mara, how do ecosystem restoration projects translate into economic benefits for local communities, and how does degradation of riverine ecosystems further marginalize disadvantaged communities?

Mr. O'Mara. Thank you, Senator, for your question, and thank you for your incredible leadership of the Mississippi River Restoration Resilience Initiative which should hopefully do a lot of the work that you just highlighted. The economic benefits are huge, and I can talk until I am blue in the face about the flyways and duck hunting and all kinds of things in your neck of the woods.

But at the end of the day, restoration means jobs, and every \$1 million we spend on restoration can create up to 30 jobs. There are huge benefits to the outdoor recreation economy. There are huge benefits for having clean water that



requires less treatment downstream.

The flood protection values that come from having healthy wetlands that can absorb 300,000 to a million gallons of water, rather than having that flood water wind up in somebody's basement or worse are huge. So restoring the healthy systems, and I think there is, frankly, no better place to pilot some of the large landscape-scale investments that we need to do at scale in the middle part of the Country than in the Upper Mississippi right now.

Senator Duckworth. Thank you, Mr. O'Mara.

I yield back, Chairman.

Senator Capito. Thank you.

Senator Cramer?

Senator Cramer. Thank you, Chair Capito. Thanks also to Chair Carper.

It is interesting. Here we are, it is sort of unofficial infrastructure week in the Senate, I think. Who knows for sure, but I think we are approaching a vote later today, on at least proceeding to the measure on the bipartisan negotiated transportation infrastructure package.

I just came from a meeting of some of the negotiators. And I want you to know, Senator Capito and Senator Carper, and the team here, the staff, that I asked a very direct, specific

question: does the unanimously-passed EPW Surface Transportation bill still serve as the foundation, every word of it, every word of it, and they assured me that it still is.

So, I hope that is what you are hearing as well, but so here we come. Here we go, and we are off to the next big infrastructure discussion with you all here as we talk about WRDA.

We have had a lot of discussion, obviously, appropriately, in the committee and today already related to the calculation of the benefit cost ratio that the Corps uses. I am sure every member, as you can tell by the way they are, as Senator Whitehouse's testimony or questioning attests, nothing unites Republicans and Democrats like the Corps of Engineers. We have to give them a lot of credit for that.

But anyway, the end result, frankly, of their process is often that local communities look at the Corps as being out of touch, tone deaf, lacking common sense, I don't know why we pick on the Corps. It has been my observation that most of bureaucracy comes off that way.

But it is really important that local needs, and for my case, especially rural needs are not disregarded. A lot of you have testified very well to that.

But with that in mind, I want to describe a situation in

some detail that we face in North Dakota and get some input, if there is time.

The Snake Creek Embankment was constructed by the Corps of Engineers at the edge of Lake Sakakawea. Lake Sakakawea is a part of the Missouri River System and created by the Garrison Dam. The embankment creates a separate pool of water that is known as Lake Audubon, and that can be kept at a higher level so that the Bureau of Reclamation can manage that water for its intended uses, such as irrigation, municipal water supplies, rural water, and the Lake Audubon Wildlife Refuge. Again, very good multiple use asset, there.

But anyway, a few years ago, the Corps realized that they were experiencing some foundation problems with the embankment. The relief wells that they put in place were not properly maintained over the years. Rather than getting to the root of the problem, and despite local objections, which were loud, the Corps decided to implement a water control plant that would limit how much higher the water level in Audubon could be, of course, than Sakakawea.

So, in a severe drought like we are going through this year, it can starve our largest city's water supply. It certainly hurts the shores of the wildlife refuge and misses every priority. So, when this was brought to my attention, the

Corps simply said they couldn't account for water supply, irrigation, or the needs of other federal agencies in determining the importance of the project, even though the end users were the main reason the embankment was built in the first place. So, back to my previous comments, when North Dakotans hear this from the Corps, they see a total lack of common sense.

Now, thankfully, General Spellmon and his team have been working with me on this. They have been very attentive, but progress is slow, and it has been my experience that they will find every reason possible not to do something before they ever get to doing that. So I am not going to ask you to comment on the specifics of this project, but as we start working on another WRDA bill, what is the best way for the Corps to include issues like water supply and irrigation as it prioritizes project decisions?

