S. 2288

To modernize water resources planning, and for other purposes.

IN THE SENATE OF THE UNITED STATES

February 15, 2006

Mr. Feingold (for himself and Mr. McCain) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

A BILL

To modernize water resources planning, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Water Resources Plan-
- 5 ning and Modernization Act of 2006".
- 6 SEC. 2. DEFINITIONS.
- 7 In this Act:
- 8 (1) COUNCIL.—The term "Council" means the
- 9 Water Resources Council established under section

1	101 of the Water Resources Planning Act (42
2	U.S.C. 1962a).
3	(2) Secretary.—The term "Secretary" means
4	the Secretary of the Army.
5	SEC. 3. NATIONAL WATER RESOURCES PLANNING AND
6	MODERNIZATION POLICY.
7	It is the policy of the United States that all water
8	resources projects carried out by the Corps of Engineers
9	shall—
10	(1) reflect national priorities for flood damage
11	reduction, navigation, and ecosystem restoration;
12	and
13	(2) seek to avoid the unwise use of floodplains,
14	minimize vulnerabilities in any case in which a flood-
15	plain must be used, protect and restore the extent
16	and functions of natural systems, and mitigate any
17	unavoidable damage to natural systems.
18	SEC. 4. MEETING THE NATION'S WATER RESOURCE PRIOR-
19	ITIES.
20	(a) Report on the Nation's Flood Risks.—Not
21	later than 18 months after the date of enactment of this
22	Act, the Council shall submit to the President and Con-
23	gress a report describing the vulnerability of the United
24	States to damage from flooding and related storm dam-
25	age, including the risk to human life, the risk to property,

- 1 and the comparative risks faced by different regions of the
- 2 country. The report shall assess the extent to which the
- 3 Nation's programs relating to flooding are addressing
- 4 flood risk reduction priorities and the extent to which
- 5 those programs may unintentionally be encouraging devel-
- 6 opment and economic activity in floodprone areas, and
- 7 shall provide recommendations for improving those pro-
- 8 grams in reducing and responding to flood risks. Not later
- 9 than 90 days after the report required by this subsection
- 10 is published in the Federal Register, the Administration
- 11 shall submit to Congress a report that responds to the
- 12 recommendations of the Council and includes proposals to
- 13 implement recommendations of the Council.
- 14 (b) Prioritization of Water Resources
- 15 Projects.—
- 16 (1) IN GENERAL.—Not later than 1 year after
- the date of enactment of this Act, the Council shall
- submit to Congress an initial report containing a
- prioritized list of each water resources project of the
- 20 Corps of Engineers that is not being carried out
- 21 under a continuing authorities program, categorized
- by project type and recommendations with respect to
- a process to compare all water resources projects
- 24 across project type. The Council shall submit to
- 25 Congress a prioritized list of water resources

1	projects of the Corps of Engineers every 2 years fol-
2	lowing submission of the initial report. In preparing
3	the prioritization of projects, the Council shall en-
4	deavor to balance stability in the rankings from year
5	to year with recognizing newly authorized projects.
6	Each report prepared under this paragraph shall
7	provide documentation and description of any cri-
8	teria used in addition to those set forth in paragraph
9	(2) for comparing water resources projects and the
10	assumptions upon which those criteria are based.

- (2) PROJECT PRIORITIZATION CRITERIA.—In preparing a report under paragraph (1), the Council shall prioritize each water resource project of the Corps of Engineers based on the extent to which the project meets at least the following criteria:
 - (A) For flood damage reduction projects, the extent to which such a project—
 - (i) addresses the most critical flood damage reduction needs of the United States as identified by the Council;
 - (ii) does not encourage new development or intensified economic activity in flood prone areas and avoids adverse environmental impacts; and

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1	(iii) provides significantly increased
2	benefits to the United States through the
3	protection of human life, property, eco-
4	nomic activity, or ecosystem services.
5	(B) For navigation projects, the extent to
6	which such a project—
7	(i) produces a net economic benefit to
8	the United States based on a high level of
9	certainty that any projected trends upon
10	which the project is based will be realized;
11	(ii) addresses priority navigation
12	needs of the United States identified
13	through comprehensive, regional port plan-
14	ning; and
15	(iii) minimizes adverse environmental
16	impacts.
17	(C) For environmental restoration projects,
18	the extent to which such a project—
19	(i) restores the natural hydrologic
20	processes and spatial extent of an aquatic
21	habitat;
22	(ii) is self-sustaining; and
23	(iii) is cost-effective or produces eco-
24	nomic benefits.

