

FLOOD & STORMWATER MANAGEMENT UPDATE



FY12 Corps Appropriations Bill Takes First Step

The House Energy and Water Development Appropriations Subcommittee passed the fiscal year 2012 energy and water funding bill by voice vote. Full Appropriations Committee Chairman Hal Rogers (R-KY) intends to move the bill through the full committee and to the House floor before the chamber breaks for summer recess in August.

The \$30.6 billion bill includes funding for the US Army Corps of Engineers (USACE), Bureau of Reclamation (USBR), and the Department of Energy for the fiscal year running from October 1, 2011 through September 30, 2012. In the subcommittee markup, the USACE and USBR portions of the bill received relatively little attention compared to the deep spending cuts for Department of Energy proposed by the Republican majority.

The proposal for USACE cuts nearly \$90 million from 2011 levels, but is nearly \$200 million more than the levels proposed in the President's 2012 budget. There are no congressionally earmarked projects within this bill. Instead, the House appears to be putting the onus on USACE for allocating funding for projects already Congressionally authorized.

In the press release describing the proposed funding bill, Republican leadership writes, "Due to the large number of ongoing projects, the bill provides a limited amount of discretionary funding to continue essential flood control and navigation projects to be prioritized by the Corps. This additional flexibility will help address critical navigation and flood control needs across this country, while improving Administration transparency and maintaining Congressional authority over budget decisions."

For the complete text of the subcommittee draft of the FY 2012 Energy and Water Appropriations bill, please visit: http://republicans.appropriations.house.gov/_files/EnergyWaterDPOSTED_xml.pdf

For a table comparing the FY 2012 Energy and Water Appropriations bill with last year's level and the President's request (excerpted below), please see: http://republicans.appropriations.house.gov/_files/6111FY12EnergyandWaterSubcommitteeSummaryTable.pdf

In the News..

- | | |
|---|------|
| • FY 2012 Energy and Water Appropriations Subcommittee Summary Table | p. 2 |
| • Bipartisan Bill to Limit EPA Clean Water Act Oversight Introduced | p. 2 |
| • Landrieu Calls on Senate Colleagues for Emergency Disaster Relief Funding | p. 3 |
| • Record Mississippi Floods May Not Yield Record NFIP Claims | p. 3 |
| • Senators Urge Support for EPA SRF Funding | p. 4 |
| • Chief Engineer Nominee Challenged by Gulf Coast Senators | p. 4 |
| • DHS Announces 2011 Preparedness Grants | p. 5 |
| • Philadelphia's Stormwater Reduction Plan Approved | p. 5 |
| • Draft Integrated Water Resources Plan Released | p. 6 |

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FY 2012 Energy and Water Appropriations Subcommittee Summary Table

(numbers in \$000)

	FY11 enacted	FY12 Request	Mark (House Introduced)	Compared to FY11	Compared to request
Title I: Corps of Engineers - Civil	4,857,213	4,573,000	4,768,406	-88,807	195,406
Investigations	126,746	104,000	104,000	-22,746	----
Construction	1,613,822	1,480,000	1,565,941	-47,881	85,941
Mississippi River and Tributaries	241,906	152,000	210,000	-31,906	58,000
Operations and Maintenance	2,365,759	2,314,000	2,366,465	706	52,465
Flood control and coastal emergencies	----	27,000	27,000	27,000	----
Title II: Department of the Interior	1,094,525	1,051,380	934,000	-160,525	-117,380
Water and Related Resources	911,673	805,187	822,300	-89,373	17,113
Subtotal, Bureau of Reclamation	1,062,585	1,018,389	971,296	-91,289	-47,093

Bipartisan Bill to Limit EPA Clean Water Act Oversight Introduced

House Transportation and Infrastructure Chairman John Mica (R-FL) and ranking member Nick Rahall (D-WV) found common ground and have introduced legislation to restrict U.S. EPA's powers under the Clean Water Act (CWA), especially when intervening with state regulatory programs.