Mr. O'Mara, I would be interested to start with you, because I think you probably understand our situation.

Mr. O'Mara. Thank you, Senator Cramer. I know the wildlife refuge very, very well up there, and it is great hunting. It is good hunting, usually.

I think this is just another example of why we need a broader benefit cost analysis. I would like to see the impacts on the ecosystem actually accounted for in a major way. The

loss of the hunting and fishing revenue that comes from that part of the State, that is not going to be there if it is dry. I think your outdoor economy is about \$40 billion, \$50 billion across the State or across maybe both Dakotas.

So we would like to work with you on this, because I think it is replicated all across the Country. Frankly, you had a bunch of McMansions that were worth \$3 million apiece lining the shore who would qualify better than this amazing habitat that is one of the most important in the Country.

Senator Cramer. Anybody else, quickly? Ms. Larson?

Ms. Larson. Congratulations, you stepped on the third rail of water supply. One of the things, in particular, with water supply, not one of the primary mission areas, these authorized projects have multiple, often competing uses, and so there is this tradeoff analysis.

While the Congress seeks to address it, I would also suggest there are so many regional priorities. Water in the Upper Missouri Basin States has different priorities than, the Southeast, than the reservoirs in Oklahoma and Texas, and then Western water issues have their own character, as well. So, we know that this is really complex from an ill-fated Corps rule that was withdrawn a few years ago.

So this particular issue really needs to strike the balance

between consistency on these rules and flexibility to address local conditions. I don't have the answer for you, but I do sympathize with this plight, because it is particularly challenging when you have these control manuals with competing issues.

Senator Cramer. Thank you all. Well said.

Senator Capito. Senator Padilla?

Senator Padilla. Thank you, Madam Chair.

I am excited to be part of this kickoff of the WRDA process, and I want to welcome, I don't know if he has joined us virtually, but Mr. Cordero to this committee hearing.

While Mr. Cordero is testifying in his capacity as Chairman of the American Association of Port Authorities, he and I go way back, having first met when I was a member of the Los Angeles City Council. So I know from my State and local experience with him how critical the Port of Long Beach, in particular, where he serves, is for the economy and for job creation, both locally and regionally, as well as nationally.

I am familiar, because of him, with the kinds of proactive investments that ports, both Long Beach and Los Angeles, and others up and down the State of California are making to prepare for the impacts of climate change, which in many ways are already being felt. We are not planning for the future, we are

responding to what is happening today. So we no longer have a choice whether or not to deal with the impacts of climate change. The Port of Long Beach is one that is helping to lead the way.

The Port of Long Beach was the first seaport in North America to develop a coastal resiliency plan to address sea level rise and extreme storm events and to mitigate impacts to port operations, as well as local communities. In fact, their 2016 Climate Adaptation and Coastal Resiliency Plan predicted that extreme heat events and resulting outages could stress the regional electrical grid that port operations rely upon.

Just a few weeks ago, California faced historical triple digit temperatures. Mr. Cordero, can you spend a minute telling us how members of the American Association of Port Authorities are preparing for and adapting to the increasing frequency of extreme weather events, including having learned from your experience in Long Beach?

Mr. Cordero. Yes, Senator, and thank you for your question. It is a very key and important question.

Number one, I think as you have referenced, the whole discussion now with regard to the impacts on climate change has elevated to a very high level, whether we are talking about inland or coastal communities. But to be more specific, I think

as it relates to ports, the AAPA's concern is with regard to the impact on ports.

With regard to the whole question of weather conditions, extreme weather conditions, sea level rise, and another issue that ports very much are concerned about is, of course, stormwater related projects and the funding necessary to address that.

Let me be more specific with regard to sea level. As you know, in the State of California, coastal communities here are of great concern. So, for example, the State right now opines through a report that was released in the last few years regarding by 2030, sea level rise is estimated to be to about a foot or half a foot.

The real concern here is at the end of the century. Some years ago, we were talking about five or six feet. Now, it is seven, and many people believe it is a 10-foot rise, so what does that mean for coastal communities?

