



TO: STEVE SMITH
TOPSAIL ISLAND SHORELINE PROTECTION COMMISSION
FROM: MIKE McINTYRE
SUBJECT: JUNE MONTHLY LEGISLATIVE UPDATE
DATE: JUNE 12, 2023

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

- Washington News
 - President Biden Signs Deal to Raise Debt Ceiling
 - Permitting Reform Underway
 - FEMA Issues Notice on Community Disaster Resilience Zones and the National Risk Index
 - Army Corps of Engineers Delaying Action on Wetlands Permits in Wake of SCOTUS Decision
 - NOAA Releases Plans to Support Coastal Communities
 - National Hurricane Program to Host Webinar Series for Emergency Managers
- Advocacy Update

WASHINGTON NEWS

President Biden Signs Deal to Raise Debt Ceiling

Congress swiftly acted on the agreement reached to increase the debt limit, reduce spending, and address energy permitting reforms. Despite opposition from conservative Republicans and progressive Democrats, the [Fiscal Responsibility Act](#) easily passed the House and Senate. President Biden signed the bill into law on June 3. **TFG recently published [a special report](#) highlighting key elements of the legislation with an emphasis on local community impacts.**

The Congressional Budget Office (CBO) [estimates](#) that the legislation will reduce deficits by about \$1.5 trillion through FY 2033. The bill also suspends the federal debt limit through January 1, 2025, and sets topline discretionary spending caps for FY 2024. House and Senate appropriators can now move forward on holding markups for each of the 12 annual spending bills. Senate appropriators are aiming to start markups this month while the House Appropriations Committee will likely hold FY 2024 spending bill markups during the weeks of June 12 and June 19. The Committees are set to release their lists of approved FY 2024 earmark (i.e., Community Project Funding and Congressionally Directed Spending) requests submitted by members of Congress in early Summer at the time each full committee markup is held.

Permitting Reform Underway

Despite some *National Environmental Policy Act* (NEPA) reform included in the debt ceiling deal, there is ongoing focus on permitting-related proposals from both sides of the political spectrum. Negotiators, including Senators Joe Manchin (D-W.Va.), Tom Carper (D-Del.), John Barrasso (R-Wyo.), and Shelly Moore Capito (R-W.Va.), have started discussions on a bipartisan permitting deal. This process involves drafting legislation, holding hearings, conducting committee markups, and eventually considering it on the Senate floor. Each of these senators has introduced their own permitting reform bill, with a specific emphasis on transmission projects.

In the House, Representative Garrett Graves (R-La.), a key negotiator in the debt ceiling deal's permitting provisions, has expressed commitment to continue working on this issue. Serious discussions are taking place between House Natural Resources Committee Chairman Bruce Westerman (R-Ark.) and Representative Scott Peters (D-Calif.), who have collaborated to find a compromise in recent months.

Furthermore, there is growing attention on expediting permits for specific types of infrastructure. Senator Martin Heinrich (D-N.M.) has reintroduced several bills focused on electric transmission, and some Democratic progressives, including Representative Jayapal (D-Wash.), chair of the Congressional Progressive Caucus, who previously criticized streamlining efforts, now see the potential for a bipartisan agreement later this year. They recognize that regulatory bottlenecks could hinder the clean energy projects incentivized by the Inflation Reduction Act.

FEMA Issues Notice on Community Disaster Resilience Zones and the National Risk Index

FEMA is [seeking input](#) from the public regarding the implementation of the Community Disaster Resilience Zones Act of 2022. They are interested in receiving feedback on various aspects, including updates to the methodology and data used for the National Risk Index and other hazard assessment products. FEMA also wants suggestions for improving the provision of hazard data, the process for designating community disaster resilience zones, and the financial and technical assistance available for resilience or mitigation projects that primarily benefit these zones. Additionally, they are interested in feedback on the application and certification process for community disaster resilience zone projects.

Army Corps of Engineers Delaying Action on Wetlands Permits in Wake of SCOTUS Decision

Following the Supreme Court's ruling in *Sackett v. EPA*, which necessitated a revision of the Biden Administration's WOTUS (Waters of the United States) rule, various district offices of the Army Corps of Engineers, such as the Sacramento and Chicago offices, have released statements indicating that they are temporarily halting the processing of jurisdictional determinations. This pause is to allow these offices to fully comprehend the implications of the recent court decision. While the Corps' national spokesperson was not as explicit, stating that they are currently reviewing the decision to determine their next course of action, media sources have confirmed that this directive applies nationwide.

Furthermore, the Sackett ruling also impacts the Biden administration's latest regulation that defines WOTUS. This new regulation would represent the third iteration of the rule within a span of less than ten years.

NOAA Releases Plans to Support Coastal Communities

The National Oceanic and Atmospheric Administration (NOAA) [announced](#) a \$2.6 billion framework to invest in coastal resilience and marine resource restoration through the Inflation Reduction Act (IRA).