The bill, H.R. 2018, the "Clean Water Cooperative Federalism Act of 2011" stems from a series of hearings on EPA's oversight of Appalachian mountaintop removal mining and other bills to curb EPA's oversight of mining projects. The EPA has revoked a permit for Arch Coal Co.'s Spruce No. 1 mine in Rahall's home state of West Virginia. Among the legislation's provisions is a clause to limit EPA's ability to veto the Section 404 "dredge and fill" permits issued by the Army Corps of Engineers. States would have to approve such a move.

The Mica-Rahall bill's reach goes far beyond addressing Section 404 permits. It also restricts EPA's ability to issue revised or new water quality standards without the state's permission. In Mica's home state of Florida, EPA promulgated new water quality standards over state objections.

At a recent hearing, Nancy Stoner, EPA's Acting Assistant Administrator for Water, defended the agency's actions, saying they are meant to protect the environment. She brought a stack of studies to show the need for action, but the display did not sway critics of the program.

The bill was referred to the House Transportation & Infrastructure Committee and then the Subcommittee on Water Resources and Environment. No hearing has been set. The bill has 26 co-sponsors.



Landrieu Calls on Senate Colleagues for Emergency Disaster Relief Funding

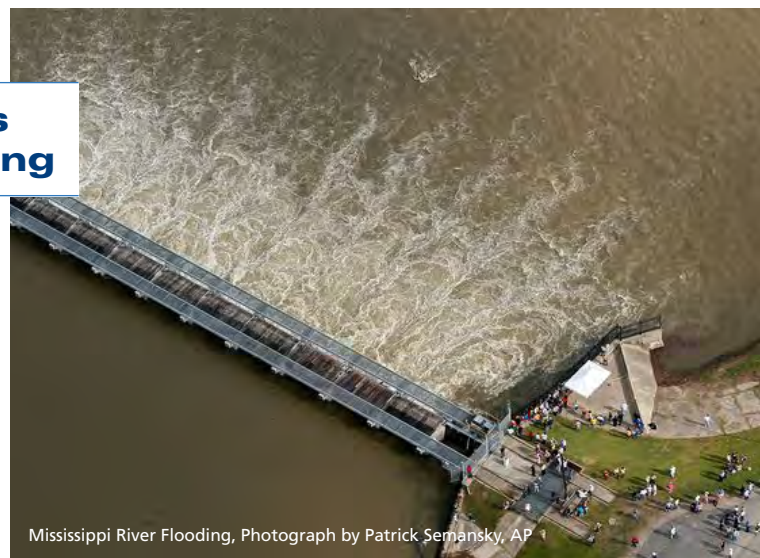
U.S. Senator Mary Landrieu (D-LA), Chair of the Homeland Security Appropriations Subcommittee, delivered a letter to her Senate colleagues calling for approval of supplemental emergency disaster relief funding for 18 states coping with more than two dozen presidentially declared disasters and emergencies ranging from tornados in the South and Midwest to fires in Texas and historic flooding in the Mississippi River Valley.

“In just the past two months, the President has issued 27 disaster and emergency declarations in 18 states,” Sen. Landrieu wrote. “Yet, to date the President has not sought additional emergency funding to cover these events.”

“On May 2, I wrote the President urging him to seek emergency funding for the Federal Emergency Management Agency Disaster Relief Fund (DRF),” Sen. Landrieu wrote fellow senators. “FEMA estimated the shortfall in the Disaster Relief Fund for FY 2012 to be at least \$3 billion. This estimate does not yet reflect the anticipated costs of the recent tornados or the flooding on the Mississippi River. Without this funding, FEMA will have to stop recovery efforts in 50 states in the Spring of 2012. After surviving a disaster, citizens should not be victimized by their government by stopping or slowing recovery efforts for failure to budget responsibly.”

The DRF is FEMA’s general fund to support disaster response, recovery and mitigation projects. In her letter to Senate colleagues, Sen. Landrieu noted that the DRF also faced a \$1 billion shortfall for FY 2011. When the President declined to send up an emergency request to cover the shortfall, the House insisted on cutting base Department of Homeland Security funding to cover the shortfall. Deep cuts (\$790 million) were enacted in first responder grants. Her letter continues: “It makes no sense to cut programs that deter and respond to future disasters in order to pay for past disasters.”