For California to address the mitigating impact on housing, we are talking about building or the recommendation of 100,000 housing units annually to address this issue. So I think that addresses some of the severe impacts not only with regard to coastal communities, but of course, the major ports across the Country in terms of what that impact is as a result of the



severe weather conditions, climate change, and related topics.

Senator Padilla. Great. And just one follow-up question, and I know in research, in planning, not only for mitigation, but a lot of that is driven by research, data which has come under fire in recent years, sadly. But with the new Administration and new leadership, how else can the Army Corps and this Congress, for that matter, play a role in supporting your climate adaptation and coastal resiliency planning efforts?

Mr. Cordero. A big role that they could play with regard to what has been testified to this morning is, again, addressing this whole issue of benefit to costs ratio to include what the local and regional circumstance should be taking into account with regard to this formula, as opposed to just a national perspective here.

Secondly, as has been referenced, the American Society of Engineers recently has included natural infrastructure as an important component to look to. More specifically, when you look about the grades that are being given with regard to stormwater, for example, that grade is a D.

So I think, again, these are avenues where I think the Army Corps could be, and I will say that for the Port of Long Beach, we have a very good rapport with the L.A. District and the South Pacific Division.

I recognize that many other ports may not be able to say the same. But in that regard, I think we need to address an important component of how we further the environmental benefits of, for example, as I testified, even when we do the question of sediments, you know, result of our dredging projects, what do you do with that sediment? That is a natural infrastructure resource that we could use in a more beneficial way for environmental purposes.

Senator Padilla. Thank you for your responses. I know my time is up. I appreciate the acknowledgements of the increased use of natural infrastructure and increased beneficial use of dredged material and other things.

On the natural infrastructure, I know back home-home, in the San Fernando Valley with some of the tributaries into the Los Angeles River, there is some tremendous potential for some visionary forward-thinking projects there.

Last, but not least, I heard somebody take a knock at engineers earlier in this hearing. Engineers and scientists have to sit together. Where would we be without engineers and scientists? Right, Mr. Kelly?

Thank you, Madam Chair.

Senator Capito. Thank you.

Senator Kelly?

Senator Kelly. Thank you, Madam Chair.

Mr. O'Mara, good morning. I want to see if you can expand upon your recommendations for how the Corps should better account for the importance of investing in rural and disadvantaged communities. One important project in Arizona is the Little Colorado River at Winslow Levee Project, which was authorized by Congress last year. The entire town of Winslow lies within a flood plain, and current flood control measures do not protect the town from floods.

The town has a poverty rate of 23 percent, and more than a third of the residents are Navajo and Hopi. On paper, this is a competitive project which will provide significant benefits to the community, yet the project hasn't been fully funded because of the Corps' policy of making funding decisions based on a project's benefit to cost ratio, or BCR.

Mr. O'Mara, what do you believe are the best ways we can ensure that communities like Winslow can secure funding for projects such as this?

Mr. O'Mara. Thank you, Senator Kelly. It is good to see you again. I think there are two pieces. There is the broader benefit cost ratio analysis that should include more of some of the natural elements, some of the economic impacts, beyond just the very topline numbers.

But to piggyback on something Ms. Larson said, I do think that we have to have an equity variable that looks at the values of the properties that are impacted in a different way. In the Delaware example, we can do a beach nourishment project in Rehoboth Beach much easier because there are multimillion dollar mansions there, as opposed to up the bay, where you have lower income communities. It is the same thing.

So I think we would like to work with you and the Ranking Member and the Chairman on getting these equity pieces right, because I think we are going to have these injustices where it doesn't score quite right because the underlying economics are a little different, but they are equally important to, and frankly, more important, in some cases, for loss of life.

Senator Kelly. Yes. Well, thank you, and my office will reach out to work with you on that.

Mr. O'Mara, also for you, I want to discuss the importance of the Army Corps collaborating with the Fish and Wildlife Service. While the Corps has done good work in recent years to combat the spread of invasive aquatic species, one growing challenge that we face in Arizona is the spread of invasive plant species, and in particular, the salt cedar, which outcompetes native desert plants for scarce water resources. It grows very quickly, it changes floodplains, creates flooding

risks, and it burns hotter and faster than native plants, creating a significant wildfire risk.

