

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

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WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5051
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<https://oversight.house.gov>

May 9, 2022

The Honorable Gene L. Dodaro
Comptroller General
U.S. Government Accountability Office
441 G Street, N.W.
Washington, DC 20548

Dear Comptroller General Dodaro:

The U.S. Army Corps of Engineers (the Corps) has the authority to charge administrative fees for certain real estate transactions at Corps owned and managed marinas.¹ According to information reviewed by Committee Republicans, the Corps appears to be levying inconsistent, confusing, unexpected, and exorbitant fees against marina business owners. On February 2, 2021, we wrote to the Corps requesting documents and communications about the management of marinas. While the Corps' response was helpful and appreciated, questions still remain about the policy and procedures used to charge administrative fees.

Marinas are often managed by small business owners. Unexpected fees can have serious impacts to their businesses, especially when fees may be disproportionate to the revenues business owners may be expecting from a proposed action. Examples of fees facing marina owners include \$20,000 to review a marina development plan, \$9,500 to review the expansion of a picnic area into a campsite, and \$500 to approve an event. This raises questions about what constitutes a real estate transaction and how fees are calculated.

While certain Corps district offices have provided some fee schedules, it is not clear if fees are being calculated consistently across districts, or if there is a broader Corps-wide policy with regard to the charging of these administrative fees. Under 10 U.S.C. § 2695, such fees can only be charged to cover administrative expenses incurred by the Secretary by entering into a transaction.

Given that GAO has published a design guide for federal user fees, we request that GAO undertake a study of the Corps' activities with respect to charging these administrative fees and how the Corps' practices align with GAO's guide. In particular, we request that GAO examine:

1. How the Corps ensures it is charging only what is necessary to cover administrative expenses.

¹ 10 U.S.C. § 2695.

2. The extent to which the Corps' practices are consistent across its districts.
3. How the Corps' charging of administrative fees compares to other military departments or other comparable federal agencies.
4. How the Corps determines if a transaction is an administrative fee.
5. Whether administrative fees result in surprise costs; and
6. Any other matters that may come up during the course of the review.

If you have any questions about this request, please contact Reagan Dye of the Committee Republican staff at 202-225-5074 with any questions. Thank you for your prompt attention to this important matter.

Sincerely,

A handwritten signature in black ink that reads "James Comer". The signature is written in a cursive, flowing style.

James Comer
Ranking Member
House Committee on Oversight and Reform

cc: The Honorable Carolyn Maloney, Chairwoman
House Committee on Oversight and Reform