“In addition, funding will be required for the Corps of Engineers, USDA, and other disaster programs for debris removal, levee repairs, emergency food and housing, rebuilding schools, hospitals, police and fire stations, and roads, and other recovery efforts. In the past, the Senate, on a bipartisan basis has approved such emergency funding. I encourage you to reach out to the President, urging him to request such funding, and to ask the Senate Leadership to consider such legislation in an expedited fashion.”



Mississippi River Flooding, Photograph by Patrick Semansky, AP

Record Mississippi Floods May Not Yield Record NFIP Claims

Despite record setting flood stages along the lower Mississippi River, insurance claims against the National Flood Insurance Program (NFIP) appear to be well within the capacity of the program.

The NFIP plunged into the red after an unprecedented \$17 billion in claims stemming from the 2005 hurricanes Katrina, Rita and Wilma. Over the following year, Congress was forced to raise dramatically the program’s borrowing limit from \$1.5 billion to \$20.775 billion.

Today, the NFIP carries a \$17.75 billion debt, leaving about \$3 billion in borrowing capacity from the U.S. Treasury. Although it remains unclear how much this year’s Mississippi floods will cost the program, the Federal Emergency Management Agency says there is enough borrowing capacity to cover incoming claims.

Part of what will likely keep the program from hitting its debt limit is the low rate of participation among homeowners in flood-prone areas along the river. The percentage of residents eligible for flood insurance who maintain a policy – called the penetration rate – unfortunately is only about 10 percent along the flooded portions of the river.

In addition, the value of damaged homes in some of the flood-impacted areas along the Mississippi is also generally lower in comparison to some areas in the country.

Senators Urge Support for EPA SRF Funding

U.S. EPA's Clean Water and Drinking Water State Revolving Funds had significant cuts this spring when Congress struck a deal on federal spending for the rest of the current fiscal year, but a bipartisan group of senators is working to reverse that trend for FY 2012.

Sen. Ben Cardin (D-MD) and 34 other lawmakers today sent a letter to Senate appropriators asking them to preserve the Clean Water and Drinking Water State Revolving Funds, which offer low-cost financing for state and local governments that need to make upgrades to their sewers, reservoirs and water treatment plants.

The letter, which was also signed by Environment and Public Works Chairwoman Barbara Boxer (D-CA) and ranking member James Inhofe (R-OK), says the nation's water infrastructure is reaching a "tipping point." Over the next 20 years, EPA predicts that about \$523 billion will need to be spent to improve the nation's wastewater and drinking water infrastructure, which was recently given a grade of D- by the American Society of Civil Engineers.

"Each day, the condition of our water infrastructure results in

significant losses and damages from broken water and sewer mains, sewage overflows and other symptoms of water infrastructure that is reaching the end of its useful life cycle," the letter says. "It is critical that the federal government remains a reliable partner in meeting the nation's clean water and safe drinking water needs."

The senators aren't specifying how much money they would like to see directed toward the grant programs. The funds received just under \$3.5 billion in 2010, but that budget was cut heavily for fiscal 2011. Of the \$1.6 billion that was slashed from EPA's final budget for the current year, about \$1 billion came from the revolving funds, bringing their combined budget to \$2.5 billion.

The President's FY 12 budget requests \$1.55 billion for the Clean Water SRF and \$990 million for the Drinking Water SRF. This request level reduces funding for State Revolving Funds by \$947 million from FY 2010 levels. But with the new Republican leadership of the House pushing for a deep reduction in federal spending, supporters of the water infrastructure grants will need to fend off further cuts – or find spending reductions elsewhere.

Chief Engineer Nominee Challenged by Gulf Coast Senators

When President Obama's pick to lead the U.S. Army Corps of Engineers, Lt. Gen. Thomas Bostick, appeared before the Senate Environment and Public Works Committee for a courtesy hearing, he faced sharp questions from two Gulf Coast Republicans, Senators David Vitter of Louisiana and Jeff Sessions of Alabama.