So, these plants are invasive, and they are in the Salt and Gila Rivers in the Phoenix Metropolitan area. The removal of these plants is a growing priority for the Rio Reimagined Initiative, which was started by Senator John McCain, who previously held this Senate seat.

The last WRDA reauthorization took some important first steps to provide the Corps with resources to combat invasive plants species. But as we look forward, what more should be done to ensure that the Corps has the resources to combat not just aquatic invasive species, but invasive plant species as well?

Mr. O'Mara. Thank you for the question. I think the salt cedar as an example is particularly egregious, just given the water consumption that it does. I think, across the broader Rio Grande, you are probably looking at 25 to 40 billion gallons of water being sucked up by these trees. I mean, just imagine what that would do to flows across the entire region.

Senator Kelly. Let me say, I did not appreciate the problem until I flew over the area in a helicopter and looked at the Rio Reimagined and looked at how many plants there actually are. It is pretty incredible.

Collin O'Mara. [Remarks off microphone.]

Senator Carper. [Presiding.] Microphone, microphone?

Senator Kelly. Thank you, and Mr. Chairman, I yield back.

Senator Carper. Senator Kelly, thanks for joining us very much. Senator Boozman, and then Senator Cardin.

Senator Boozman. Thank you, Mr. Chairman, and again, thank you for holding this important hearing here, and Ranking Member Capito.

Mr. McCoy, our Nation's inland waterways are considered water highways. The American Society of Civil Engineers reports a \$6.8 billion backlog in construction projects and ongoing lot closures that harm industries such as agriculture that rely on the interim waterway system to get their goods to market.

Also, we have other areas that are developing, and you need the on and off ramps to get onto the inland waterways, which again, construction is so important. So, delays within the system cost an estimated \$44 million per year to the agriculture sector alone.

What are the barriers to addressing that backlog and its associated impacts?

Mr. McCoy. The barriers, I see, the benefit of investing in the infrastructure of the waterways plays so many benefits in the economy, in the environment. So I don't see barriers other

than bureaucracy. If there are any, that could be the only barrier. The inland waterway system ticks nearly every box, from the economy to jobs to the environment.

Senator Boozman. Very good.

Ms. Larson, when looking into infrastructure investment, we must consider the lives of all Americans in every State. While extreme climate events in California are certainly different than extreme climate events in Arkansas, we all have a common goal in our investment decisions, and that is to incentivize projects that are effective and long-lasting.

A common complaint I hear from Arkansans is how they are frustrated with the slow permitting and review processes and how it ultimately is affecting projects that would improve people's lives and their communities. Will you elaborate on the importance of speeding up the federal permitting and reviewing processes so we can finish infrastructure projects in a reasonable timeframe?

Ms. Larson. Certainly. Thanks for the question, Senator.

Recall back in WRDA 2014, what that bill did was codify the Corps' Three by Three by Three Program, which is a study of three years, \$3 million, and three levels of review.

As part of that process, what builds in there is the environmental review. The Corps implemented a two-year

environmental review process, and part of that was then included in what was known as One Federal Decision, which requires all of the agencies to come to the table at the beginning, don't wait until the end of the day and raise an objection, because then that causes additional delays.

So, if we look at places where that model was used, it means that the study process is completed efficiently and that all of the agencies are at the table first. So I think that is a really good model. I recall it was the Norfolk Coastal Study which did that, so it was the Corps, it was Fish and Wildlife. Virginia has its own historical board. Everybody got to the table at the beginning of the process to look at the project, to look at the permit, raise objections upfront so that you can resolve those, and then issue the permit or the planning documents in a timely fashion.

So, something like that to compel agencies to get together upfront and stakeholders, voice your concerns, that will go a long way.

Senator Boozman. Going along with that, I think the federal policies should not give preference to any one solution over others when addressing water resources issues. I know that the stakeholders in Arkansas would prefer the Corps to use solutions that work best for a particular project and have the



support of the non-federal sponsor who is required to financially support the project.

Do you believe traditional infrastructure should only be used if the non-federal sponsor can demonstrate that natural infrastructure is not viable for a particular project, or should the non-federal sponsor have more of a say in what works best for their particular project?