- 1 (3) Sense of congress.—It is the sense of 2 Congress that to promote effective prioritization of 3 water resources projects, no project should be au-4 thorized for construction unless a final Chief's re-5 port recommending construction has been submitted 6 to Congress, and annual appropriations for the 7 Corps of Engineers' Continuing Authorities Pro-8 grams should be distributed by the Corps of Engi-9 neers to those projects with the highest degree of de-10 sign merit and the greatest degree of need, con-11 sistent with the applicable criteria established under 12 paragraph (2).
- 13 (c) Modernizing Water Resources Planning 14 Guidelines.—
 - (1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, and every 5 years thereafter, the Council, in coordination with the National Academy of Sciences, shall propose revisions to the planning principles and guidelines, regulations, and circulars of the Corps of Engineers to improve the process by which the Corps of Engineers analyzes and evaluates water projects.
 - (2) Public Participation.—The Council shall solicit public and expert comment and testimony re-

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1	garding proposed revisions and shall subject pro-
2	posed revisions to public notice and comment.
3	(3) Revisions.—Revisions proposed by the
4	Council shall improve water resources project plan-
5	ning through, among other things—
6	(A) focusing Federal dollars on the highest
7	water resources priorities of the United States;
8	(B) requiring the use of modern economic
9	principles and analytical techniques, credible
10	schedules for project construction, and current
11	discount rates as used by all other Federal
12	agencies;
13	(C) discouraging any project that induces
14	new development or intensified economic activ-
15	ity in flood prone areas, and eliminating biases
16	and disincentives to providing projects to low-
17	income communities, including fully accounting
18	for the prevention of loss of life as required by
19	section 904 of the Water Resources Develop-
20	ment Act of 1986 (33 U.S.C. 2281);
21	(D) eliminating biases and disincentives
22	that discourage the use of nonstructural ap-
23	proaches to water resources development and

management, and fully accounting for the flood

1	protection and other values of healthy natural
2	systems;
3	(E) utilizing a comprehensive, regional ap-
4	proach to port planning;
5	(F) promoting environmental restoration
6	projects that reestablish natural processes;
7	(G) analyzing and incorporating lessons
8	learned from recent studies of Corps of Engi-
9	neers programs and recent disasters such as
10	Hurricane Katrina and the Great Midwest
11	Flood of 1993; and
12	(H) ensuring the effective implementation
13	of the National Water Resources Planning and
14	Modernization Policy established by this Act.
15	(d) REVISION OF PLANNING GUIDELINES.—Not later
16	than 180 days after submission of the proposed revisions
17	required by subsection (b), the Secretary shall implement
18	the recommendations of the Council by incorporating the
19	proposed revisions into the planning principles and guide-
20	lines, regulations, and circulars of the Corps of Engineers.
21	These revisions shall be subject to public notice and com-
22	ment pursuant to subchapter II of chapter 5, and chapter
23	7, of title 5, United States Code (commonly known as the
24	"Administrative Procedure Act"). Effective beginning on
25	the date on which the Secretary carries out the first revi-

