



**TO:** TOPSAIL ISLAND SHORELINE PROTECTION COMMISSION

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**SUBJECT:** JUNE MONTHLY REPORT AND LEGISLATIVE UPDATE

**DATE:** JUNE 17, 2025

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The June Monthly Report and Legislative Update provides information on the following:

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- **Washington News**
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## Advocacy Update

### North Topsail Beach CBRA Mapping Issue

On May 20, North Topsail Beach Mayor Pro Tem Tom Leonard testified before the House Natural Resources Committee Subcommittee on Water, Wildlife, and Fisheries in Washington regarding [H.R. 1885](#), the *Town of North Topsail Beach Coastal Barrier Resources System Map Amendment Act of 2025*, which was introduced by Representatives Murphy and Rouzer earlier this year. As Mr. Leonard will attest, the hearing went exceptionally well, and we anticipate that both the Subcommittee and full Committee will advance the bill at some point this year. We thank the Commission and Mr. Leonard for the opportunity to assist with the hearing preparations and logistics.

We are also pleased to report that Senators Tillis and Budd introduced companion legislation in the Senate on May 13: [S. 1724](#). While there are minor differences in language between the House and Senate versions, both bills achieve the same objective: to remove from the CBRs parcel in the Town of North Topsail Beach, which is designated by local zoning ordinance for purposes other than conservation as of the date of enactment of the Act. The primary difference between the two bills is that the Senate version includes a dedicated definitions section, while the House version incorporates the same definitions in a different format.

We extend our sincere congratulations to TISPC and the Town of North Topsail Beach on these significant milestones. Not only has a bill been successfully introduced in the House and advanced to a hearing, but companion legislation has also been introduced in the Senate for the first time since 2019. We remain very optimistic about resolving this issue in the 119<sup>th</sup> Congress and look forward to continuing our work together to achieve that goal.

### **Protecting FEMA and Coastal Disaster Funding**

Federal budget cuts are posing a significant threat to coastal funding. In response, the House Transportation & Infrastructure (T&I) Committee has released a discussion draft of the "Fixing Emergency Management for Americans (FEMA) Act of 2025." This proposed bill aims to streamline federal disaster response and recovery programs, elevate FEMA back to a cabinet-level agency directly accountable to the President, and reward effective state and local preparedness efforts. It also seeks to protect taxpayers, reduce bureaucracy, and ensure that relief efforts are swift, equitable, and non-partisan.

Additionally, U.S. Representatives Rob Bresnahan Jr. (PA) and Greg Stanton (AZ) have introduced the Save BRIC Act. This legislation requires FEMA to disburse funding through the Building Resilient Infrastructure and Communities (BRIC) program. The BRIC program is crucial for assisting states, local and territorial governments, and Tribal Nations in reducing hazard risks and building preparedness capabilities. As Rep. Bresnahan noted, research indicates that every \$1 invested in pre-disaster mitigation can save up to \$13 in disaster recovery costs.

In the meantime, President Trump announced on June 10th that he plans to phase out FEMA after the 2025 hurricane season. He has indicated that he prefers that governors handle disaster recovery for their respective states when damages occur. Kristi Noem, Secretary of Homeland Security, and Pete Hegseth, Secretary of Defense, have been appointed Co-Chairs of a FEMA Review Council to make recommendations.

We will continue to work with the Commission to reach out to the delegation offices and provide feedback on legislation while also monitoring any changes to FEMA.

## **July and August Joint Monthly Report**

Due to the Topsail Island Shoreline Protection Commission's regularly scheduled summer break in July, we will provide the next report in August, which will be a combined July and August update. We wish everyone a very happy and safe Fourth of July holiday.

## **Washington News**

### **House Continues Crafting FY 2026 Spending Bills Considering Trump Budget Cuts**

Congress is entering a contentious phase of the FY 2026 budget process as House Republicans begin marking up spending bills, while the White House advances new budget proposals that include deep federal budget cuts. The Trump Administration plans to request over \$9 billion in rescissions of unobligated funds and has proposed a 23% cut to nondefense discretionary spending, including steep reductions to clean energy, climate, and infrastructure programs in FY 2026.

On May 30, the Administration released additional detailed FY 2026 budget information. We continue to review and analyze this appendix and await the release of further detailed programmatic budget information from the agencies.

The Trump Administration's FY 2026 budget proposal, although still incomplete, outlines significant cuts across several key agencies, with major implications for the Interior Department, USDA, EPA, Bureau of Reclamation, and the Army Corps of Engineers. Office of Management and Budget (OMB) Director Russell Vought told Congress the full budget won't be submitted until after passage of the Administration's priority tax and spending legislation (currently being considered in the Budget Reconciliation process), leaving lawmakers frustrated as they begin appropriations work with only partial data.

The Army Corps of Engineers is proposed to receive \$6.66 billion, a 23% drop from current levels. The budget includes \$1.5 billion for construction and \$2.3 billion for operations and maintenance but eliminates funding for the Corps' WIFIA program.

### **Senate Begins Consideration of the House Passed "Big Beautiful" Budget Bill**

Senate Republicans continue to push forward with their respective budget and spending agendas, facing a self-imposed July 4th deadline for key legislation.

The Senate GOP majority enters a critical few weeks for its budget reconciliation package. Following the release of sections from various committees, the highly anticipated tax and healthcare portions of the bill were unveiled by the Senate Finance Committee on Monday, June 16th. This version includes significant changes from the House-passed "One Big Beautiful Bill Act," notably a \$10,000 cap on the State and Local Tax (SALT) deduction (compared to \$40,000 in the House bill) and a reduction of the Medicaid provider tax to 3.5 percent (down from 6 percent in the House). Both versions propose substantial cuts to Medicaid

and a phase-out of renewable energy tax credits from the Inflation Reduction Act (IRA), a point of contention for several key Republican senators whose votes are crucial. Senate Majority Leader John Thune is scheduled to huddle with Senate Republicans on Wednesday to discuss these sticking points.

