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SUBJECT: JUNE MONTHLY LEGISLATIVE UPDATE

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

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 - House Passes 2022 WRDA Legislation
 - EPA Proposal Would Reverse Trump CWA Section 401 Policy
 - COVID Funding Aid Talks Stall
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WASHINGTON NEWS

House Appropriators Move Forward With FY 2023 Bills

House appropriators began marking up their FY 2023 funding bills this week after House Democrats approved a \$1.6 trillion topline number for discretionary spending. The House adopted a resolution setting the funding level in a 218-205 vote, with all Republicans opposed. Negotiations on a bipartisan, bicameral topline spending limit have stalled. The House Appropriations Committee will markup all 12 fiscal 2023 spending bills by the end of June.

House appropriators increased the number of earmarks each House Member could request from 10 to 15 for FY 2023 while keeping earmarks capped at 1 percent of all discretionary spending and limited to projects for communities and nonprofits.

The Senate Appropriations Committee has yet to announce any plans for moving its spending bills. However, the Senate traditionally does not act until House appropriators move their bills.

House Passes 2022 WRDA Legislation

On June 8, the House passed its version of the 2022 Water Resources Development Act (WRDA) bill ([H.R. 7776](#)) by a vote of 384-37. The biennial WRDA bill sets policy priorities and authorizes new studies and construction of water, flood, navigation, coastal storm damage reduction, and environmental infrastructure projects under the jurisdiction of the U.S. Army Corps of Engineers (Corps). The House bill would authorize construction of 18 projects and four project modifications totaling around \$40 billion, among many other provisions. The Senate bill would authorize 17 new projects and four project modifications for a total of about \$37 billion.

The Senate Environment and Public Works Committee approved its version of WRDA, [S. 4137](#), with unanimous support last month. The full Senate is expected to approve its version of WRDA this summer.

The Senate WRDA bill differs from the House bill, requiring negotiations in a conference committee to combine the bills into one that can pass Congress and be signed into law by the President.

COVID Funding Aid Talks Stall

COVID funding aid talks have stalled, according to Senator Richard Burr (R-NC) earlier this week. The Biden administration has reportedly not followed up with any further information, and there have not been conversations about how to offset the cost of the spending bill first [proposed](#) by the administration in early March, which initially totaled \$22.5 billion. Senate Majority Leader Chuck Schumer (D-NY) and Senator Mitt Romney (R-UT) previously agreed to a [\\$10 billion package](#) in early April to provide domestic COVID resources, including rescissions of previously appropriated stimulus funds to offset costs. However, after progress stalled, between \$2 billion and \$4 billion of the \$10 billion in proposed “pay-fors” have already been spent, according to a senior Republican Senate aide. Lawmakers would have to renegotiate the bill in order to pass a COVID funding measure this summer. Senator Burr said he told the administration he wanted a detailed plan, offsets totaling more than \$10 billion, a vote on the Title 42 pandemic immigration policy, and specific draft language. The administration has not provided any of those, he said.

Treasury Clarifies that Coronavirus State and Local Fiscal Recovery Funds Are Not Subject to Buy America

In mid-June, the Department of the Treasury (Treasury) Office of Recovery Programs (ORP) determined that Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) are not subject to the Buy America preference set forth in Section 70914 of the Bipartisan Infrastructure Law (BIL). This determination is based on the programs being authorized to provide assistance for “emergency response expenditures” in response to the COVID-19 pandemic.

FEMA Releases Guide to Expanding Mitigation on the Coast

FEMA has released a “[Guide to Expanding Mitigation: Making the Connection to the Coast](#).” The guide “explores ways to mitigate natural hazard risks that affect coastal communities.” It also provides resources and ideas to mitigate risk. The guide is for emergency managers, community planners, coastal and floodplain managers, and other community officials and stakeholders.

The release is part of FEMA’s “Guides to Expanding Mitigation” series that highlights new and emerging partnerships for mitigation. Visit [FEMA.gov](https://www.fema.gov) and view all the guides.

EPA Proposal Would Reverse Trump CWA Section 401 Policy

EPA recently proposed a rule that would reverse a controversial Trump-era policy on the federal Clean Water Act (CWA) Section 401 permits. Section 401 permits are required for projects or activities that discharge into regulated waterways and wetlands. For the first time, the EPA proposed rule would allow states and tribes to take part in defining a “reasonable time” to conduct such reviews and restore flexibility on what states and tribes consider when reviewing applications, according to the agency.

Under Section 401, states and tribes have one year to issue their certifications before they are considered to have waived their authority, but that deadline is sometimes surpassed. Under the Trump-era rule, an extended timeline beyond one-year was not allowed. Also, under the proposed rule, states and tribes can broaden their review to include the entire project as a whole in determining whether the project meets water quality requirements, including state and tribal requirements.

The [proposed rule](#) is now available for public comment for 60 days until August 2.

ADVOCACY UPDATE

Virtual Washington Meetings in June

We are pleased to report that TISPC, alongside Ward and Smith and The Ferguson Group, conducted a successful set of Virtual Washington Hill Meetings on June 7 with TISPC's Congressional delegation.

We discussed with the Congressional delegation each of TISPC's federal priorities. We appreciate their attention and concern for the issues we discussed, and we look forward to following up with the Congressional delegation on each issue accordingly.

North Topsail Beach CBRA Mapping Issue

We again discussed the proposed technical corrections to Topsail Unit L06 with your Congressional delegation on June 7. Due to delays at the committee level in putting together a CBRA technical corrections package, we discussed the possibility of advancing stand-alone legislation that could move under suspension of the rules. The offices planned to follow up with the appropriate House and Senate committees on the status of the technical corrections as well. We plan to follow up with the delegation on these efforts in the coming weeks.

We also discussed the larger CBRA mapping issue affecting North Topsail Beach. The delegation continued to express their support for finding a solution to the issue but acknowledged that it might be a difficult issue to advance in the 117th Congress given current political dynamics in Congress and a packed legislative calendar for 2022. However, they will continue to monitor any potential opportunities to advance the legislation this year.

Sand Borrowing Issue

As discussed above, the full House of Representatives and Senate EPW Committee approved different versions of the FY 2022 WRDA. Both versions of the bill include at least some language from the [SHORRE Act](#) (discussed in detail in the February Monthly Report), though the Senate version of WRDA includes more SHORRE Act language than the House version.

The Senate WRDA bill includes 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.

It is our understanding, based on our discussions with the Congressional delegation on June 7, that this provision continues to be discussed at the Committee level and may change during conference negotiations. We will continue to keep TISPC updated as these discussions progress.

Greater Island-Wide Coordination in Disaster Recovery

We had productive conversations with the Congressional delegation about disaster recovery issues on June 7. The delegation acknowledged that delays in receiving FEMA reimbursements is a widespread issue. Several offices said they would be willing to follow up with FEMA about specific reimbursements that are delayed, and Surf City has already followed up with these offices with additional information. Regarding greater island-wide coordination, several offices also said they would follow up with FEMA regarding the specific coordination issues that are affecting the island post-disaster, including but not limited to Topsail Island's request to have a single FEMA representative/contact for the whole island.

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

The Senate Committee on Banking, Housing, and Urban Affairs has scheduled its first of two upcoming hearings on NFIP. A full committee hearing on the "Reauthorization of the National Flood Insurance Program: Protecting Communities from Flood Risk" took place on June 16 at 10:00 a.m. ET. The next hearing will be scheduled in the coming weeks.

These hearings and recent activities in the House Financial Services Committee indicate that Congress is attempting to advance a full NFIP reauthorization by September 30, 2022. We will keep TISPC apprised as legislative language is negotiated.