Bostick served as executive officer to the chief of engineers during the Midwestern floods of 1993, but his recent posts have been outside of the Corps of Engineers. During the hearing, Senators Vitter and Sessions, especially, questioned his lack of experience in the Civil Works Division and the lack of specifics in questions about Hurricane Katrina and the "water wars" between Georgia, Alabama, and Florida.

Lt. Gen. Thomas Bostick, who has been nominated as chief of engineers and commanding general of the Army Corps, promised to consider the various lock construction, dredging and ecosystem restoration projects that lawmakers pitched during the hearing. He pledged to get back to others who asked more technical questions with detailed responses.

Bostick, now deputy chief of staff for the Army, will also appear before the Senate Armed Services Committee (a date for that hearing has not been set), which must vote on his nomination before it goes before the full Senate.



DHS Announces 2011 Preparedness Grants

Secretary of Homeland Security Janet Napolitano recently announced the release of FY 2011 grant guidance and application kits for 12 DHS grant programs totaling \$2.1 billion to assist states, urban areas, tribal and territorial governments, non-profit agencies, and the private sector in strengthening the ability to prevent, protect, respond to and recover from terrorist attacks, major disasters and other emergencies.

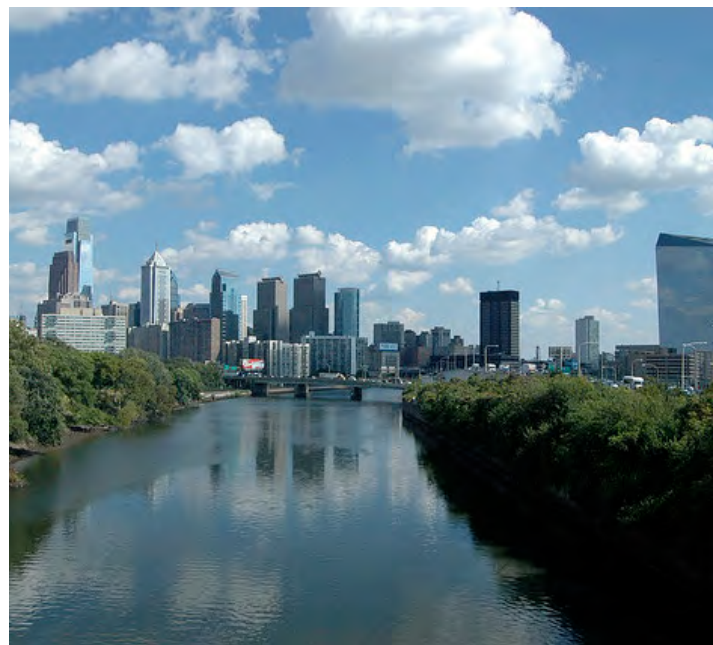
The grants focus on the highest risk cities that continue to face the most significant threats, while continuing to provide dedicated funding to law enforcement throughout the country to prepare for, prevent and respond to pre-operational activity and other crimes that are precursors or indicators of terrorist activity. The 9/11 Commission recommended that homeland security funds be allocated "based strictly on an assessment of risks and vulnerabilities" to focus limited funding in the highest risk areas.

The grant guidance also incorporates feedback from DHS' state, local, tribal and territorial and private sector partners and includes specific steps undertaken by DHS to improve the ability of state and local partners to apply for and utilize grant funding.

Preparedness Grant Programs of potential interest to NAFSMA members and their partners include:

- Regional Catastrophic Preparedness Grant Program (RCPGP)—more than \$14 million to enhance catastrophic incident preparedness in high-risk, high-consequence urban areas and their surrounding regions and support coordination of regional all-hazard planning for catastrophic events, including the development of plans, protocols and procedures to manage regional planning for terrorist attacks and other catastrophic events.
- Emergency Operations Center (EOC) Grant Program—more than \$14 million to support the construction or renovation of Emergency Operations Centers to improve state, local or tribal emergency management and preparedness capabilities to ensure continuity of operations during disasters.
- Emergency Management Performance Grants (EMPG) Program—more than \$329 million to assist state and local governments in enhancing and sustaining all-hazards emergency management capabilities.