Ms. Larson. The planning process is structured, and if it works as intended, it is to include all viable options, and viable means, what does the non-federal sponsor want to commit financial resources to? And so, if this process works efficiently, include all of those option, including the locally preferred option.

Earlier today, we spoke a bit about, particularly, flood control projects, the life safety component. So ensure all of those things are at the table

So as we are looking to, on the one hand, streamline the processes, the permitting and the planning process, I think we need to be careful we collectively, not to impose additional regulatory or bureaucratic burdens on this process. That just slows it down. And take into consideration what the local communities want.

Senator Boozman. Very good. Thank you, Mr. Chairman.

Senator Carper. You are welcome, and thank you.

Senator Cardin?

Senator Cardin. Thank you, Mr. Chairman. I thank you and the Ranking Member for this hearing and our witnesses.

As we start to take a look at the next round of WRDA authorizations, I know we are not quite finished with our WRDA bill yet for this year, but I think it is important that we take a look at these issues.

It seems to me the benefit to cost ratio needs to be an issue that we really drill down on and take a look at how it impacts. I can tell you, in my State of Maryland, projects in smaller harbors are very much impacted.

I know, Senator Capito, you raised the issue about the rural parts of our States. These dredge projects are so important to local communities, and they get a hard time getting noticed by the Army Corps because of the cost benefit ratio issues.

We had the environmental restoration projects. We have, I think, the showcase one on Poplar Island in the Chesapeake Bay, which restored 1,000 acres that had disappeared as a result of sea level rises and erosion, which has an incredible beneficial impact for the environment. We have environmental justice issues, and then we have the beneficial use of dredged material.

We have a very successful program at Blackwater, where they were surprised how quickly we were able to restore some wetlands. But there is cost associated with it. We don't get the benefit. So the cost benefit ratio is something we really need to deal with.

I know this has been brought up before, but let me start with Mr. O'Mara, if I might. We have our second project coming along, which is Mid Bay, which we are expecting to be able to get some funds in this cycle for construction.

As we look at ways to look at the benefits to our environment or social justice issues or smaller communities justice, what recommendations do you have on how we can modify the cost benefit ratio analysis?

Mr. O'Mara. Senator Cardin, it is good to see you. I appreciate the question.

I was actually at Blackwater the other day, and the marshes look fantastic. I think for too long, we haven't accounted for those costs. When I was Secretary in Delaware, there was nothing more painful than having good, clean dredge fill go to Killcohook, the landfill in New Jersey, because it was going to cost slightly more to apply it in smart ways to our inland bays, a very similar situation for the Chesapeake.

I think showing, having good quantification of the storm

resilience benefits, the habitat value for a range of species, the water quality benefits, the recreational tourism economy benefits, having all of those numbers basically in the benefit side of the equation. On the flip side, if we didn't do the project, or if we did something harmful in that area, having those costs show up in a real way would level the playing field. I think it would be much more equitable in real ways.

And then also, as you have heard from many panelists, I think we do have to think of a different way to incorporate the value of life. It has been property safety. That is not simply just the value of the property itself, because right now, we are pushing investments in places where there are just higher income communities are compared to environmental justice issues that you mentioned.

Senator Cardin. Thank you, and we have to really see how we do that from an authorizing point of view, because it is challenging to the Army Corps dealing with the budget people, and we really need to give some direction.

Ms. Larson, I want to ask if you have any advice as to how we can try to accelerate the small harbor projects that we have on the cost to benefit ratios. We have a huge backlog.

Now, one way is to just put more money into the program. I understand that, but there are not unlimited resources.

Is there a way that we can give a higher degree of priority to our smaller harbors and dredging without compromising the basic structure on how we make these decisions?

Ms. Larson. I know through various WRDAs that disbursement of Harbor Maintenance Trust Fund funds allocates a percentage to the small and emerging harbors, and I know that that is a priority for many folks in small coastal areas.

The formula, I am not exactly sure of, and Mr. Cordero, sorry Mario, I am batting it to you, may be able to talk in particular, on those small harbors. But I do think it is critically important when we are considering the BCR and those maintenance dollars, what other benefits accrue from using those small harbors, as well.

