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**Corps Funding Measure Gets Legs:** A House Appropriations Subcommittee is scheduled to finalize its funding proposal for the Corps of Engineers this week. The full committee had put action on hold for appropriations bills until the debt limit deal was passed. One part of that bargain requires an automatic cut in funding for any agency whose funding bill is not approved by Congress by October 1<sup>st</sup>, the beginning of the federal fiscal year. Not a bad idea in our opinion. We've been used to Congress taking into December to pass funding bills with short-term measures to keep the doors open and all of the 12 bills tolled into one giant take-it-or-leave-it "omnibus" measure. The debt limit deal didn't abolish the omnibus tactic, but at least it will force Congress to do its job and pass funding bills on time.

**House Appropriators Set Up a Fight with Senate:** Given the fact that the Corps as well as other agencies got massive increases in funding last year from the Bipartisan Infrastructure Legislation and the Inflation Reduction Act, any increase for the Corps over the current year will be awesome.

Rep. Kay Granger (R-TX), chair of the House Appropriations Committee announced this week that she will only act on funding bills that set agency spending to FY22 levels. Let's take a look at what that means for the Corps. In FY22, the regular appropriations bill for the Corps provided \$8.343 billion. How does that compare to the current year? It's actually a bit higher! The Corps is currently operating with an \$8.310 billion funding pot. [But here's another wrinkle](#). Chair Granger also announced that the Energy & Water Development Appropriations Committee will have 3 percent less to work with than for FY23. That \$1.6 billion cut will be divvied up among the Corps, the Bureau of Reclamation and the Department of Energy. We expect Energy will take most of the hit since its funding usually comprises 80% of the bill's funding. When the House committee bill gets released next week, **WaterLog** subscribers will get an update.

**Appropriations Fight Brewing Between House & Senate:** There's real bipartisan concern in the Senate about the funding limits agreed to between House Speaker McCarthy and President Biden. There are a lot of nuances to this concern, but they signal a more difficult appropriations process than the McCarthy-Biden deal assumed. In short, what comes out of the Senate for Energy & Water, for example, may look very different from what the House has passed. Closing that gap will be a political fight, with Speaker McCarthy refusing to budge because his strong conservative Republican wing is already unhappy that he gave too much away to Biden in the debt limit deal.

**CBRA:** It's not a misspelling of the snake's name. It's the acronym for the Coastal Barriers Resources Act, legislation passed in the 1980's that prevents federal money being used to develop or otherwise benefit dynamic coastal areas (like tidal inlets) that are mapped to be CBRA Units. An interpretation in the 1990's

concluded that sand from an inlet that is part of a CBRA Unit cannot be used to renourish a federal beach nourishment project, even if that borrow site was approved by Congress prior to the adoption of the CBRA law. This threw a wrench into many beach nourishment projects that had previously relied on sand borrowed from CBRA zones, forcing the Corps and local project sponsors to spend millions identifying offshore borrow sites which could potentially impact commercial fisheries. Finally, a legislative fix may be in the works thanks to Congressman Rouzer of North Carolina. HR 524 would allow the Corps of Engineers to dredge sand from a CBRA zone if the borrow site has been used for coastal storm risk management in the past 15 years, bringing back a commonsense proposal that was reversed during the Biden Administration. The legislation is, as far as we know, airtight, allowing only the projects that were designed to use sand for beach nourishment while restoring and enhancing the local ecosystem in connection with the project. The legislation would not enable future uses of sand from CBRA zones, ensuring that all federal environmental laws are fully complied with. You can get more information on Rep. Rouzer's bill [here](#).

**Managed Retreat:** Put those two words together and they make a four-letter word, but they come from the mouths of academicians and scientists who say it would be cheaper to retreat than pay for the costs of staying put. It is very easy to tell other people they should move away from the coast. It's far more difficult when it's your friends or family, often times many generations deep, who have lived there and have their most cherished memories and traditions held there. In some severely eroded areas where homes have fallen into the ocean as well as the few roads that exist, retreat may become a matter of practicality. But retreat to where? The only study we've seen on this issue followed the people who picked up stakes and moved following the severe flooding in the Houston area a few years ago. Most moved to locations that were just as vulnerable. Add to this the fact that communities, as well as whole states like New Jersey and Florida, rely on tourism to fund their budgets and the depth of this reality makes studies calling for retreat as better suited for bookends.

