



TO: STEVE SMITH
TOPSAIL ISLAND SHORELINE PROTECTION COMMISSION

FROM: MIKE McINTYRE

SUBJECT: FEBRUARY MONTHLY LEGISLATIVE UPDATE

DATE: FEBRUARY 18, 2022

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

- Washington News
 - Congress Expected to Approve Short-Term CR Through March 11
 - Bipartisan Infrastructure Law Guidebook Released by the White House
 - Build Back Better Act Negotiations Break Down
 - North Carolina to Distribute \$1.6 Billion in Federal ARPA Funds to Water, Wastewater, and Stormwater Projects
 - Bipartisan, Bicameral National Climate Adaptation and Resilience Strategy Act Introduced in Congress
- Advocacy Update

WASHINGTON NEWS

[Congress Expected to Approve Short-Term CR Through March 11](#)

Congress is moving toward passage of a three-week stopgap funding measure, also known as a Continuing Resolution (CR), to avert a government shutdown on February 18. Key House and Senate negotiators say they are still aiming to approve an omnibus spending package for FY 2022 appropriations, but the omnibus agreement will not be finalized by the February 18 deadline.

The CR (H.R. 6617) would keep the government running through March 11 to allow more time for negotiations on a complete \$1.5 trillion FY 2022 omnibus appropriations package. The FY 2022 package would unlock billions in transportation, energy, and other funding approved in the bipartisan Infrastructure Investment and Jobs Act (IIJA) approved in November 2021. According to the Congressional Budget Office, \$197 billion from the IIJA cannot be released unless annual appropriations bills are enacted (Zach Cohen and Erik Wasson, *Bloomberg Government*, February 8, 2021).

The House passed the CR on February 8 by a bipartisan 272-162 vote. The Senate is expected to pass the CR by February 18.

Bipartisan Infrastructure Law Guidebook Released by the White House

On January 31, the White House [released](#) a 465-page guidebook on the Bipartisan Infrastructure Law (BIL), also known as the IIJA, which became law in November 2021. The guidebook offers insights on how to access both new and existing federal program funding included in BIL. About 60 percent of the funds will be distributed through formulas, leaving 40 percent to be distributed through competitive grant programs. The guidebook contains 13 chapters grouping BIL programs into four major categories: 1. Transportation; 2. Climate, Energy, and the Environment; 3. Broadband; and 4. Other Programs. The White House will publish subsequent versions of this document to keep state and local governments up to date on the latest deadlines and details related to the BIL.

Please note that the White House also created a corresponding [excel spreadsheet](#), which should be used in tandem with the guidebook to better understand BIL programs and funding. The excel spreadsheet has garnered less attention than the guidebook itself, but the spreadsheet is equally useful in understanding BIL programs and funding. The spreadsheet is interactive and allows you to filter through the programs based on various factors, making it easier to scan through important information on the 350+ programs described in the guidebook.

Build Back Better Act Negotiations Break Down

President Biden's signature Build Back Better Act (BBB), which would provide funding for a wide array of social, climate, and infrastructure programs, is stalled on Capitol Hill. Senator Joe Manchin (D-WV), who paused negotiations on the bill in late December, called for fellow Democrats to "start from scratch" on the bill. President Biden said he is optimistic that Congress can pass at least some pieces of the \$1.7 trillion package this year. Some of the provisions with broad support include funding for universal pre-kindergarten and \$550 billion in clean energy spending and tax incentives.

North Carolina to Distribute \$1.6 Billion in Federal ARPA Funds to Water, Wastewater, and Stormwater Projects

On February 3, the North Carolina Department of Environmental Quality (DEQ) finalized its [plan](#) to administer approximately \$1.6 billion in federal American Rescue Plan Act (ARPA) State Fiscal Recovery Funds to drinking water, wastewater, and stormwater infrastructure projects. The funds are divided into different Reserves or Funds (Viable Utility Reserve, Drinking Water Reserve, Wastewater Reserve, and the Local Assistance for Stormwater Infrastructure Investment Fund). Each Fund or Reserve has different grant requirements and parameters. In addition, federal requirements for the use of ARPA appropriations will apply, so all funds must be expended by December 30, 2026. The plan (linked above) provides additional information on grant requirements and parameters for each Reserve/Fund.

Applications for water and wastewater projects are due on May 2, 2022, with award announcements expected as early as July 2022. If funding remains, second-round applications will be due on September 30, 2022.

The Division of Water Infrastructure (DWI) held a webinar about the plan and the upcoming application process on Thursday, February 10 at 11:00 a.m. Members of the public, potential applicants, and interested parties were invited to listen online or by phone. A [recording of the webinar](#) is posted on DWI's website for those who were unable to attend.

DWI has scheduled project funding application [trainings](#) at five locations statewide from February 21 through March 3, including a virtual training option on February 28 for those planning to submit applications for the Spring 2022 water/wastewater funding round. The training includes instructions on applying for ARPA funding and other funding programs. Funding applications and related instructions were posted on DWI's [website](#) on February 10.

Applications for stormwater projects will be due on September 30, 2022, with award announcements expected as early as February 2023. Future funding rounds (timing unknown) will be used to award any remaining ARPA funds. DEQ will release additional information about the stormwater funding solicitation in July 2022.

[Bipartisan, Bicameral National Climate Adaptation and Resilience Strategy Act Introduced in Congress](#)

A bipartisan group of Senators and House Members have [introduced](#) the National Climate Adaptation and Resilience Strategy Act of 2022 ([S. 3531](#), [H.R. 6461](#)). On February 16, Chairman Smith requested that we provide information and feedback on the legislation, which is provided below.

