



TO: STEVE SMITH
TOPSAIL ISLAND SHORELINE PROTECTION COMMISSION

FROM: MIKE McINTYRE

SUBJECT: JUNE MONTHLY LEGISLATIVE UPDATE

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The June Monthly Legislative Update provides information on the following topics:

- Washington News
 - Status of Infrastructure Stimulus Legislation
 - President Releases FY 2022 Budget Request to Congress
 - Representatives Rouzer and Kim Introduce Bipartisan Bill to Help Communities Prepare Infrastructure for Extreme Storms
 - Senators Tillis and Burr Introduce Disaster Relief Legislation
- Advocacy Update

WASHINGTON NEWS

Status of Infrastructure Stimulus Legislation

Prospects for an agreement on a massive infrastructure stimulus package [improved](#) last week as 21 senators, including 11 Republicans, expressed support for a [bipartisan package](#) with \$579 billion in new spending. The package, developed in part in response to the economic downturn caused by the coronavirus pandemic, was put together by a smaller group of 10 senators, led by Senators Kyrsten Sinema (D-AZ) and Rob Portman (R-OH). The two-page summary of the proposal states that it will “rebuild America’s roads and bridges, improve public transit systems, invest in broadband infrastructure, and upgrade our airports.” It will be paid for, in part, by “unspent COVID relief funds, public-private partnerships, and infrastructure revolving funds,” among other mechanisms. The plan would also “expand eligible uses of COVID State/Local Funds,” which the proposal lists as one of the 11 proposed financing sources for the new spending.

The proposal still needs support from Senate Majority Leader Chuck Schumer (D-NY) and other Senate Democrats and Independents, as well as President Biden. However, having at least 10 Republicans would get the bill past the 60-vote threshold for regular-order legislation provided all Senate Democrats and Independents support the legislation.

Many details still need to be worked out for the deal to advance. For example, the current deal includes funding mechanisms, including indexing the national gasoline tax to inflation, that the White House has opposed. Senator Mark Warner (D-VA), a member of the negotiating group, said there are a “lot of preconditions” from Republicans and Democrats both, so getting an overall deal “will be a challenge”

(BGOV). Senator Mitt Romney (R-UT) told reporters the group does not intend to release text of the proposal until more support is secured.

Republican senators endorsing the framework are:

- Richard Burr of North Carolina
- Bill Cassidy of Louisiana
- Susan Collins of Maine
- Lindsay Graham of South Carolina
- Jerry Moran of Kansas
- Lisa Murkowski of Alaska
- Rob Portman of Ohio
- Mitt Romney of Utah
- Mike Rounds of South Dakota
- Thom Tillis of North Carolina
- Todd Young of Indiana

Democrats supporting the framework are:

- Chris Coons of Delaware
- Maggie Hassan of New Hampshire
- John Hickenlooper of Colorado
- Mark Kelly of Arizona
- Joe Manchin of West Virginia
- Jeanne Shaheen of New Hampshire
- Kyrsten Sinema of Arizona
- Jon Tester of Montana
- Mark Warner of Virginia.

Senator Angus King, Independent representing Maine, has also signed on.

The White House said no deadline has been set for bipartisan talks on the compromise infrastructure package, but House Democrats said they are ready to move ahead without Republicans if a deal cannot be reached by June 25. Democrats on the Senate Budget Committee said they support the use of broad reconciliation instructions that would allow members to pass major legislation (as much as \$6 trillion) without Republican support, even as bipartisan infrastructure talks continue. Majority Leader Schumer met with the 11 Democrats on the committee last week, and the group agreed to move ahead with reconciliation instructions, should it be necessary. As reported by [Politico](#), Majority Leader Schumer has insisted that infrastructure talks remain on two tracks: The first track is bipartisan while the second track uses reconciliation to bypass the need for Republican votes in the Senate. No decisions have been reached on which path will ultimately be taken.

[President Releases FY 2022 Budget Request to Congress](#)

On May 28, 2021, the Biden administration released its FY 2022 Budget Request to Congress. The administration's \$6 trillion budget request prioritizes climate change, infrastructure investments, clean energy, and education, among others.