The initiative aims to support communities and individuals impacted by climate change. The funds will be used to enhance weather and climate data and services, support conservation initiatives, and strengthen NOAA's research fleet. The investment will help communities prepare for climate events and develop resilience. It will also support workforce development, marine resources, nature-based solutions, conservation, regional partnerships, and tribal priorities. The \$2.6 billion investment will support:

- **Climate Resilience Regional Challenge (\$575 million):** A grant program to invest in collaborative approaches for coastal resilience at the regional level. It will have two funding tracks: one for building collaborations and developing strategies, and another for implementing resilience and adaptation actions.
- **Tribal Priorities (\$390 million):** Funding specifically for tribes to support activities such as habitat restoration, fish passage, capacity building, scientific research, and fish hatcheries.
- **Climate-Ready Fisheries (\$349 million):** Support for projects that aim to conserve fisheries and protected species in coastal regions. NOAA will develop dynamic fisheries management systems that incorporate climate and ecosystem data to make better management decisions.
- **Ocean-Based Climate Resilience Accelerators (\$100 million):** A business accelerator program to address the market need for coastal and ocean-based resilience products and services. These accelerators will help businesses in commercializing their solutions and assist communities in preparing for and adapting to climate change.
- **Climate-Ready Workforce (\$60 million):** Placing workers in high-quality jobs that enhance climate resilience. Funding will also be used for training and support services to help workers advance their careers and implement climate resilience efforts in both public and private sectors.

Further details about these programs will be available in early summer.

National Hurricane Program to Host Webinar Series for Emergency Managers

FEMA's National Hurricane Program will be conducting a five-day HURREVAC (short for hurricane evacuation) training for emergency managers from June 12 to June 16. The training will consist of webinars starting at 2:00 PM ET each day. The topics covered include an introduction to HURREVAC and an overview of the National Hurricane Program on June 12, wind forecast features on June 13, evacuation timing features on June 14, storm surge and other water hazards on June 15, and exercise tools and applying HURREVAC on June 16.

HURREVAC is a web-based decision-support tool that is available for free. It assists emergency managers by providing them with information and tools to make informed decisions for hurricane response before an approaching storm. Emergency managers who are interested can register for this annual HURREVAC webinar series [here](#).

[The remainder of this page intentionally left blank.]

ADVOCACY UPDATE

As we expected, the debate over the debt ceiling (discussed in further detail above) put a hold on essentially all other Congressional action. Backlash from several Republicans over Speaker McCarthy's deal with Democrats has caused further delays. Unfortunately, this means that there has been little progress on the legislative front since our last update.

North Topsail Beach CBRA Mapping Issue

In recent weeks, Ward and Smith (W&S) and TFG have met with your Congressional delegation (offices of Senator Tillis, Congressman Rouzer, and Congressman Murphy) to continue discussions regarding North Topsail's CBRA mapping issue and the sand borrowing policy. Separately, we also spoke with Senator Budd's office following up on TISPC's concerns regarding these two issues.

We are eagerly awaiting the reintroduction of the *Strengthening Coastal Communities Act*. This bill was introduced at the end of the last Congress, but must be reintroduced during the current Congress. In our previous report we outlined details of the legislation which would: implement a total of 11 new and 184 updated Coastal Barrier Resources System (CBRS) maps, including maps in North Carolina. Due to our collective advocacy, it also ensured that the bill removed 2.5 acres of the Barton Bay area from Topsail Unit L06, including two structures along Barton Bay Drive and New River Inlet Road, as well as a portion of one lot to the south of New River Inlet Road. We will continue to push for the prompt reintroduction and passage of this piece of legislation.

TFG and W&S will also continue to work with Rep. Murphy's and Rep. Rouzer's [legislation](#) to amend CBRA to remove parts of North Topsail Beach from the CBRS. We anticipate that House Committees will resume a regular legislative hearing schedule this month, and we will advocate for its inclusion in a legislative hearing at the nearest opportunity.

Sand Borrowing

During prior meetings with your Congressional delegation, W&S and TFG continued to advocate for the resolution of TISPC's sand borrowing issue. Rep. Rouzer's [bill](#), which creates an exemption to the restriction on the use of federal funds for certain shoreline borrow sites within the CBRS, recently received a legislative hearing in the House Natural Resources Committee. There is a high likelihood that this bill will pass the House this year. As we reported previously, TISPC would not currently qualify for exemptions under this bill, but it would be able to do so once it reaches the 15-year threshold.

Further, in late May, the U.S. Army Corps of Engineers (USACE) announced that they would utilize an emergency exemption authority to conduct sand borrowing activity from Masonsboro Inlet for renourishment on Wrightsville Beach. This is a welcome indication that the USACE may be more aggressive and flexible in utilizing various authorities to facilitate renourishment activity.

FEMA Issues

As reported in the “Washington News” section, W&S and TFG are actively tracking all legislative efforts related to FEMA and the NFIP. Previous conversations with your Congressional delegation have been fruitful and will continue to benefit Topsail. However, as mentioned previously, legislative action has been largely stalled in light of the debt ceiling debate and related impediments.

TFG and W&S also provided Chairman Smith with a short analysis of FEMA implementation of Stafford Act provisions requiring promulgation of rules reducing the federal share of Public Assistance under certain circumstances. (Refer to previously submitted "Memo on Stafford Act Public Assistance Provision" dated May 22, 2023.) Currently, the Commission should not have immediate concerns with the potential promulgation of these rules, but TFG and W&S will continue to monitor developments and keep the Commission apprised.

We will continue to notify you of legislative efforts related to FEMA and the NFIP.

Surf City General Reevaluation Report (GRR)

W&S and TFG remain ready to assist the Commission on the Surf City General Reevaluation Report (GRR), including working with USACE to ensure that the project moves ahead expeditiously.

ND:4894-3207-8441, v. 1