

# WATERLOG

NEW IDEAS IN COASTAL RESILIENCY

July 1, 2020

## Appropriations

The House version of the Corps spending bill will be marked up on July 7th, ahead of a full committee markup on the 10th. Legislators are aiming to have all 12 spending bills marked up over the course of the first two weeks of July, with a goal of having the majority of them pass the House before August recess.

Senate Appropriations committees are ready to move on their bills, and Chairman of the Appropriations Committee Richard Shelby says the 12 bills are ready to go. Republicans fear Democrats' amendments will highlight problems with the Trump's Administrations' response to the pandemic.

## WRDA

Our Senate sources say their WRDA version may come up for a vote in July. *Insider tip:* Expect the Senate committee to release its report in the next few days. It is standard practice for a committee to provide a report explaining its provisions at the same time it approves the bill itself. This report is a few weeks behind but will be appreciated despite being marked tardy by purists. The Senate has been patiently awaiting the House version of WRDA, but in a stealth move, the House has taken a surface transportation bill (H.R. 2) and turned it into a 2,093-page infrastructure plan that includes provisions for coastal and inland navigation. Normally WRDA only authorizes Corps funding, rather than appropriating it. Nevertheless, what is dubbed the Moving Forward Act contains a provision that appropriates \$10 billion to the Corps primarily for inland waterways on top of what Congress approves in separate Corps funding legislation set to move next month. The catch: The \$10 billion must come from whatever spare change is in the U.S. Treasury. Some Corps projects and programs are also authorized in the bill. HR 2 is being debated on the House floor this week.

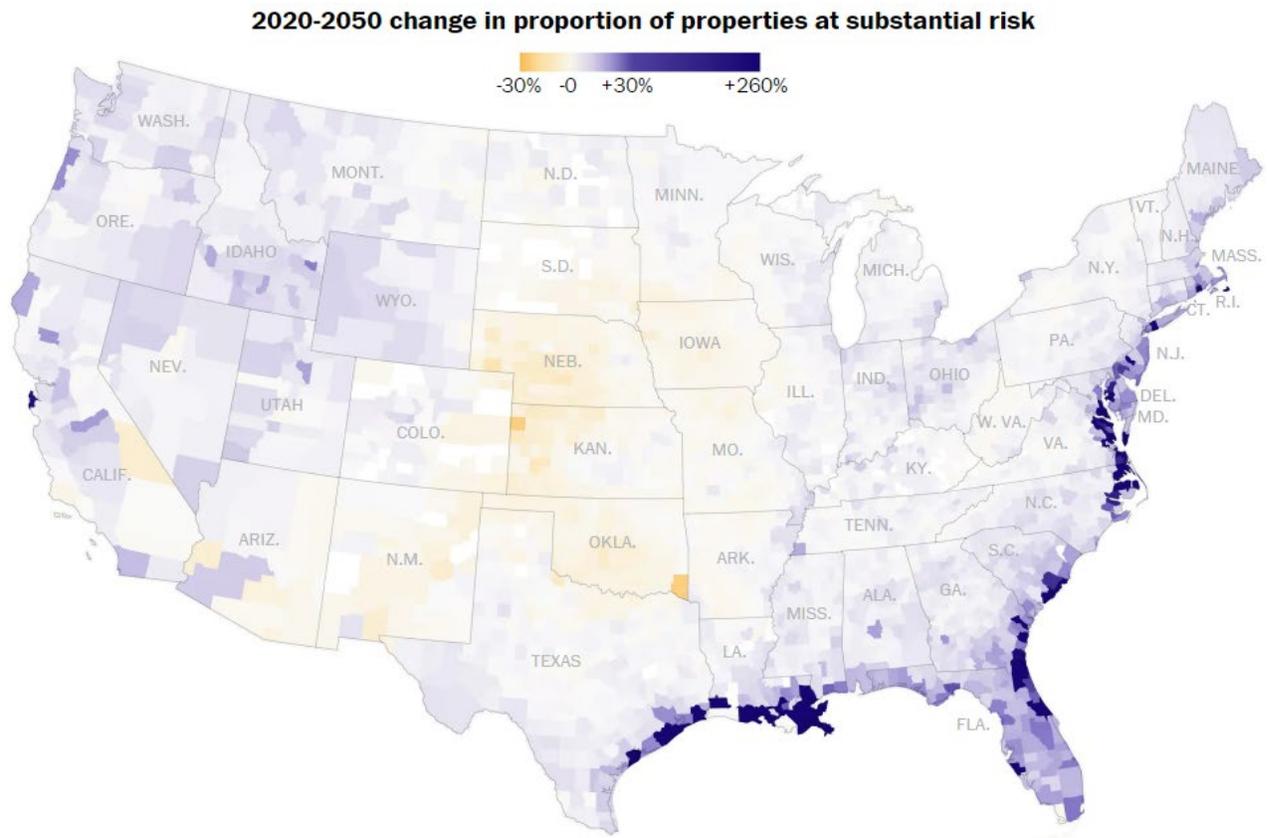
## NFIP - More than 21.8 Million US Properties at Risk of Flooding