Senator Cardin. Then lastly, on beneficial use itself.

As you pointed out, Mr. O'Mara, dredged material can have a positive impact. I know some careers have been started in politics by opposing dredge sites. Certainly in Maryland, we can give you some examples of that. Here, you have a product that can be used, put to beneficial use, make it a plus.

We really do need to have a statement made by Congress as a preference to use dredged material in a positive way rather than trying to find a site that nobody really wants to locate for the dredged material.

Mr. O'Mara. Yes, I think one of the things that we proposed in our recommendations is this idea of a resilience directorate that would allow the business lines across the Corps to work together. Because in a lot of cases, we will have the dredging project of the navigation project kind of cost one amount, and then they will have a separate line for the ecological restoration of flood protection that costs a different amount.

Or if you put the two projects together and you use the clean fill in appropriate places, ecologically sound, to actually do the rest of the restoration work, that actually provides flood abatement value, it would be much cheaper than trying to do them individually.

But we are kind of pennywise and pound foolish still on this front, even though this committee has actually made great progress in the last 10 years on this issue. Before 10 years ago, it was a complete mess, and now it is better, but we need to push even faster.

Senator Cardin. Thank you. Thank you, Mr. Chairman.

Senator Carper. Thank you very much.

I have a couple quick questions, and Senator Capito indicated that she doesn't have any more. I am not sure, I don't believe any other members are going to join us, so this

should be mercifully brief. Again, thank you all for joining us today.

For Mr. Cordero, the question on environmental justice. Your biography mentions that in your previous capacity as Long Beach Harbor Commissioner, you led an effort to promote and expand outreach to the local community. I think it was called Green Port Policy Initiative. It worked with the local community to improve the Port of Long Beach's environmental stewardship, and it is a nationally recognized and globally influential program to outline sustainable ethics for all port operations.

My question would be this: would you explain some of the features of this program and how it created a better outcome for the environment for the community and for the port, please? Go ahead.

Mr. Cordero. Thank you, Senator, and absolutely, I think that was an important milestone here for Long Beach.

As you referenced, the Green Port Policy was formalized back in January of 2005. The plan of action was to address some of the environmental concerns that confront urban ports like the Port of Long Beach, and we did. Primarily, the goal to reduce emissions from port operations, and as a result, part of it was community engagement.

I think that was engaging with stakeholders, community associations, neighborhoods. Suffice to say that after a number of years and in combination with what came later, the Clean Air Action Plan as a result of our partnership with the Port of Los Angeles, we were able to reduce particulate matter from truck operations by upwards of 88 percent, NOX by 59 percent, SOX by 97 percent.

In addition to some of the actions that we did, we moved forward in 2008 with a clean truck plan to replace a rather dilapidated truck drayage that we saw here in port gateways. Today, we have a new dynamic with regard to what these trucks, in terms of what they entail.

So, the substantial reduction in emissions that I have referenced, and our goal is to have 2035 zero emission trucks, and by 2030, zero emission cargo handling equipment. And as Senator Padilla referenced, we also moved forward in 2016 with our Climate Adaption Coastal Resiliency Plan to address issues of climate-related issues and coastal hazards.

Today, actually next month, we are going to inaugurate now, are completing our grand endeavor of the last decade, the Long Beach Container Terminal, which would be the world's greenest terminal in terms of an electrified operation. As I referenced last, again, for 2017, we are moving forward with a zero-



emission plan of action.

All of this, we have been very successful, primarily because again, the outreach that we have and engagement with our community, and more particularly, the stakeholders here in the Greater Southern California Gateway. So I think beginning with the Green Port Policy, it exemplified, at least from our perspective, we were way ahead in terms of environmental social responsibility that we have exhibited.

Going forward, again, I think we are very proud of our environmental stewardship leadership with regard to addressing not only air emissions, but of course issues like, I said a referenced already, stormwater projects and water quality issues. And of course, very many important issues in relation to, as I reference, here in the State of California, being partners to address the sea level rise. I think it is concerning not only to this gateway, but all ports across the Nation.

Senator Carper. That is a lot of encouraging news. Thank you for that, and for setting a good example for the rest of us.