Application deadlines for these grants are June 20, 2011. For detailed information each of the preparedness grant programs, including Frequently Asked Questions, Guidance, and Application Kits, please visit www.fema.gov/government/grant/nondisaster.shtm.



Philadelphia's Stormwater Reduction Plan Approved

Pennsylvania state officials approved Philadelphia's plan that aims to reduce stormwater pollution through design aspects such as permeable asphalt and rooftop gardens. The 25-year, \$2 billion "Green City, Clean Waters" plan is an attempt to reduce contaminated rainwater flow into the state's rivers and streams by 5 billion to 8 billion gallons per year.

Presently, most of Philadelphia has combined sewer systems. The system works well in dry weather when the water can make it to the treatment plant before it is expelled into waterways, but overflow of the contaminated water during storms is a major concern. However, separating that infrastructure would be a major expense for the city. The new plan offers an alternative means of addressing the runoff problem. Over the next 20 years, the plan is expected to add \$8 a month to a typical residential water bill, which is cheaper than the price tag on other proposed plans.

Philadelphia has already taken some of the initial steps to implement the plan. Over the next six months the city will decide which neighborhoods to target first, and crews have already begun paving streets with porous asphalt.

Draft Integrated Water Resources Plan Released

The White House's Council on Environmental Quality (CEQ) released a draft plan for managing water resources in the face of a changing climate, addressing concerns raised by an interagency climate change task force last year about how freshwater resource planning – including flooding, stormwater, droughts, and water supply – is in need of significant attention.

The "Draft National Action Plan for Managing Freshwater Resources in a Changing Climate" offers recommendations on how federal agencies can support state and local governments by sharing data and following certain "best practices." The goal: to protect human life, health and property, and protect water quality and aquatic ecosystems.

The draft was prepared by the White House's Climate Change Adaptation Task Force, which is co-chaired by CEQ, the Office of Science and Technology Policy, and the National Oceanic and Atmospheric Administration.

Agencies will be expected to carry out the plan, and a task force will monitor their progress, a CEQ spokeswoman said.

The report offers the following recommendations for federal agencies:

- Improve the quality of water resources and climate change information available to decisionmakers.
- Expand use of water efficiency practices and technologies.
- Develop a list of the most effective conservation practices for state and local officials.
- Draw up a pilot climate vulnerability index for major categories of water facilities.
- Develop a "one stop" website that supplies up-to-date data on water resources and climate change.

CEQ will be accepting comments on the draft for 45 days, until July 15.

Additional information on the work of the Climate Change Adaptation Task Force, the draft National action Plan, and a link for comments are available online at: <http://www.whitehouse.gov/administration/eop/ceq/initiatives/adaptation>



Upcoming Dates

June 15

Deadline for Submission: CEQ NEPA Pilot Projects
<http://www.whitehouse.gov/webform/submit-nepa-pilot-project-nomination>

June 20

Deadline for Application: FEMA's Preparedness Grant Program
www.fema.gov/government/grant/nondisaster.shtm

June 27

Deadline for Comment: FEMA Flood Hazard Mapping Partners Guidelines: Appendices N & O
<http://www.fema.gov/library/viewRecord.do?id=4664> and
<http://www.fema.gov/library/viewRecord.do?id=4665>

July 1

Deadline for Comment: EPA Clean Water Act Guidance regarding identification of protected waters
<http://federalregister.gov/a/2011-10565>

July 15

Deadline for Comment: CEQ's Draft National Action Plan: Priorities for Managing Freshwater Resources in a Changing Climate
<http://www.whitehouse.gov/administration/eop/ceq/initiatives/adaptation>

Oct 31 - Nov 3

NAFSMA Annual Meeting, St. Petersburg, FL
<http://www.loewshotels.com/en/Don-CeSar-Beach-Resort>

Online Registration and Preliminary Agenda Coming Soon

Make your reservations now at the Don Cesar Hotel in St. Petersburg, Florida by calling (727) 360-1881.

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