

# 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>

February 2, 2021

Lieutenant General Scott A. Spellmon  
Commanding General and Chief of Engineers  
Headquarters, U.S. Army Corps of Engineers  
441 G Street NW  
Washington, D.C. 20314

Dear Lieutenant General Spellmon,

Committee Republicans are conducting oversight of the U.S. Army Corps of Engineers (USACE) use of administrative fees to collect money from marina owners. As such, we request documents and information about the process used by USACE to determine the amount of administrative fees marina owners are charged, including why there appears to be a lack of transparency and uniformity for these fees.

According to information reviewed by Committee Republicans, administrative fees are apparently charged to marina businesses that are not referenced in or authorized by the lease agreements USACE has with these businesses. While these administrative fees are often levied as real property transactions, it is unclear what connection many of these fees have with real property. In fact, 10 U.S.C. § 2695 provides a list of covered real estate transactions but USACE appears to often exceed that authority.<sup>1</sup> For example, USACE apparently charged \$20,000 to review a marina development and in another instance charged a marina \$500 just to host an event. Additionally, USACE regularly charges \$500 for approval letters that do not seem related to any real property transactions. Not only do these administrative fees appear to exceed the statutory authority of a covered real estate transaction found in 10 U.S.C. § 2695, but also raise questions about whether marina owners are unnecessarily paying excessive administrative fees while often operating small family businesses.

The administrative fees charged as real property transactions also appear to lack uniformity across regions of USACE. Identical transactions often cost more in some regions and less in others leading to fees disproportionately impacting business owners in some parts of the country. Just as concerning, there appears to be a lack of transparency about the amount of fees

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<sup>1</sup> 10 U.S.C. § 2695 provides the following as covered real property transactions: (1) the exchange of real property; (2) the grant of an easement over, in, or upon real property in the United States; (3) the lease or license of real property of the United States; (4) the disposal of real property of the United States for which the Secretary will be the disposal agent; (5) the conveyance of real property under section 2694a of this title.

charged and when fees should be applied. If true, this lack of transparency makes it difficult for business owners to operate marinas when they are unexpectedly charged fees. Due to the COVID-19 pandemic, many small businesses throughout the country are already struggling to survive, and an arbitrary fee charged to a small business during this time may be enough to permanently end that business.

In order for Committee Republicans to better understand USACE's use of administrative fees for marinas, please provide the following documents and information as soon as possible but no later than February 19, 2021.

- (1) All documents and communications between USACE's headquarters and regional offices regarding the process USACE uses to determine if an administrative fee is treated as a real property transaction.
- (2) All documents and communications between USACE's headquarters and regional offices regarding how the amount of administrative fees for marinas are determined in each region.
- (3) All documents and communications between USACE's headquarters and regional offices with marina owner/operators regarding the revoking of lease agreements before a lease term has expired.
- (4) A copy of any fee schedules for administrative fees used in each region of USACE.
- (5) All documents and communications relating to any effort to make administrative fees uniform across regions.

Additionally, please make arrangements to schedule a briefing with Committee staff on this matter. The briefing may be conducted remotely. Please make arrangements to schedule the briefing no later than February 16, 2021. To schedule the briefing or ask any follow-up or related questions, please contact Committee on Oversight and Reform staff at (202) 225-5074.

The Committee on Oversight and Reform is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X. Thank you in advance for your cooperation with this inquiry.

Sincerely,



James Comer

Ranking Member

Committee on Oversight and Reform

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