Last question would be for Collin O'Mara. It deals with natural infrastructure ecosystem restoration. You may not admit this, but you are regarded as an expert in natural resources management and conservation. As you know, ecosystem restoration

is a primary mission of the Corps of Engineers, but the concept, many times, gets stuck in that silo.

These projects often include nature-based design features combined with gray infrastructure to provide net gains, including degraded ecosystems. But we ought to be doing similar efforts in other projects where the primary focus is flood control or navigation, much like Poplar Island and Mid Bay projects that we are hearing about in Maryland.

In your opinion, what needs to change at the Corps to break down these silos so that the multi-purpose projects become commonplace, the rule, not the exception?

Mr. O'Mara. Thank you, Senator, and Mr. Chairman. I think this committee has made great progress on this issue over the last many years.

It just needs to be an equal playing field. I think Ms. Larson said it perfectly. There are places where the natural solutions make sense; there are places where the man-made solution make sense, and there are places where you want kind of the green and gray, sage, if you will, kind of solution.

We would love to see much more focus on the navigation and on the flood protection side. But the idea that we put forth before, this idea of a resilience directorate that would look at solutions holistically across systems.

One of the things we have seen, and we saw this in Delaware after Hurricane Sandy, the places where we had healthy dunes, the places where we had healthy wetlands, fared better than places that only, in New Jersey, fared better compared to our friends in New Jersey that only had seawalls in some places.

So having a place where you can actually think holistically at a landscape scale about all the different tools and doing that early in the process in a way that is efficient in getting the permitting right. But there has to be that place where folks can talk and break down those siloes. Because right now, unfortunately, you kind of get down a path, and then you end up with, you know, kind of a 1950s solution in a kind of 21st century kind of reality that we are living in.

I think breaking those silos down through this kind of resilience directorate, combined with the cost benefit piece you have talked about is the key.

Senator Carper. Thank you.

We have been joined by Senator Sullivan. I think he will be our last member asking questions.

Senator Sullivan, welcome.

Senator Sullivan. Thank you, Mr. Chairman.

Let me just ask the witnesses very quickly on a topic that has a lot of bipartisan support here, it actually has more

bipartisan support in cities with mayors and States with governors. That is the opportunities that exist to streamline project delivery in terms of the ability to actually get projects done.

Unfortunately, our Country, relative to other industrialized democracies on almost every measure, ranks last. We all know the kind of parade of horrors. Nine to 19 years to permit and build a highway in America, nine years, I think, on average to permit a bridge in America. It took 20 years to permit a gold mine in my State, the great State of Alaska.

The list is very long, and it doesn't help the Country. I think the only thing it helps is trial lawyers and far-left extremist environmental groups who don't want any projects built.

So, can I get a sense from all of you on how important that is? We don't want to cut corners. But you know, a two-year, maybe a three-year period as a goal for permitting, not nine, is really important. What do the witnesses think about that?

Ms. Larson. I will start with that. Thank you for the question, Senator, and congratulations to your State for your first gold medal in swimming.

Senator Sullivan. Oh, yes. Wasn't that great? She was amazing. Seventeen years old, from Seward Alaska, and they

don't even have an Olympic-sized swimming pool, right? It is just -- a real amazing young woman.

Ms. Larson. It was amazing to watch. Really amazing.

So, we talked a lot about the planning program and the permitting process, and then the funding component of that. In terms of the planning and permitting process, back in WRDA 2014, the committee codified the Corps' Three by Three by Three, which is the planning process to get it done in three years. Part of that is the environmental review process, and there were benchmarks, including one set by a federal program called One Federal Decision.

Senator Sullivan. Do you agree with that, One Federal Decision?

Ms. Larson. I do.

Senator Sullivan. So do I. Good idea. It shouldn't be controversial. President Biden got rid of that EPO.

Ms. Larson. Well, I think, you know, whatever else was in the Executive Order, I don't know. I am a nerd who wrote a paper for the American Bar Association on One Federal Decision. But there were many examples that where the resource agencies, every agency and State entities got together at the beginning of the process, raised concerns, it was a much more productive and timely and efficient process. The Norfolk Coastal Study is a

good example of that.

But I think that you can do that upfront. Don't wait until the end of the day to raise concerns, so I think that is an important component.