While the NFIP has lapsed more than 15 times in the past 3 years, flood risk continues to rise across America. The pandemic has caused many households to ditch unnecessary or non-essential expenses, leading many to cut their flood insurance temporarily.

According to the First Street Foundation, "of the 21.8 million at risk, 14.6 million properties are identified as having substantial risk, meaning they have at least a 26% chance of flooding at least once over the next

30 years. Nearly 6 million of these properties may have underestimated or unidentified risk, as the Federal Emergency Management Agency (FEMA) has only 8.7 million properties mapped in a Special Flood Hazard Areas. At the same time, the Government Accountability Office, an investigative arm of Congress, released a report this month coming to three noteworthy conclusions: (1) The NFIP owes the US Treasury \$20.5 billion despite the fact that an additional \$16 billion of debt was canceled by Congress; (2) As long as Congress declines to raise premium rates, the program can only go further and further into debt; and (3) The \$2.3 billion spent on damage mitigation grants hasn't lowered the federal government's exposure to risk from repetitive flooding for non-mitigated properties.

If we can draw any connections between our preparedness and response to a global pandemic, we can only imagine that flooding and climate change also have a similar ability to disrupt the lives of millions of people in the next 50 years.



Source: New York Times

## ASA James Issues Termination Memo – Will Your Project Survive?

On March 23<sup>rd</sup>, Secretary James issued an internal memo, “Completion and Termination Guidance for USACE Studies.” The memo potentially threatens projects that do not qualify as an active study (See below). A determination is made by the District Commander as to whether or not a project qualifies as an active study.

*Any study initiated **prior** to June 10<sup>th</sup>, 2014 will be terminated if it does not qualify as an active study, or if no federal funds have been obligated in the past 5 years, or if the non-federal sponsor does not provide contributed funds to complete the study.*

*Any study initiated **after** June 10<sup>th</sup>, 2014 must be completed within 3 years (Sec. 1001 WRDA 2014), however the ASA(CW) may extend the timeframe up to a maximum of ten years. If the study is not completed within that timeframe it will be terminated immediately.*

**Note:** If the non-federal sponsor decides to pursue a new feasibility study in the future, it will compete as a new start. Congress places strict limits on authorizing new feasibility studies.

### What defines an ‘Active Study’?

Active Studies:

- Have received a federal allocation
- Have a no-federal sponsor committed to funding their share
- Have an identified federal interest
- Have reasonable alternatives constructible for a federal project
- Are proceeding according to a vertical team-aligned scope, schedule, and budget

## Local Governments Need Federal Aid Now

In a [recent blog post](#), Howard talked about how during this pandemic, local governments like yours are paying significantly increased costs and cutting budgets due to sharply decreased revenues. Right now, any local government that relies on summer tourism is being battered by the health-based reluctance of people to travel. Coastal communities are especially hard hit since beaches are the largest summer destination for day-trippers and vacationers. Many of them count on summer revenues to fund a significant part of their annual budgets. Those revenues are already in a tailspin. We predict that cuts in local budgets this year will be eclipsed by far greater cuts next year as the full impact of the travel and tourism deficit gets felt.

If your community could use direct financial assistance from Washington, DC, now is the time to make this happen because if it doesn’t happen in July it won’t happen at all. Now is the time to make your voice count in Washington. If your community needs assistance from the Federal Government, contact the Warwick Group at (202) 787-5770.