- 1 sion under this paragraph, the Corps of Engineers shall
- 2 not be subject to—
- 3 (1) subsections (a) and (b) of section 80 of the
- 4 Water Resources Development Act of 1974 (42
- 5 U.S.C. 1962d–17); and
- 6 (2) any provision of the guidelines entitled
- 7 "Economic and Environmental Principles and
- 8 Guidelines for Water and Related Land Resources
- 9 Implementation Studies" and dated 1983, to the ex-
- tent that such a provision conflicts with a guideline
- 11 revised by the Secretary.
- 12 (e) AVAILABILITY.—Each report prepared under this
- 13 section shall be published in the Federal Register and sub-
- 14 mitted to the Committees on Environment and Public
- 15 Works and Appropriations of the Senate and the Commit-
- 16 tees on Transportation and Infrastructure and Appropria-
- 17 tions of the House of Representatives.
- 18 (f) Water Resources Council.—Section 101 of
- 19 the Water Resources Planning Act (42 U.S.C. 1962a) is
- 20 amended in the first sentence by inserting "the Secretary
- 21 of Homeland Security, the Chairperson of the Council on
- 22 Environmental Quality," after "Secretary of Transpor-
- 23 tation,".

(g) Funding.—In carrying out this section, the 1 2 Council shall use funds made available for the general op-3 erating expenses of the Corps of Engineers. 4 SEC. 5. EFFECTIVE PROJECT PLANNING. 5 (a) Definitions.—In this section: 6 (1) Affected State.—The term "affected State" means a State that is located, in whole or in 7 8 part, within the drainage basin in which a water re-9 sources project is carried out and that would be eco-10 nomically or environmentally affected as a result of 11 the project. (2) Director.—The term "Director" means 12 13 the Director of Independent Review appointed under 14 subsection (c). 15 (3) Study.—The term "study" means a feasi-16 bility report, general reevaluation report, or environ-17 mental impact statement prepared by the Corps of 18 Engineers. 19 (b) Projects Subject to Independent 20 VIEW.— 21 (1) IN GENERAL.—The Secretary shall ensure 22 that each study for each water resources project de-23 scribed in paragraph (2) is subject to review by an 24 independent panel of experts established under this

section.

1	(2) Projects subject to review.—A water
2	resources project shall be subject to review under
3	this section if—
4	(A) the project has an estimated total cost
5	of more than \$25,000,000, including mitigation
6	costs;
7	(B) the Governor of an affected State re-
8	quests in writing to the Secretary the establish-
9	ment of an independent panel of experts for the
10	project;
11	(C) the head of a Federal agency charged
12	with reviewing the project determines that the
13	project is likely to have a significant adverse
14	impact on cultural, environmental, or other re-
15	sources under the jurisdiction of the agency,
16	and requests in writing to the Secretary the es-
17	tablishment of an independent panel of experts
18	for the project; or
19	(D) the Secretary determines that the
20	project is controversial based upon a finding
21	that—
22	(i) there is a significant dispute re-
23	garding the size, nature, or effects of the
24	project:

1	(ii) there is a significant dispute re-
2	garding the economic or environmental
3	costs or benefits of the project; or
4	(iii) there is a significant dispute re-

- (iii) there is a significant dispute regarding the potential benefits to communities affected by the project of a project alternative that was not fully considered in the study.
- (3) WRITTEN REQUESTS.—Not later than 30 days after the date on which the Secretary receives a written request of any party, or on the initiative of the Secretary, the Secretary shall determine whether a project is controversial.

(c) DIRECTOR OF INDEPENDENT REVIEW.—

- (1) IN GENERAL.—The Inspector General of the Army shall appoint in the Office of the Inspector General of the Army a Director of Independent Review. The term of a Director appointed under this subsection shall be 6 years, and an individual may serve as the Director for not more than 2 nonconsecutive terms.
- (2) QUALIFICATIONS.—The Inspector General of the Army shall select the Director from among individuals who are distinguished experts in engineering, hydrology, biology, economics, or another dis-

cipline relating to water resources management. The Inspector General of the Army shall not appoint an individual to serve as the Director if the individual has a financial interest in or close professional association with any entity with a financial interest in a water resources project that, on the date of appointment of the Director, is under construction, in the preconstruction engineering and design phase, or under feasibility or reconnaissance study by the Corps of Engineers. The Inspector General of the Army may establish additional criteria if necessary to avoid a conflict of interest between the individual appointed as Director and the projects subject to review.

