

February 9, 2022

The Honorable Peter DeFazio
Chairman
Transportation and Infrastructure Committee
U.S. House
2134 Rayburn House Office Building
Washington, DC 20515

The Honorable Sam Graves
Ranking Member
Transportation & Infrastructure Committee
U.S. House
1135 Longworth House Office Building
Washington, DC 20515

Dear Chairman DeFazio and Ranking Member Graves,

On behalf of the National Marine Manufacturers Association (NMMA) – the leading recreational marine trade association in North America, representing nearly 1,300 boat, engine, and accessory manufacturers – I thank you for your leadership in developing reauthorization of the Water Resources Development Act (WRDA) in 2022. Civil Works projects carried out by the U.S. Army Corps of Engineers (USACE) are imperative to supporting sustainable recreational boating access on our nation’s waterways, harbors, lakes, and reservoirs. Accordingly, regular WRDA authorizations allow USACE to execute critical infrastructure projects that grow the boating economy and strengthen communities across the country.

Outdoor recreation has long been an underrecognized economic driver in the United States, yet the outdoor sector accounts for 1.8 percent of U.S. GDP, generating \$689 billion in gross economic output, and supporting over 4.3 million jobs across the country. Overwhelmingly, recreational boating and fishing is the number one contributor to the outdoor recreation economy and is the largest activity in 39 states and the District of Columbia. In 2020, traditional outdoor recreation – such as boating, fishing, hiking, and RVing – thrived, with these activities increasing their contribution to the overall outdoor recreation economy by 22 percent. This increase was driven primarily by higher spending on boating and fishing, which was up nearly 30 percent.

Prior to the pandemic, an estimated 100 million Americans went boating every year, but as more and more Americans have looked to the outdoors for an escape, the recreational boating industry is experiencing record growth with 415,000 first-time boat buyers entering the market in 2020 alone. USACE’s role in supporting the increased demand for public boating access opportunities is evident by the fact that there were 256 million visits to USACE lake and river projects in 2020 compared to the 237 million visitors the National Park Service (NPS) hosted.

In consideration of the extensive role USACE recreation sites played in the recreation economic boom the COVID-19 pandemic precipitated, Congress must start to fund and equip USACE like the leading recreation agency that it is through addressing critical recreation infrastructure needs, and that can begin in your water infrastructure bill.

On behalf of our members, we appreciate the opportunity to share our priorities for this year's WRDA bill. NMMA stands ready to work with you to develop comprehensive water infrastructure policies that provide recreational access and support local economies that are reliant on our nation's waterways.

Sincerely,



Frank Hugelmeier
President
National Marine Manufacturers Association

NMMA WRDA 22 Policy Recommendations

NMMA recommends a series of policy reforms for the WRDA 2022 reauthorization to improve recreation management tools, increase investments in recreation infrastructure, improve prioritization of navigation projects supporting recreation access, enhance federal initiatives to combat aquatic nuisance species, and further the use of natural infrastructure solutions to increase coastal resiliency.

I. Natural Resources Management

Policy goal 1: Improve USACE joint recreation management abilities through amending challenge cost sharing cooperative management agreement (CCSMA) authority to allow USACE to handle partner collected fees and return to the partner after processing the contract fees. Additionally, expand the authority to the private sector to facilitate opportunities for businesses and nonprofit organizations to supplement investments in USACE recreation infrastructure.

Background information: USACE is one of the leading providers of recreation opportunities on public lands and waters, yet resources and tools made available to support USACE recreation activities are chronically inadequate. The WRDA 2016 reauthorization established CCSCMA authority to allow USACE to handle partner collected fees and return to the partner after processing the contract fees. While CCSMAs can help better maintain and improve facilities, several limitations have prevented USACE from fully implementing the CCSCMA authority to date. Under the existing authority, USACE is unable to use the recreation system (Recreation.gov) to collect and handle any non-USACE revenue and send the funds back to the partner, deterring partners who have shown interest in cooperatively managing parks with USACE. Additionally, the current authority only allows for cooperative management with non-federal public entities, but most of the interest USACE has received comes from the private sector, particularly nonprofit organizations.

Policy goal 2: Authorize USACE recreation fee retention to increase funding for USACE recreation facilities and infrastructure.

