

TO: STEVE SMITH

TOPSAIL ISLAND SHORELINE PROTECTION COMMISSION

FROM: MIKE MCINTYRE

SUBJECT: MAY MONTHLY LEGISLATIVE UPDATE

DATE: MAY 18, 2022

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

- Washington News
 - Bipartisan WRDA Passes Senate Committee, House Committee Approves its Own Version of WRDA
 - o Second Tranche of Coronavirus State and Local Fiscal Recovery Funds Set for Release
 - o Army Corps Opens Annual 7001 Process
 - Biden Administration Releases Permitting Plan to Accelerate Delivery of BIL Infrastructure Projects
 - State Seeks Public Comment on Proposed Plan to Administer American Rescue Plan Act's Funding for Stormwater Projects
 - o North Carolina Coastal Storm Damage Mitigation Fund Program Accepting Applications
- Advocacy Update

WASHINGTON NEWS

Bipartisan WRDA Passes Senate Committee, House Committee Approves its Own Version of WRDA

On May 4, the Senate Environment and Public Works (EPW) Committee unanimously approved bipartisan Water Resources Development Act (WRDA) legislation. The Senate's version of the 2022 WRDA bill would authorize 36 new feasibility studies and authorize or modify 21 projects for construction, among other provisions. The full Senate may vote on the bill as soon as before the Memorial Day recess.

The legislation also seeks to provide more assistance and resources to tribal communities and underserved community harbors. The measure would create an advisory committee to provide advice and recommendations to the Corps on water resources projects in those areas.

A one-page summary of the Senate WRDA can be found <u>here</u>. A section-by-section summary can be found <u>here</u>.

The House Transportation and Infrastructure (T&I) Committee approved its own version of the <u>2022</u> <u>WRDA</u> on May 18. The House bill directs the Army Corps of Engineers to conduct 72 new feasibility studies, eight studies to modify existing projects, and authorize construction of 16 projects.

Included in the House bill is some language from the bipartisan, bicameral "Shoreline Health Oversight, Restoration, Resilience and Enhancement (SHORRE) Act" to elevate the Army Corps' focus on protecting and restoring shorelines and riverbanks. SHORRE Act language also became part of the Senate's version of WRDA.

Second Tranche of Coronavirus State and Local Fiscal Recovery Funds Set for Release

The U.S. Treasury Department is set to begin allocating the second tranche of ARPA Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) this month. Local governments can receive their second payment one year after receiving their first payment.

Also, please note that the Treasury Department has released an <u>updated FAQ document</u> regarding its CSLFRF Final Rule. The FAQs are intended to provide information that can be helpful to cities and towns as they make spending decisions related to their ARPA funds.

Army Corps Opens Annual 7001 Process

The U.S. Army Corps of Engineers has once again opened its annual 7001 process. Section 7001 of the *Water Resources Reform and Development Act (WRRDA) 2014*, as amended, requires the Secretary of the Army to annually submit to the Congress a report (Annual Report) that identifies feasibility reports, proposed feasibility studies submitted by non-federal interests, proposed modifications to authorized water resources development projects or feasibility studies, and proposed modifications to environmental infrastructure program authorities that meet certain criteria. The Annual Report is to be based, in part, upon proposals submitted by non-federal interests. The 7001 process is the process by which non-federal interests can submit such proposals. More information on the 7001 process can be found here.

Biden Administration Releases Permitting Plan to Accelerate Delivery of BIL Infrastructure Projects

On May 11, the Biden administration <u>released</u> an <u>Action Plan</u> to help accelerate the delivery of infrastructure projects funded by the BIL. The Action Plan specifically aims to accelerate federal permitting and environmental reviews by (1) accelerating permitting through early cross-agency coordination to appropriately scope reviews, reduce bottlenecks, and use the expertise of sector-specific teams; (2) establishing clear timeline goals and tracking key project information to improve transparency and accountability, providing increased certainty for project sponsors and the public; (3) engaging in early and meaningful outreach and communication with Tribal Nations, States, territories, and local communities; (4) improving agency responsiveness, technical assistance, and support to navigate the environmental review and permitting process effectively and efficiently; and (5) adequately resourcing

agencies and using the environmental review process to improve environmental and community outcomes.

State Seeks Public Comment on Proposed Plan to Administer American Rescue Plan Act's Funding for Stormwater Projects

The North Carolina Department of Environmental Quality's (DEQ) Division of Water Infrastructure is accepting comments until June 3, 2022, on the proposed plan to administer approximately \$100.5 million in federal funds appropriated in the state budget for stormwater projects. The funding is part of the \$1.69 billion appropriated by the North Carolina General Assembly from the State's ARPA allocation for drinking water, wastewater, and stormwater investments.