(3) DUTIES.—The Director shall establish a panel of experts to review each water resources project that is subject to review under subsection (b).

(d) Establishment of Panels.—

(1) IN GENERAL.—Not later than 90 days before the release of a draft study subject to review under subsection (b)(2)(A), and not later than 30 days after a determination that a review is necessary under subparagraph (B), (C), or (D) of subsection (b)(2), the Director shall establish a panel of experts

- to review the draft study. Panels may be convened
 earlier on the request of the Chief of Engineers.
 - (2) Membership.—A panel of experts established by the Director for a project shall be composed of not less than 5 nor more than 9 independent experts (including 1 or more engineers, hydrologists, biologists, and economists) who represent a range of areas of expertise.
 - (3) Limitation on appointments.—The Director shall apply the National Academy of Science's policy for selecting committee members to ensure that members of a review panel have no conflict with the project being reviewed.
 - (4) Consultation.—The Director shall consult with the National Academy of Sciences in developing lists of individuals to serve on panels of experts under this section.
 - (5) Notification.—To ensure that the Director is able to effectively carry out the duties of the Director under this section, the Secretary shall notify the Director in writing not later than 120 days before the release of a draft study for a project costing more than \$25,000,000 or for which a preliminary assessment suggests that a panel of experts may be required.

- 1 (6) COMPENSATION.—An individual serving on 2 a panel of experts under this section shall be com-3 pensated at a rate of pay to be determined by the 4 Inspector General of the Army.
- of experts under this section shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the panel.
- 13 (e) Duties of Panels.—A panel of experts estab-14 lished for a water resources project under this section 15 shall—
- 16 (1) review each draft study prepared for the 17 project;
 - (2) assess the adequacy of the economic, scientific, and environmental models used by the Secretary in reviewing the project and assess whether the best available economic and scientific data and methods of analysis have been used;
 - (3) assess the extent to which the study complies with the National Water Resources Planning and Modernization Policy established by this Act;

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- 1 (4) evaluate the engineering assumptions and 2 plans for any flood control structure whose failure 3 could result in significant flooding;
 - (5) receive from the public written and oral comments concerning the project;
 - (6) submit an Independent Review Report to the Secretary that addresses the economic, engineering, and environmental analyses of the project, including the conclusions of the panel, with particular emphasis on areas of public controversy, with respect to the study; and
 - (7) submit a Final Assessment Report to the Secretary that briefly provides the views of the panel on the extent to which the final study prepared by the Corps adequately addresses issues or concerns raised by the panel in the Independent Review Report.
- (f) DEADLINES FOR PANEL REPORTS.—A panel shall submit its Independent Review Report under subsection (e)(6) to the Secretary not later than 90 days after the close of the public comment period or not later than 180 days after the panel is convened, whichever is later. A panel shall submit its Final Assessment Report under subsection (e)(7) to the Secretary not later than 30 days after

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- 1 release of the final study. The Director may extend these
- 2 deadlines for good cause shown.
- 3 (g) Recommendations of Panel.—
- 4 (1) Consideration by secretary.—If the 5 Secretary receives an Independent Review Report on 6 a water resources project from a panel of experts 7 under subsection (e)(6), the Secretary shall, at least 8 30 days before releasing a final study for the 9 project, take into consideration any recommenda-10 tions contained in the report, prepare a written ex-11 planation for any recommendations not adopted, and 12 make such written explanations available to the pub-13 lic, including through posting on the Internet.
 - (2) Inconsistent recommendations and findings of the Findings.—Recommendations and findings of the Secretary that are inconsistent with the recommendations and findings of a panel of experts under this section shall not be entitled to deference in a judicial proceeding.
 - (3) SUBMISSION TO CONGRESS AND PUBLIC AVAILABILITY.—After receiving an Independent Review Report under subsection (e)(6) or a Final Assessment Report under subsection (e)(7), the Secretary shall immediately make a copy of the report available to the public. The Secretary also shall im-