Senator Sullivan. That is a great idea. Good. Anyone else have a thought on that?

Mr. O'Mara. Thank you, Senator. You and I have both run natural resource agencies in our past, and I think having that kind of coordination on the front end is important. We also just have to recognize that the agencies have been hollowed out, in a lot of cases. I am really worried about the amount of investment we are talking about, just not having the bodies and the capacity to actually process things quickly.

Senator Sullivan. Yes, that is a good point.

Mr. O'Mara. So, how the sequestration over the last decade kind of lands in this infrastructure conversation should be there. But I think a combination of coordination on the front end and then also I think there are additional, I think there are some kind of policy pieces we should talk about offline for how to make some of the pieces still comply with NEPA, like you said, not cutting corners, but being much more efficient in terms of the timelines.

Senator Sullivan. Good. Well, we want to work with you on

that.

Let me ask another question. This is an issue that I think should concern this committee, Mr. Chairman and Senator Capito. I have raised it with the OMB Director; I have raised it with the Assistant Secretary for Civil Works for the Army Corps.

But in the President's budget, it says that they will not fund work that directly, the Corps won't fund work that directly subsidizes fossil fuels, including work that lowers the cost of production, lowers the cost of consumption, or raises revenues retained by producers.

When I asked the Corps this, so much of the work that the Corps does is ports, harbors, pipelines. Some estimates of this prohibition would be 40 to 50 percent of the Corps' overall work. That is a remarkable statement.

I don't think the Corps of Engineers agrees with it, but what do you guys think of that? You are talking about ports or pipelines, that is a lot of the work that the Corps does that delivers hydrocarbons, yes, we still need oil and gas. It is not bad.

If you are a worker in that industry, I applaud you. I know you are vilified right now by a lot of people in this Administration. But these are Americans who have built this Country, made it strong.

What do you think of this prohibition that would undercut probably 50 percent of the entire Corps of Engineers' budget? Any views, Mr. McCoy?

Senator Carper. I am going to ask you to be fairly brief; we are well into a vote, and we don't want to miss it. Go ahead. Please, quick, just answer the question.

Senator Sullivan. Or you can submit your answer for the record.

Mr. McCoy. Quickly, basing investment decisions upon types of cargo moved could put other types of cargo on the river system in jeopardy, at a disadvantage, because the river system is just that; it is a system. We move agricultural products, salt, aggregates, in addition to hydrocarbons.

Senator Sullivan. Maybe I can get a question for the record on that question I just posed from the witnesses, Mr. Chairman, just to be respectful of the time. Thank you.

Senator Carper. Yes, no problem. Thank you.

Senator Capito, any closing thought?

Senator Capito. Yes. I just wanted to thank the panelists; in particular, Mr. McCoy, for coming from West Virginia.

Great last question from Senator Sullivan, as I see Mr. McCoy's barges go less than a quarter of a mile past my house



carrying West Virginia coal. And we should be able to have our waterway systems free and available for that type of economy, So thank you. Thank you.

Thanks, Robert.

Senator Carper. Senator Capito, our thanks to you and your staff, to our staff, for all the work in putting together today's hearing.

I want to really thank our witnesses, Collin O'Mara, it is great to see you, Mr. Secretary. Mr. Mario out there in Long Beach, and Amy Larson, and Robert McCoy, the real McCoy. We are delighted you could all join us for this time.

We have a lot of work to do, a lot of work to do, and this committee works together. We are workhorses, and I am looking forward to tackling it and working with the bipartisan staff to do more good work with respect to the Army Corps.

I have one final housekeeping item. I would like to ask unanimous consent to submit for the record a variety of materials that include letters from stakeholders and other materials that relate to today's nomination hearing. Is there objection? Hearing none.

[The referenced information follows:]

Senator Carper. Senators will be allowed to submit questions for the record through close of business on Wednesday, August 11th to our witnesses, and we will compile those questions and submit them to you, and we ask you to reply by Wednesday, August 25th, if you could.

Anything else? Hearing nothing further, thank you all, and this hearing is adjourned. Thanks so much.

[Whereupon, at 11:51 a.m., the hearing was adjourned.]