**Flood insurance:** The Federal Emergency Management Agency (FEMA) is facing backlash, including a federal lawsuit from Louisiana and other state officials as well as demands from Congress, over its new flood insurance rates. Critics argue that the rates are making flood insurance unaffordable as FEMA aims to make premiums reflect the actual flood risk of properties. FEMA operates the National Flood Insurance Program, covering 4.7 million properties and providing 90 percent of the nation's flood coverage. They claim that inadequate premiums have been charged for decades, failing to convey the severity of flood risk.

The opposition to FEMA's restructuring program, called Risk Rating 2.0, intensified after the agency published data on projected rate increases in 3,000 counties. FEMA projects that the average premium for a single-family home will approximately double. In Louisiana, where homeowners face significant rate hikes, the attorney general's office is considering legal action against FEMA, and the state legislature is pushing for intervention. FEMA's new insurance rates are being described as "arbitrary and capricious" by Louisiana officials. Homeowners in the state are projected to face substantial rate increases, with some premiums increasing by 550 percent over a decade.

A group of 51 U.S. House members, including both Republicans and Democrats, have asked FEMA for extensive documentation on the methodology used to develop the new insurance premiums. They are concerned that the rate hikes have led to homeowners dropping their policies, potentially leading to

program insolvency. FEMA says the new rates are based on data from a third-party contractor, some of which is proprietary.

This is another complex problem because many people live in risky areas, and their premiums did not reflect the actual risk. Since risky areas are found throughout the country, on our coasts as well as rivers and near forest land, Congress has been unwilling to touch this political powder keg. For now, this seems like a great task for the Government Accountability Office to come up with alternative solutions.

**Offshore Wind:** A House Armed Services Subcommittee is addressing concerns about the risks offshore wind farms may pose for military training flights. It calls for the Defense Department to submit a report by early next year on that agency's plans to mitigate any adverse impacts on training flights. The move comes as part of its draft of the annual National Defense Authorization Act. The towers proposed for at least one wind farm off the coast of southern New Jersey would be the largest in the world at just over 1,000 feet tall with rotors having a wingspan of over 900 feet.

On May 19<sup>th</sup>, the Interior Department's Bureau of Ocean Energy Management (BOEM) released the Draft EIS for its latest offshore wind project, called [Atlantic Shores South](#), to be sited 8.7 miles from Long Beach Island, New Jersey. With up to 200 1,000-foot turbines and 10 offshore substations, it will be the largest and most visible windfarm in the world. Each of the 44 windfarms proposed for the Atlantic coast is having a standalone Environmental Impact Statement, rather the cumulative analysis that NEPA regulations required by the Council on Environmental Quality. As a result, BOEM is likely to find itself in court.

Offshore wind developers from New England to the Mid-Atlantic are asking states to let them renegotiate their contracts due to inflation and supply issues. At the same time, local governments in New Jersey, concerned about the impact of offshore wind on the environment, tourism, commercial and recreational fishing, and higher energy prices have adopted resolutions strongly opposing the projects planned off their coasts. In a recent Fairleigh Dickinson University [poll](#), for the first time a majority of voters opposed offshore wind projects.

**Status of Coastal Bills in Congress:** We're tracking 40 bills on coastal-related issues right now. So far, only two have made it out of committee, one from each chamber. The House bill is H.R. 1152, sponsored by Reps. David Rouzer of North Carolina and Garret Graves of Louisiana, both Republicans. Here's the [text](#). It's a short bill, and one of the easier ones to read and understand. We tagged it because it affects the Section 401 Clean Water Act process, but if you read the [explanation](#) of the bill, it's primarily directed at states that allegedly use this process for non-water quality purposes. On the Senate side, the bill that's moving is S. [1528](#), sponsored by Sen. Gary Peters (D-MI) with bipartisan support. The bill is designed to "streamline the sharing of information among Federal disaster assistance agencies. It's a bit longer, but still written in a way that's easy to understand. The committee report that would provide and explanation has yet to be issued. A complete list of the bill we're tracking can be found on our [WaterLog website](#).

**REMINDER: USACE Section 7001 Portal is OPEN!** | Section 7001 refers to the process in which non-federal interests (i.e., you or your community) request new federal water resources projects to the Corps of Engineers for Authorization in the Water Resources Development Act. This includes all water resources projects like beach nourishment, dams, levees, and other flood mitigation projects. The [portal](#) closes August 31st, 2023. Please let us know if you have any questions or are interested in submitting a proposal.

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