The Division will administer grants for stormwater projects through its competitive funding process from the Local Assistance for Stormwater Infrastructure Investments fund. Funds are available for municipalities and counties and their regional councils of government and nonprofit entity partners for projects that will improve or create infrastructure for controlling stormwater quantity and quality. The proposed plan describes how the funds will be administered, eligibility requirements, and draft priority rating systems for both stormwater construction projects and stormwater planning projects. It is anticipated that applications for these funds will be accepted during the Division's fall funding round, with a deadline of September 30, 2022. Future application funding rounds will be used to award any remaining funds. The funds are subject to federal statutory and budgetary requirements and all funds must be expended by December 31, 2026.

Interested parties are invited to provide comments on the proposed plan by June 3, 2022, at 5:00 p.m. Comments can be submitted (1) by email to dwi.publiccomments@ncdenr.gov with the subject line "Comments on Division of Water Infrastructure Proposed Plan for Stormwater Funding;" or (2) by mail to Cathy Akroyd, Division of Water Infrastructure, 1633 Mail Service Center, Raleigh, NC 27603.

North Carolina Coastal Storm Damage Mitigation Fund Program Accepting Applications

The North Carolina DEQ Division of Water Resources (DWR) is now accepting applications for the Coastal Storm Damage Mitigation Fund (CSDMF) program. Complete applications must be sent via email to Kevin.Hart@ncdenr.gov on or before 5:00 p.m. on July 8, 2022.

The State allocated \$18 million to the CSDMF to provide as grants to units of local government during the 2021-2023 fiscal biennium. Projects must be cost-shared with non-State dollars on the basis of at least one non-State dollar for every one dollar from the fund. Funds may only be used for costs associated with beach nourishment, artificial dunes, and other projects to mitigate or remediate coastal storm damage to the ocean beaches and dune systems of the State. Please visit the DEQ DWS website for more information on the program, including the program guidelines and application.

ADVOCACY UPDATE

Virtual Washington Meetings in June

We are already in the process of planning for TISPC's Virtual Washington Meetings with your Congressional delegation on <u>Tuesday</u>, <u>June 7</u>, <u>with a backup date of Wednesday</u>, <u>June 8</u>, in the event <u>we cannot conduct certain meetings on June 7</u>. The purpose of these meetings is to discuss TISPC's federal priorities with the Congressional delegation.

So far, we have received the names of those representing TISPC on behalf of Topsail Beach and North Topsail Beach. We are just awaiting confirmation on who will be representing Surf City in the meetings. Please provide these names as soon as possible.

As we have done for previous meetings, we will develop meeting materials and talking points for the meetings. We will provide TISPC with ample time to review these documents and provide any feedback. We will also plan to schedule a preparatory phone conference for Thursday, June 2 at 10:00 a.m. for everyone participating in the Virtual Washington Meetings. Please advise as to whether any participants have conflicts with this date or time.

North Topsail Beach CBRA Mapping Issue

We continue to monitor the status of the proposed technical corrections to Topsail Unit L06. Capitol Hill staff have contacted the House Natural Resources Committee to request an update on the Committee's efforts to draft a bill related to the proposed FWS technical corrections, which we anticipate will be part of a larger technical corrections package that includes map changes to at least six other CBRS units. We will provide an update to TISPC once the delegation receives an update on the status of the bill.

Sand Borrowing Issue

As discussed above, this month, the House T&I Committee 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 that this provision continues to be discussed at the Committee level and may change during conference negotiations after the House and Senate approve their respective versions of WRDA on the floor. We will continue to keep TISPC updated as these discussions progress.

Greater Island-Wide Coordination in Disaster Recovery

We plan to follow up with Town Managers Rose, Breuer, and Derian soon to discuss FEMA disaster recovery coordination issues. We have been conducting additional research on the issues being experienced in disaster recovery efforts on the island, and we look forward to following up with the Town Managers in the coming month, as discussed during our initial phone conference on March 10.

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

With the NFIP again set to expire on September 30, 2022, we are beginning to see more NFIP-related activity in Congress. The House Financial Services Committee, which has jurisdiction over NFIP issues, will be holding a hearing on May 25 to discuss "Reauthorization and Reform of the National Flood Insurance Program." Details on the hearing are still forthcoming, but we expect FEMA to provide witness testimony on their priorities for NFIP reauthorization.