Background information: Funding inequities among USACE and other federal land and water management agencies across the federal family are extensive. USACE managed recreation sites and facilities are systemically underfunded from the Operations and Management account, and although USACE is a top provider of public recreation opportunities, USACE is typically excluded or benefits minimally from federal lands and waters policy and funding opportunities such as the Federal Lands Recreation Enhancement Act (FLREA), the Federal Land Transportation Program (FLTP), and the Great American Outdoors Act (GAOA).

The next WRDA will pass following an historic investment in our nation's infrastructure with the Infrastructure Investment and Jobs Act (IIJA). While the bipartisan infrastructure law made initial investments in projects important to the outdoor recreation economy, the bill ultimately left crucial recreation projects unfunded. Less than 4 percent of IIJA's appropriations for USACE were allocated to outdoor recreation, a drop in the bucket for an industry that supports \$689 billion in economic activity and 4.3 million American jobs.

Providing USACE with the authority to retain recreation fees to reinvest in recreation infrastructure would be a commonsense change to better fund USACE-managed recreation sites. FLREA allows recreation-providing land management agencies to collect and retain a portion of entrance, camping, parking, and other fees. While FLREA has been incredibly successful in facilitating fees to be reinvested in revenue-generating recreation infrastructure, the program lacks the inclusion of the USACE. Given USACE's popularity and economic impact--hosting 270 million recreation visits per year and generating \$11 billion in economic impact--it is imperative FLREA authority is extended to USACE, or a similar fee retention ability is made available to allow recreation fee revenue to be reinvested in the infrastructure generating said revenue to improve the quality of recreational assets and services and address the backlog of maintenance needs at recreation facilities.

Despite the USACE's extensive number of transportation infrastructure assets and important role attracting recreational visitors, USACE does not receive set-aside funding from the FLTP to improve access to federal lands and waters. However, agencies such as the Fish and Wildlife Service (FWS) and the US Forest Service (FS), which attract a smaller share of visitors each year, receive this set-aside funding. As USACE deferred maintenance costs continue to stack up, this additional funding would provide critical investments in the highest priority road, bridge, tunnel, and parking lot projects that support USACE recreation access points.

The new reality post-GAOA is that a majority of FLTP funding could continue to be directed towards GAOA recipients, leaving USACE, the U.S. Bureau of Reclamation (USBR), and the Bureau of Land Management (BLM) - which are additional GAOA recipients - to compete for any remaining funding to go towards maintaining infrastructure that provides access to high-visitation recreation sites.

The Bipartisan Infrastructure bill authorized FLTP funding in slight year over year increments averaging \$438,965,000 annually, with the majority of FLTP funding going towards NPS, while maintaining set asides for FWS and FS. NMMA requests that the committee establish a set aside for USACE at \$16 million annually, representing 2.8 percent of total proposed funding. While \$16 million is far from USACE's estimated \$100 million annual needs in FLTP funding, this set aside provision represents a step in the right direction towards providing increased, consistent transportation maintenance funding for the agency. Providing USACE with adequate funding through FLTP will go a long way towards conserving the nation's lakes, reservoirs, rivers, waterways, and the economic impact of outdoor recreation.

II. Navigation

Policy goal: Address critical navigation needs at harbors and waterways supporting recreation access.

Background information: Congress created the Harbor Maintenance Trust Fund (HMTF) in 1985 to pay for operations and maintenance costs of all federal ports and harbors. Since inception of the HMTF, USACE project funding has prioritized projects based on commercial activity and does not take economic impact driven by recreation into account.

Newly released economic data from the Bureau of Economic Analysis (BEA) on the national and state levels proved the powerful and positive economic impact of outdoor recreation. In 2020, outdoor recreation generated \$689 billion in gross economic output and supported 4.3 million American jobs, with boating and fishing remaining the top contributors to outdoor recreation's economic activity across the country. It is shortsighted and negligent for federal investments in water infrastructure projects, particularly those in small and emerging harbors where recreation is most prominent, to be based off analysis that omits recreation as a metric for economic benefits.

Furthermore, as climate risks increase and our nation works to advance community resilience, it will be imperative for USACE to account for the public safety and social and economic costs created and preserved by utilizing natural and nature-based infrastructure measures, particularly for underserved communities.

If properly implemented, the USACE upcoming interagency guidelines for implementing the Planning Principles, Requirements, and Guidelines should provide important guidance for addressing some of these problems with inaccurate BCR assessments. However, additional Congressional action is required to ensure that the USACE (1) accounts for the appropriate categories of project benefits and project costs, such as recreation; and (2) accounts for the inherent limitations of the BCR process which make it unsuitable as the sole decision tool for determining project investments.