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- 1 mediately make available to the public any written
- 2 response by the Secretary prepared pursuant to
- paragraph (1). Copies of all independent review
- 4 panel reports and all written responses by the Sec-
- 5 retary also shall be included in any report submitted
- 6 to Congress concerning the project.
- 7 (h) RECORD OF DECISION.—The Secretary shall not
- 8 issue a record of decision or a report of the Chief of Engi-
- 9 neers for a water resources project subject to review under
- 10 this section until, at the earliest, 14 days after the dead-
- 11 line for submission of the Final Assessment Report re-
- 12 quired under subsection (e)(7).
- 13 (i) Public Access to Information.—The Sec-
- 14 retary shall ensure that information relating to the anal-
- 15 ysis of any water resources project by the Corps of Engi-
- 16 neers, including all supporting data, analytical documents,
- 17 and information that the Corps of Engineers has consid-
- 18 ered in the justification for and analysis of the project,
- 19 is made available to the public on the Internet and to an
- 20 independent review panel, if a panel is established for the
- 21 project. The Secretary shall not make information avail-
- 22 able under this paragraph if the Secretary determines that
- 23 the information is a trade secret of any person that pro-
- 24 vided the information to the Corps of Engineers.
- 25 (j) Costs of Review.—

1	(1) In general.—The cost of conducting a re-
2	view of a water resources project under this section
3	shall not exceed—
4	(A) \$250,000 for a project, if the total cost
5	of the project in current year dollars is less
6	than $$50,000,000$; and
7	(B) 0.5 percent of the total cost of the
8	project in current year dollars, if the total cost
9	is \$50,000,000 or more.
10	(2) WAIVER.—The Secretary may waive these
11	cost limitations if the Secretary determines that the
12	waiver is appropriate.
13	(k) Applicability of Federal Advisory Com-
14	MITTEE ACT.—The Federal Advisory Committee Act (5
15	U.S.C. App.) shall apply to a panel of experts established
16	under this section.
17	SEC. 6. MITIGATION.
18	(a) Mitigation.—Section 906(d) of the Water Re-
19	sources Development Act of 1986 (33 U.S.C. 2283(d)) is
20	amended—
21	(1) in paragraph (1), by striking "to the Con-
22	gress" and inserting "to Congress, and shall not
23	choose a project alternative in any final record of de-
24	cision, environmental impact statement, or environ-
25	mental assessment,", and by inserting in the second

1	sentence "and other habitat types" after "bottom-
2	land hardwood forests"; and
3	(2) by adding at the end the following:
4	"(3) MITIGATION REQUIREMENTS.—
5	"(A) MITIGATION.—To mitigate losses to
6	flood damage reduction capabilities and fish
7	and wildlife resulting from a water resources
8	project, the Secretary shall ensure that mitiga-
9	tion for each water resources project complies
10	fully with the mitigation standards and policies
11	established by each State in which the project
12	is located. Under no circumstances shall the
13	mitigation required for a water resources
14	project be less than would be required of a pri-
15	vate party or other entity under section 404 of
16	the Federal Water Pollution Control Act (33
17	U.S.C. 1344).
18	"(B) MITIGATION PLAN.—The specific
19	mitigation plan for a water resources project re-
20	quired under paragraph (1) shall include, at a
21	minimum—
22	"(i) a detailed plan to monitor mitiga-
23	tion implementation and ecological success,
24	including the designation of the entities
25	that will be responsible for monitoring;

1	"(ii) specific ecological success criteria
2	by which the mitigation will be evaluated
3	and determined to be successful, prepared
4	in consultation with the Director of the
5	United States Fish and Wildlife Service or
6	the Director of the National Marine Fish-
7	eries Service, as appropriate, and each
8	State in which the project is located;
9	"(iii) a detailed description of the land
10	and interests in land to be acquired for
11	mitigation, and the basis for a determina-
12	tion that land and interests are available
13	for acquisition;
14	"(iv) sufficient detail regarding the
15	chosen mitigation sites, and types and
16	amount of restoration activities to be con-
17	ducted, to permit a thorough evaluation of
18	the likelihood of the ecological success and
19	aquatic and terrestrial resource functions
20	and habitat values that will result from the
21	plan; and
22	"(v) a contingency plan for taking
23	corrective actions if monitoring dem-
24	onstrates that mitigation efforts are not

1	achieving ecological success as described in
2	the ecological success criteria.