The legislation includes several provisions that aim to increase resilience in the United States:

- Requires the production of a National Climate Adaptation and Resilience Strategy (Strategy) and Implementation Plan. The Strategy and Implementation Plan would be updated triennially and would be followed by a GAO report to provide accountability and to help inform future iterations of the Strategy.
- Authorizes a Chief Resilience Officer position in the White House to lead the national climate adaptation effort and Strategy development process, following the model adopted by nearly a dozen states, including North Carolina.
- Supports the establishment of up to five interagency resilience Working Groups and a non-federal Partners Council to assist with the production of the Strategy and strengthen lines of communication about resilience between federal agencies; state, local, Tribal, and territorial governments; non-governmental organizations; academics; and the private sector.
- Promotes the development of strategies to ensure resilience operations and policies minimize redundancies across agencies and focus support on “frontline” communities.

The overarching objectives of the legislation are both commendable and needed. However, the 37-page bill includes numerous unique definitions and descriptions for terms such as “adaptive capacity,” “cascading climate hazards,” “natural infrastructure,” “frontline communities,” and “climate information,” among several others, that should be reviewed, discussed, and likely refined before the legislation receives floor consideration in the House and Senate.

ADVOCACY UPDATE

Updates on TISPC's 2022 federal priorities are outlined below.

North Topsail Beach CBRA Mapping Issue

As we reported to you previously, the House Natural Resources Committee has not yet produced a bill related to the [proposed changes](#) to seven CBRS maps in North Carolina, South Carolina, and Florida, including Topsail Unit L06. The revised map for Topsail Unit L06 will only take effect when adopted by Congress through legislation. The committee is planning to draft legislative language, which we still expect to be ready for consideration early this year. We plan to check in with the Congressional delegation soon to discuss consideration of these mapping changes, and we will continue to discuss with the delegation the possibility of moving the larger CBRA mapping legislation for North Topsail Beach.

Sand Borrowing Issue

On February 10, a bipartisan, bicameral group of Senators and House Members [introduced](#) the Shoreline Health Oversight, Restoration, Resilience, and Enhancement Act (SHORRE) Act ([S. 3624](#), [H.R. 6705](#)). The SHORRE Act includes numerous important provisions that aim to help coastal communities become more resilient. One provision that will be of particular interest to TISPC is a provision that aims to address issues that have arisen due to the Biden administration's decision last year to restrict the borrowing of sand from within a Coastal Barrier Resources Act (CBRA) unit for use outside of CBRA unit. The language requires the federal government to cover the excess cost of using sand from borrow sites that are not considered to be the least cost method of disposal. Certain long-standing federal beach renourishment projects are eligible under this provision, including Carolina Beach and Wrightsville Beach, and any future coastal storm risk management projects constructed by the Corps. This provision does not apply to beach renourishment projects supported by other federal funds, such as FEMA, likely because many SHORRE Act provisions will be included in the 2022 Water Resources Development Act (WRDA), which is only applicable to Corps policies and projects.

We discussed this provision with the Congressional delegation several months ago, and we are pleased that progress is being made to resolve this issue. We will continue to discuss the importance of resolving this issue for projects using FEMA funding with your Congressional delegation.

Other provisions in the SHORRE Act include:

- States that “it is the policy of the United States to protect and restore the shorelines of the United States, which include each beach and shore of the Atlantic and Pacific Oceans, the Gulf of Mexico, the Great Lakes, and lakes, estuaries, and bays directly connected to those bodies of water, from the damaging impacts of climate change and other factors contributing to the vulnerability of coastal communities and ecosystems,” and that “the protection and restoration of shores, and of the banks of rivers and streams, from erosion and other damaging forces exacerbated by climate change shall be restored to a primary mission of the Corps of Engineers in carrying out water resources development projects.”

- Reduces the local cost share for shoreline and riverine protection and restoration feasibility studies to 20 percent (from 50 percent), 10 percent in the case of a study benefitting an economically disadvantaged community.
- Reduces the local cost share for design and construction of flood control and hurricane and storm damage reduction projects for economically disadvantaged communities to 10 percent.
- Reduce the local cost share for projects that utilize nonstructural or nature-based features and for projects that benefit economically disadvantaged communities.
- Authorizes the Corps, upon local sponsor request, to study (in a feasibility study) a wide variety of drivers of flood risk that could impact a community, such as sea level rise and erosion.
- Authorizations related to several specific projects (all outside North Carolina).

Greater Island-Wide Coordination in Disaster Recovery

Thank you for sending us the names of representatives from each Town who will speak with us about the specific coordination issues experienced by the Towns related to FEMA disaster recovery activities. Kyle Breuer will be participating on behalf of Surf City, Mike Rose on behalf of Topsail Beach, and Alice Derian on behalf of North Topsail Beach. We will be reaching out within the next week to schedule a phone conference to discuss these issues.

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

Another short-term extension of the NFIP will be approved in the CR package extending federal funding through March 11 (as discussed above in Washington News). This marks the 21st short-term extension of the program in the past three years. Congress will continue to work on NFIP reauthorization legislation, but the committees of jurisdiction are still far from agreeing on compromise legislation. Another short-term extension of the NFIP is expected to be included in the FY 2022 omnibus appropriations package, which must be approved by March 11.

Once the committee begins to work seriously on a compromise NFIP reauthorization bill, we will begin discussions about how TISPC can best support and benefit from changes to the CRS and NFIP.

IIJA Water Infrastructure Funding

As per the new advocacy goals for 2022, included as an attachment to this monthly update is a special report on the funding included in the IIJA for water and wastewater projects.