NMMA requests WRDA 2022 continue to modernize the BCR process. The Committee should establish additional specific criteria to ensure that BCRs fully account for project economic, societal, and environmental costs and benefits, including economic impact driven by recreation. This change would allow USACE to more effectively fulfill its missions to

reduce flood risk, ensure safe, reliable navigation of our nation's waterways, and conserve and restore the environment and outdoor economy and recreational opportunities that depend on healthy waters.

III. Aquatic Nuisance Species

Policy goal: Remove state cost-share requirement for Brandon Road project to allow full federal funding for authorized \$858 million.

Background information: The spread of aquatic nuisance species (ANS) is a national problem that Congress must address. The damage caused by invasive species are estimated to cost the U.S. \$5.4 billion each year, yet the federal government only spends approximately \$260 million each year to combat ANS.

The U.S. Army Corps of Engineers has evaluated potential control options and technologies at Brandon Road Lock and Dam to prevent the upstream Interbasin transfer of ANS while minimizing impacts to Illinois Waterway uses and users. This effort has identified a recommended plan. Implementation of the recommended plan requires congressional authorization.

WRDA 2020 approved the Brandon Road project and authorized \$858 million. The bill laid out a cost-share formula under which the federal government pays 80 percent and states pay 20 percent.

Governors in the region contend the initiative's cost is too much for the states to cover and the federal government must step in. According to a letter sent from the Governors of Wisconsin, Ohio, New York, Indiana, Illinois, Minnesota, Michigan and Pennsylvania to House and Senate committee leadership, the 20 percent nonfederal cost-share is "beyond the capacity of the Great Lakes states to match." The leaders argued the region's \$7 billion commercial and sport fishing industry and \$15 billion recreational boating industry would be devastated if invasive carp were to become established in the Great Lakes and the St. Lawrence River.

IV. Resiliency & Restoration

Policy goal 1: Establish a Resilience Directorate within the Office of the Chief of Engineers.

Background information: USACE's vast authorities to plan, design, and implement water resources projects, manage and protect communities from floods, protect wetlands, estuaries, and other aquatic systems, advance ecosystem restoration, and implement nature-based solutions, among other purposes, places the agency in an ideal position to support climate resilience and adaptation to a changing climate in the United States. USACE's organizational structure tends to silo different directorates, programs, divisions,

and districts, and weakens opportunities to advance innovative programs such as the new Revolutionize Program.

The Committee's establishment of a Resilience Directorate within the Office of the Chief of Engineers that leverages natural solutions alone or in concert with structural solutions to promote resilience, restore wildlife habitats, and strengthen the outdoor-based economy would support both recent advancements made toward resilience authorities in WRDA 2018 and WRDA 2020 as well as support the Army Corps' Revolutionize Program through one central directorate.

Policy goal 2: Direct the Corps to further evaluate the potential of natural distributed storage approaches to reduce natural hazard risk to western water supplies. Few projects have been implemented and monitored at a large enough scale to assess changes in streamflow and water storage.

Policy goal 3: Amend Section 155 of WRDA 2020, to include authorization of the study, design, and construction of naturally distributed storage projects that facilitate water storage and other public and environmental co-benefit, and direct USACE to prioritize the assessment of western natural infrastructure approaches through existing and new programs.

Background information: NMMA is strongly supportive of USACE deploying natural infrastructure solutions to reduce natural hazard risks to western water supplies and boating access infrastructure, while enhancing environmental co-benefits. Drought and wildfires continue to cause significant impacts to western water supplies and boating access infrastructure. To address these concerns, there is growing interest in the use of natural distributed storage practices, which refer to projects using primarily natural materials or restoration techniques with the intent to promote aquifer recharge and water retention. Natural distributed storage practices, which include low-tech, process-based restoration techniques, have shown promise in enhancing water security for water users, moderating flood events, and serving as natural fire breaks to protect western water supplies.

Further, we support prioritizing the use of low-tech, process-based restoration techniques through existing Continuing Authorities Programming to reduce natural hazard risks.

Policy goal 4: Reduce or remove the match requirement under the Continuing Authorities Program for restoration and resilience projects deemed essential in the face of a changing climate.

Background Information: The Corps is often unable to conduct essential restoration and resilience projects for aquatic ecosystems because they are unable to find a non-federal cost-sharing partner. We recommend the Committee consider reducing or removing the

match requirement under the Continuing Authorities Program for restoration and resilience projects which are deemed essential in the face of a changing climate.