JAMES COMER, KENTUCKY
CHAIRMAN

ONE HUNDRED NINETEENTH CONGRESS

ROBERT GARCIA, CALIFORNIA
RANKING MEMBER

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
2157 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515–6143

MAJORITY (202) 225–5074
MINORITY (202) 225–5051
https://oversight.house.gov

July 21, 2026

Ms. Orice Williams Brown
Acting Comptroller General of the United States
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Ms. Williams Brown:

The Committee on Oversight and Government Reform is continuing its oversight of the U.S. Army Corps of Engineers (USACE) interactions with concessionaires, particularly the components of mathematical formulas used to assess rent owed by marina operators. USACE manages hundreds of water resource development projects throughout the country and is one of the nation's leading providers of outdoor recreation, with more than 400 lake and river projects in 43 states. These recreational sites host millions of visitors every year and provide substantial economic benefits to the surrounding local communities. Recreation and economic benefits would not be possible without the small businesses that privately operate the marinas and other concessions on USACE managed real estate. However, these small businesses are operating on extraordinarily tight margins that are often further diminished by their rental payments owed to USACE. Accordingly, I write to you today to request that the Government Accountability Office (GAO) investigate the effects of capping food and fuel costs at one percent in rental calculations under the Revised Graduated Rental System.

Under USACE regulations, the primary objective in leasing USACE land for commercial concession purposes is to obtain recreational services and facilities that meet public demand at reasonable rates, without federal expenditure.[1] The regulations further provide that this objective can be achieved only if the concession operator has the opportunity to earn a fair profit.[2]

In 2023, GAO reported that USACE did not consistently follow key practices for setting, reviewing, and updating its user fees, particularly the lease rental rates charged to concession operators, which had not been updated since 1994.[3] Although USACE generally agreed with GAO's recommendations, local marina operators continue to struggle with rental rates that are exorbitant relative to the low profit margins on goods such as food, beverages, and fuel.

[1] U.S. Army Corps of Engineers, *Real Estate Handbook*, Engineer Regulation 405-1-12, Ch. 8, § 8-157.a (updated on Sept. 30, 1994, to Chg. 30).
[2] *Id*.
[3] U.S. GOVERNMENT ACCOUNTABILITY OFFICE, GAO-24-106188, BETTER ALIGNMENT WITH KEY PRACTICES WOULD IMPROVE MANAGEMENT OF REAL ESTATE ADMINISTRATIVE FEES (Dec. 2023).

Over the past few years, I have introduced legislation aimed at providing greater transparency, predictability and stability in fee structures for Kentucky marina owners.[4] The MARINA Act is an instrumental step towards holding USACE accountable and protecting marina owners.

Given GAO's past work on this issue, I request that GAO undertake an examination of USACE rental rates for marina concession operators. Specifically, I ask that GAO:

1. Evaluate the current methodology and formula the USACE uses to calculate annual rent payments, including the components that comprise its gross revenue calculations;

2. Examine the costs and benefits of including low-profit-margin activities, such as fuel and food sales, in this calculation, and whether separating fuel and food sales from the overall formula and applying a one percent rate to them instead would impose any cost on the U.S. government; and

3. Assess data obtained by consulting with USACE concessionaires on gross revenue streams, profit margins, and other variables that affect the overall net benefit to the U.S. government from increased public use of concessionaire facilities at USACE properties.

To ask any follow-up questions or questions related to the timing and sequencing of work, please contact Committee staff at (202) 225-5074. The Committee on Oversight and Government 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 for your attention to this important matter.

Sincerely,

James Comer

James Comer
Chairman
Committee on Oversight and Government Reform

cc: The Honorable Robert Garcia, Ranking Member
Committee on Oversight and Government Reform

---

[4] Press Release, Off. of the Hon. James Comer, Comer Reintroduced the MARINA Act to Protect Kentucky's Marina Owners (Jan. 27, 2026).