The budget begins with the American Jobs Plan – an investment to create millions of jobs, rebuild the nation’s infrastructure, and position the U.S. to “out-compete China.” Specifically, the plan proposes to:

- Fix highways, rebuild bridges, upgrade ports, airports, and transit systems;
- Deliver clean drinking water, a renewed electric grid, and high-speed broadband to all Americans;
- Build, preserve, and retrofit more than two million homes and commercial buildings, modernize our nation’s schools and childcare facilities, and upgrade veterans’ hospitals and federal buildings;
- Solidify the infrastructure of the care economy by creating jobs and raising wages and benefits for essential home care workers; and
- Revitalize manufacturing, secure U.S. supply chains, invest in research and development, and train Americans for future jobs.

The budget also includes the American Families Plan to assist families in covering basic expenses and reducing child poverty. This Plan focuses on free education, direct support to children and families, extending tax cuts for families with children and workers, and strengthening health care.

Please see [TFG’s Special Report on the President’s FY 22 Budget Request to Congress](#) for more information.

[Representatives Rouzer and Kim Introduce Bipartisan Bill to Help Communities Prepare Infrastructure for Extreme Storms](#)

On June 10, Representatives David Rouzer and Andy Kim (D-NJ) [introduced](#) the Resilient Highways Act, legislation that aims to help communities strengthen their roadways against the increased risks of extreme storms and flooding. The bill is co-sponsored by Congresswoman Elaine Luria (D-VA), Congresswoman Chellie Pingree (D-ME) and Congressman Jared Huffman (D-CA).

The Resilient Highways Act would allow State Departments of Transportation to use up to 15 percent of funds apportioned under the National Highway Performance Program for projects to mitigate the risk of recurring damage from extreme weather, flooding, and other natural disasters on infrastructure within the National Highway System. These kinds of projects would include raising and relocating roadways out of flood prone areas, constructing drainage structures, and using natural infrastructure to mitigate flood risk. In addition, the bill would authorize the federal cost-share for resiliency protective features in federally funded transportation projects to be 100 percent, and authorize the Federal Highway Administration’s Emergency Relief Program to use funds to pay for new protective features on eligible roads and bridges when repairing and rebuilding infrastructure after a natural disaster.

[Senators Tillis and Burr Introduce Disaster Relief Legislation](#)

On June 2, Senators Thom Tillis and Richard Burr introduced the Hazard Eligibility and Local Projects Act (HELP Act). Following a Major Disaster Declaration from the President, FEMA’s Hazard Mitigation Grant Program is triggered to help the impacted community enact mitigation measures that reduce the risk of loss of life and property before the next storm. However, current regulation prohibits an applicant for FEMA’s Hazard Mitigation Grant Program from starting construction on a mitigation project until they

receive an answer from FEMA as to whether their project is ultimately awarded funding. The HELP Act addresses these bureaucratic delays and makes it easier for communities to begin mitigation projects immediately following natural disasters. The HELP Act was also introduced by Senators James Lankford (R-OK), Ted Cruz (R-TX), and John Cornyn (R-TX). Companion legislation was introduced in the House by Representatives Lizzie Fletcher (D-TX) and Paul McCaul (R-TX), and has already been passed in the House Committee on Transportation and Infrastructure.

Senator Tillis also introduced the Strategic Acquisition and Floodplain Efficiency Reform Act (SAFER Act). The SAFER Act improves the “buyout” process for homes previously flooded in a storm event and would authorize the Department of Housing and Urban Development to establish a pilot program that would leverage public-private partnerships to expedite pre-disaster mitigation projects.

ADVOCACY UPDATE

As you know, representatives of TISPC participated in Virtual Washington Meetings on Tuesday, June 15. We discussed all of TISPC's federal priorities with your congressional delegation during these meetings. We have already followed up with your congressional delegation on several of these issues and will continue to do so in the coming days and weeks.

