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Streamlining Section 219 Environmental Infrastructure: Delivering Results and Maximizing Every Federal Dollar Expended

Issue

Section 219 of the Water Resources Development Act of 1992 authorizes the U.S. Army Corps of Engineers (USACE) to assist local governments with water-related environmental infrastructure projects, including drinking water, wastewater, stormwater, and environmental restoration. However, unlike many other Corps environmental infrastructure authorities, Section 219 currently limits the Corps to providing assistance only through federal procurement.

As a result, the Corps must directly manage design, contracting, and construction for Section 219 projects, even when local governments are better positioned to deliver the work more quickly and at lower cost. This statutory limitation is creating unnecessary delays, inefficiencies, and higher costs for both the federal government and local sponsors.

The Problem

Under current law:

- USACE must act as the construction manager for Section 219 projects, regardless of local capacity.
- Projects are delayed or stalled because Corps districts lack sufficient staff or contracting capacity.
- Federal procurement requirements add cost premiums and administrative overhead.
- Congress appropriates funds that are difficult for the Corps to obligate efficiently.

In practice, the Corps has at times declined to move forward on otherwise ready projects simply because it does not have the internal capacity to execute them. This can potentially result in a shovel-ready critical protective project experiencing significant delays in project initiation and completion, or in a project never moving forward at all.

The Solution: Authorize Reimbursements

A simple statutory fix would allow the federal share of Section 219 project costs to be provided in the form of reimbursements, consistent with many other long-standing Corps environmental infrastructure authorities.

Proposed change:

Amend Section 219 to allow the federal share of project costs to be provided in the form of reimbursements to non-federal project sponsors for non-federal project expenditures.

This approach is already authorized and successfully used under numerous other Corps environmental infrastructure programs, including regional, state, and multi-state authorities

Why This Saves Money and Improves Delivery

1. Lower Federal Costs

Local governments routinely deliver infrastructure projects at lower cost than federal procurement allows. They use existing local contractors, competitive pricing, and streamlined delivery methods, reducing total project costs and stretching limited federal dollars further.

2. Reduced Corps Administrative Burden

Allowing reimbursements eliminates the need for the Corps to manage every construction contract. This frees up already stretched Corps staff, reduces overhead, and allows districts to support more projects without expanding federal capacity.

3. Faster Project Delivery

Non-federal sponsors can move quickly using shovel-ready designs and existing contracting vehicles. Reimbursement authority removes months, or potentially years, of delay associated with federal procurement and contracting.

4. More Projects for the Same Funding

By avoiding federal cost premiums and capacity bottlenecks, reimbursement authority allows Congress's appropriations to translate into more completed projects, rather than sitting unobligated.

5. Alignment with Established Corps Practice

Many Corps environmental infrastructure authorities already allow grants and reimbursements. Updating Section 219 simply brings it into alignment with proven, bipartisan, and fiscally responsible delivery models.

Congress Has Clear Precedent to Act

Congress has repeatedly authorized federal assistance for environmental infrastructure to be provided in the form of grants or reimbursements under regional, state, and multi-state Environmental Infrastructure (EI) authorities. This delivery model is well established and has been used successfully for decades to improve efficiency, reduce federal administrative burden, and accelerate project delivery.

Most recently, the Water Resources Development Act of 2024 (WRDA 2024, Public Law 118-272) authorized five new regional, state, or multi-state Environmental Infrastructure programs, each of which expressly allows federal assistance to be provided in the form of grants or reimbursements, including the following: Sec. 1332. Western Washington State, Washington; Sec. 1340. Kentucky and West Virginia Environmental Infrastructure; Sec. 1344. Southeastern North Carolina Environmental Infrastructure; Sec. 1348. Oregon Environmental Infrastructure; and, Sec. 1349. Pennsylvania Environmental Infrastructure. In fact, the vast majority if not all existing multi-state, state, or regional EI authorities approved by Congress since 2007 allow federal assistance to be provided to non-federal sponsors through grants or reimbursements.

The requested Section 219 statutory fix is more limited than these precedents. It seeks only reimbursement authority, not grant authority, and simply aligns Section 219 with long-standing, bipartisan congressional practice across the Corps' broader EI portfolio.

Bottom Line

Authorizing reimbursements under Section 219 is a commonsense reform that allows the Corps to do more with less and ensures that limited federal dollars deliver real, on-the-ground infrastructure improvements.

- This is not a new program and does not increase authorizations or the federal cost shares.
- It is a targeted statutory fix that improves efficiency and accountability.
- It saves money for taxpayers, accelerates infrastructure delivery, and helps the Corps meet congressional intent.
- It empowers local governments, who already own and operate the infrastructure, to deliver results faster and at lower cost.

Specifically, we request the following amendment to section 219 of the Water Resources Development Act of 1992, as amended:

At the appropriate place in the bill, add the following:

Section 219 of the Water Resources Development Act of 1992, as amended, is further amended to redesignate subparagraph (d) as subparagraph (e) and insert a new subparagraph (d) as follows:

(d) Reimbursements – For projects, or separable elements of projects, for which assistance is provided under this section, the Federal share may be in the form of reimbursements of non-Federal project costs.