### **Tax-Exemption on Muni Bonds ‘Untouched’ in House Tax-Cut Plan**

Public finance bankers and municipalities are relieved after the House Ways and Means Committee’s new tax package in the budget reconciliation bill left the federal tax exemption for municipal bonds intact. The industry feared the exemption could be targeted to help offset the cost of extending the 2017 tax cuts. The exemption, a key tool for financing public infrastructure, has faced scrutiny in recent months, but the draft bill preserves it for now. While advocates are celebrating the reprieve, they caution that future threats remain as lawmakers continue to negotiate major fiscal issues in the process.

### **Trump EPA Rolls Back Biden-Era ‘Forever Chemicals’ Rule—Maintains PFOA and PFOS Limits**

The Environmental Protection Agency (EPA) under the Trump administration is rolling back a major drinking water regulation targeting per- and polyfluoroalkyl substances (PFAS), also known as “forever chemicals.” This move follows recent promises by EPA Administrator Lee Zeldin to address PFAS contamination, which has been linked to serious health risks including cancer, immune system damage, and reproductive issues.

While the EPA will maintain existing limits for two of the most studied PFAS—PFOA and PFOS—the agency is extending the deadline for water utilities to comply with those standards from 2029 to 2031. Simultaneously, it is rescinding regulations on four other PFAS—PFHxS, PFNA, HFPO-DA (GenX), and PFBS—and reconsidering a novel regulatory approach based on a hazard index used to limit mixtures of these chemicals. These revisions could weaken protections for communities living near military bases and chemical manufacturing plants, where PFAS contamination is most severe.

Administrator Zeldin defended the decision as a balanced approach that protects public health while easing burdens on water systems, especially in rural areas. The EPA plans to propose new, less stringent regulations in the fall and finalize them in spring 2026. The agency also announced a new outreach initiative, PFAS OUT, to help utilities comply with regulations through technical assistance, funding access, and public engagement.

Critics argue the rollback benefits chemical companies and undermines public health protections. Environmental groups have condemned the move as a “public health betrayal,” warning it could leave millions of Americans exposed to toxic chemicals in their tap water. Legal experts suggest the rollback may violate the Safe Drinking Water Act, which prohibits weakening established protections—a potential legal battleground in the coming months.

The EPA's decision comes amid ongoing lawsuits from water utilities and industry groups challenging the Biden-era rule. These groups support regulating PFOA and PFOS but have objected to the cost and methodology behind the broader rule. Environmental advocates who had backed the original regulation are now expected to fight the rollback in court.

### House Republicans Reintroduce CWA Permitting Bills

House Republicans have introduced 15 new bills aimed at overhauling the implementation of the Clean Water Act (CWA), focusing on expediting federal permitting, limiting environmental reviews, and reducing opportunities for litigation. The legislation, backed by members of the House Transportation and Infrastructure (T&I) Committee, is designed to benefit industries such as oil and gas, agriculture, homebuilding, and utilities, which argue that current environmental regulations delay essential projects.

Key proposals would:

- Restrict the EPA's authority to veto permits (e.g., Stauber's *Reducing Permitting Uncertainty Act*);
- Limit states' ability to block projects over water quality concerns (e.g., Rouzer's *Improving Water Quality Certifications and American Energy Infrastructure Act*);
- Reduce environmental groups' ability to file lawsuits (e.g., Burlison's *Judicial Review Timeline Clarity Act*);
- Codify exclusions for ephemeral streams and prior converted cropland from Clean Water Act protection (e.g., Collins' *PERMIT Act*);
- Direct the Army Corps of Engineers to add staff to reduce permitting backlogs.

Critics, including environmental groups, argue the bills would dismantle decades of progress in water pollution control and give polluting industries more power. Democrats are expected to oppose the legislation, which parallels ongoing efforts to speed up federal permitting. The package faces an uphill battle in the Senate, which blocked similar legislation in the last Congress.

### Army Corps Proposes New Nationwide Water Permit Program

The Trump Administration has proposed renewing the Army Corps of Engineers Nationwide Permit Program, which streamlines permitting for infrastructure projects, such as pipelines and highways, that may impact wetlands jurisdictional under the Clean Water Act (CWA). The draft rule includes "some modifications" and introduces a new permit category to expedite approval for environmental restoration projects that aid fish passage at dams, such as fish ladders.

Of the 57 existing permit categories, 56 would be renewed, while the permit for finfish aquaculture farms would be allowed to expire due to ongoing litigation. Permits currently last five years, but House Republicans recently proposed legislation to extend them to ten years. Environmental groups remain critical of the program, arguing that certain projects, especially oil and gas pipelines, should undergo more thorough individual environmental reviews.

## **TFG Special Report: House Passes Budget Reconciliation**

[TFG's Special Report](#) provides an initial overview of the House GOP's multi-trillion-dollar budget reconciliation package, the "One Big Beautiful Act" (H.R. 1). The House passed H.R. 1 just before 7am ET on Thursday, May 22 by a vote of 215-214-1; GOP Reps. Warren Davidson (R-OH) and Thomas Massie (R-KY) voted with all 212 House Democrats against the bill, while Rep. Andy Harris (R-MD), Chairman of the House Freedom Caucus, voted "Present." Two House Republicans, Reps. Andrew Garbarino (R-NY) and David Schweikert (R-AZ), missed the vote.

TFG's Special Report covers sections of the House bill that are of interest to local governments and other public agencies.