North Topsail Beach CBRA Mapping Issue

As you know, we discussed the North Topsail Beach CBRA mapping issue with your congressional delegation on June 15. Based on feedback received from the Senate offices specifically, we are working with Mr. Chris Gibson on outreach to Senator Tom Carper's (D-DE) office. We will continue to coordinate directly with Mr. Gibson, Mayor McDermon, Alderman Leonard, and Chairman Smith accordingly as these efforts progress.

Topsail Beach Sand Borrowing Issue

We have shared with your congressional delegation information on the [report](#) released by the U.S. Geological Survey in cooperation with the U.S. Fish and Wildlife Service titled, "Impacts of Sediment Removal from and Placement in Coastal Barrier Island Systems." As you know, the report is a response to a 2019 request from Representative Raul Grijalva (D-AZ), Chair of the House Committee on Natural Resources, who asked the directors of the U.S. Geological Survey and U.S. Fish and Wildlife Service for information on coastal sediment resource management within the Coastal Barrier Resources System.

The report is essentially a large academic literature review that, as the authors explain, summarizes the findings and research gaps in the academic literature as it relates to the five specific topics outlined by Chair Grijalva. The report does not address several important factors related to sediment management, which the authors of the report acknowledge in the executive summary: "It should be noted that, in addition to the physical and ecological focus of Congressman Grijalva's inquiry, sediment removal and placement could also have economic, cultural, and recreational impacts, which, though beyond the scope of this review, could be important to consider in some locations within the Coastal Barrier Resources System."

In addition, as we previously reported, the Biden administration has yet to release information on its review of the Interior Solicitor's 2019 legal opinion regarding sand borrowing in the CBRS, as required by Executive Order 13990. It remains our understanding that all federal agencies are working to comply with the directive outlined in Executive Order 13990, but we do not yet have an update on the status of the 2019 CBRS policy change.

Surf City and North Topsail Beach Federal Project

We continue to be available to assist Surf City and North Topsail Beach as their discussions continue with the Corps regarding advancement of the federal project. As we discussed, the congressional delegation is willing to contact FEMA to facilitate a response related to the PPA/timing of construction issue for North Topsail Beach. Once we receive the appropriate contact information for FEMA and the Corps from Surf

City and North Topsail Beach, we will send this information to the delegation so they can follow up directly with FEMA.

Topsail Beach Flood Mapping Issue

We continue to be available to assist the Town of Topsail Beach with resolving its FEMA flood mapping issue. Topsail Beach is to keep us apprised as to the status of their efforts so we can engage the congressional delegation, as needed and as discussed. We have already been in communication with Representative Rouzer's office about an inquiry on this issue at a congressional hearing scheduled for June 23.

Greater Island-Wide Coordination in Disaster Recovery

As you know, we discussed the need for greater island-wide disaster recovery coordination with your congressional delegation on June 15. We discussed this issue further with Representative Rouzer's office on June 21. We will continue to speak with your congressional delegation about this issue in the context of disaster recovery legislation.

Support and Promote the Community Rating System and the Federal Flood Insurance Program

As you know, we discussed the Community Rating System (CRS) and the National Flood Insurance Program (NFIP) with your congressional delegation on June 15, focusing our discussion on concerns TISPC has with the new Risk Rating 2.0 pricing methodology developed by FEMA. We will continue to speak with your congressional delegation about issues related to the CRS and NFIP as the NFIP reauthorization process advances. We also plan to speak with the House Financial Services Committee and Senate Banking Committee in the coming weeks (both committees were unavailable for meetings on June 15).

The biggest concern communities and other stakeholders have about Risk Rating 2.0 is the rate increases that many policyholders will experience. On June 9, Senator John Kennedy (R-LA) [introduced](#) a bill that would block FEMA from raising flood insurance premiums without congressional approval, including Risk Rating 2.0. It is unclear if such a proposal will gain traction within the Senate Banking Committee, which is responsible for developing an NFIP reauthorization in the Senate. The Senate Banking Committee has not yet drafted an NFIP reauthorization bill. As a reminder, the draft NFIP reauthorization bill produced by the House Financial Services Committee would set a 9 percent annual cap on rate increases.