- "(4) Determination of mitigation success.—
 - "(A) IN GENERAL.—Mitigation under this subsection shall be considered to be successful at the time at which monitoring demonstrates that the mitigation has met the ecological success criteria established in the mitigation plan.

"(B) EVALUATION AND REPORTING.—The Secretary shall consult annually with the Director of the United States Fish and Wildlife Service and the Director of the National Marine Fisheries Service, as appropriate, and each State in which the project is located, on each water resources project requiring mitigation to determine whether mitigation monitoring for that project demonstrates that the project is achieving, or has achieved, ecological success. Not later than 60 days after the date of completion of the annual consultation, the Director of the United States Fish and Wildlife Service or the Director of the National Marine Fisheries Service, as appropriate, shall, and each

1	State in which the project is located may, sub-
2	mit to the Secretary a report that describes—
3	"(i) the ecological success of the miti-
4	gation as of the date of the report;
5	"(ii) the likelihood that the mitigation
6	will achieve ecological success, as defined
7	in the mitigation plan;
8	"(iii) the projected timeline for achiev-
9	ing that success; and
10	"(iv) any recommendations for im-
11	proving the likelihood of success.
12	The Secretary shall respond in writing to the
13	substance and recommendations contained in
14	such reports not later than 30 days after the
15	date of receipt. Mitigation monitoring shall con-
16	tinue until it has been demonstrated that the
17	mitigation has met the ecological success cri-
18	teria.".
19	(b) MITIGATION TRACKING SYSTEM.—
20	(1) In general.—Not later than 180 days
21	after the date of enactment of this Act, the Sec-
22	retary shall establish a recordkeeping system to
23	track, for each water resources project constructed,
24	operated, or maintained by the Secretary and for

1	each permit issued under section 404 of the Federal
2	Water Pollution Control Act (33 U.S.C. 1344)—
3	(A) the quantity and type of wetland and
4	other habitat types affected by the project,
5	project operation, or permitted activity;
6	(B) the quantity and type of mitigation re-
7	quired for the project, project operation, or per-
8	mitted activity;
9	(C) the quantity and type of mitigation
10	that has been completed for the project, project
11	operation, or permitted activity; and
12	(D) the status of monitoring for the miti-
13	gation carried out for the project, project oper-
14	ation, or permitted activity.
15	(2) Required information and organiza-
16	TION.—The recordkeeping system shall—
17	(A) include information on impacts and
18	mitigation described in paragraph (1) that
19	occur after December 31, 1969; and
20	(B) be organized by watershed, project,
21	permit application, and zip code.
22	(3) AVAILABILITY OF INFORMATION.—The Sec-
23	retary shall make information contained in the rec-
24	ordkeeping system available to the public on the
25	Internet.

1 SEC. 7. PROJECT ADMINISTRATION.

- 2 (a) Chief's Reports.—The Chief of Engineers shall
- 3 not submit a Chief's report to Congress recommending
- 4 construction of a water resources project until that Chief's
- 5 report has been reviewed and approved by the Secretary
- 6 of the Army.
- 7 (b) Project Tracking.—The Secretary shall assign
- 8 a unique tracking number to each water resources project,
- 9 to be used by each Federal agency throughout the life of
- 10 the project.
- 11 (c) Report Repository.—The Secretary shall
- 12 maintain at the Library of Congress a copy of each final
- 13 feasibility study, final environmental impact statement,
- 14 final reevaluation report, record of decision, and report to
- 15 Congress prepared by the Corps of Engineers. These docu-
- 16 ments shall be made available to the public for review, and
- 17 electronic copies of those documents shall be permanently
- 18 available, through the Internet website of the Corps of En-
- 19 gineers.

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