Looking Backward: A Busy Year for Legislation
Looking Forward: More to Come

At the time of last year’s ASFPM Conference in San Antonio, the Biggert-Waters Flood Insurance Reform Act had not yet been enacted and Hurricane Sandy had not yet happened. Since then, the Biggert-Waters bill (BW-12) has become public law; its implementation has begun and Hurricane Sandy has brought the impacts of the legislation into sharp focus.

This has led to the development and introduction of a variety of pieces of legislation, primarily to delay those impacts. Mitigation issues were part of the impetus for the Sandy Recovery Improvement Act which has been enacted into law. Media coverage of Sandy recovery has raised many questions about flood risk management and coastal risk management which have led to debate about appropriate disaster recovery policies. The House passed a bill providing for a study of group flood insurance. The Senate passed the Water Resources Development Act. Two six month Continuing Resolutions have been enacted providing a confusing funding picture for federal programs in the current fiscal year, complicated by sequestration.

As this report is being written, the House of Representatives has just passed its version of Homeland Security Appropriations for FY ’14 which includes a floor amendment delaying implementation of a portion of the Biggert-Waters bill for one year. The Senate is wrapping up consideration of its version of the Farm Bill, avoiding consideration of amendments to delay implementation of a portion of Biggert-Waters and make changes to the Hazard Mitigation Grant Program. Committee action on a draft Senate Homeland Security Appropriations bill is likely later this month. House committee action on a FEMA Reauthorization bill which would include amendments to the Stafford Act is a possibility.

Looking to the rest of the Congressional session, the Energy and Water appropriations bills are likely to be marked up in late June or July while other regular appropriations bills seem to be on the back burner. Because there is a significant discrepancy between funding levels approved in the separate House and Senate Budget Resolutions which guide appropriations bills, it is widely speculated that the first part of FY ’14 will be funded through a Continuing Resolution.
Committee action on a draft House version of a Water Resources Development Act (WRDA) is likely in July and consideration of a House Farm Bill could come before then. Meanwhile, it is likely that there will continue to be efforts in the House and Senate to attach amendments delaying implementation of portions of the Biggert-Waters law to various pieces of legislation. It is possible that the Senate could take action on H.R. 1135 providing for a study of the feasibility of group flood insurance policies.

**Appropriations**

There is about a $90 billion difference between the assumptions made in the House and Senate versions of their Budget Resolutions. At least both the House and Senate have passed budget resolutions this year, which has not been the case in recent years. Both use their budget resolutions to set ceilings for the 12 Appropriations subcommittees, so the results will be widely differing bills emerging from each side. To complicate matters, Senate Republicans have declared that they will adhere to the assumptions in the House budget resolution.

Nevertheless, the House has just passed the first two regular appropriations bills by significant margins: Military Construction/VA and Homeland Security. Energy and Water may be next. The Senate committee expects to begin marking up its first few bills in late June or early July. There is increasing concern and expectation that most, if not all, of the government will be funded by a Continuing Resolution again at the beginning of the new fiscal year in October or that another government shutdown could be a possibility.

ASFPM submitted Outside Witness Testimony to the House and Senate Appropriations Committees concerning the proposed FEMA budget. The testimony strongly supports additional funding for mapping (as the foundation for flood hazard mitigation and reduction of disaster-related costs to taxpayers) and restoration of the Pre-Disaster Mitigation (PDM) program. The testimony is available on the ASFPM website.

**FEMA**

The Homeland Security Appropriations bill passed the House on June 6 by a vote of 245-182. There was some discussion during the debate about the value of the Pre-Disaster Mitigation program, which, fortunately, did receive some funding. An amendment adding $7.6 million for wildfire mitigation passed.

There was also considerable debate about the difficulties associated with the “unintended consequences” of the flood insurance rate increases associated with Biggert-Waters. The House adopted an amendment by Rep. Cassidy (R-LA) delaying implementation for one year of Section 207 which involves increases
related to map changes and removal of grandfathering. The entire Louisiana delegation cosponsored the bill and were joined by Rep. Maxine Waters (D-CA) who is the Waters in Biggert-Waters. Her support was, no doubt, significant.

Information about the Administration’s budget request for FEMA is provided here and related information about House Appropriations bill numbers in bold.

The request for appropriated funds for RiskMAP was down again, but anticipated fee income to support mapping is likely to be higher, which would add up to a program level for FY ’14 that would be approximately the same as FY ’13. The funding would be less than half of the funding from a couple years ago. The budget again proposed to eliminate the Pre-Disaster Mitigation Program, but stated there will be some further availability of competitive grant money due to carryover funds and the $25 million appropriated for PDM in FY ’13. The budget initiates the National Flood Insurance Fund Reserve Fund called for in Biggert-Waters (BW 12). It also, once again, proposes to combine state and local grants (except Firefighters Assistance Grants and Emergency Management Preparedness Grants (EMPG) into a combined National Preparedness Grant program.

PDM
zero funds requested; $105 million still available in FY ’14

House bill provides $22.5 million plus $7.6 million amendment for wildfire mitigation.

Flood Hazard Mapping and Risk Analysis
$84.361 million in Appropriated funds
(This is down from $220 million in FY ’10, $181.6 million in FY ’11, $97.7 in FY ’12 and $89.3 million in FY ’13.

House bill provides $95.2 million in appropriations.

Emergency Management Preparedness Grants
$350 This is the same level as for the past several years.

National Flood Insurance Fund
$176.3 million expected from policy fees
$154.3 of above amount for Floodplain Management and Mapping
(up from $149 million) Breakout for mapping has been about $117 million in recent years. It could be up to $125 million due to premium increase in October.

Limit on taxes and commissions of agents of $1.152 billion
This is a first time limitation.

$100 million for the combined FMA, SRL and RFC programs

House bill provides $120 million for combined FMA, SRL, RFC.

NFIF Reserve Fund (newly established pursuant to BW12)
Anticipates $162 million from fees and premiums
Disaster Relief Fund
$6.221 billion – of which $5.63 billion is for declared major disasters
(The budget includes no additional funds for Hurricane Sandy because the final figures are not yet determined. That amount will be included in the FY ’15 budget. House bill provides the budget request.

National Preparedness Grants
The budget request proposes to meld state and local grants into a combined National Preparedness Grant program. Both House and Senate Appropriations Committees rejected the plan last year. This year, recommendations for authorizing legislation are expected.

Army Corps of Engineers

The Corps budget proposal calls for 4 construction new starts in FY ’14 and 10 new studies, including the nationwide Water Resources Priorities Study. Funding is also included to complete 21 studies and 5 construction projects. The proposal states that funding is included to support continued development of the Silver Jackets program which utilizes interagency teams to assist in development of effective flood risk management solutions. There is not a specific line item for Silver Jackets; its funding is derived from other accounts.

Funds for the technical assistance programs which ASFPM has strongly supported are:
Planning Assistance to States $4 million
Flood Plain Management Services $9.5 million

The PAS level has been at $4 or $5 million for the past several years. The level for FPMS is an increase of $1.5 to $2 million over the past several years. It is likely that additional amount will be used for partial support the Silver Jackets initiative, which does not have a line item in the budget.

National Oceanic & Atmospheric Administration (NOAA)

The NOAA budget request prioritizes improved forecasting of extreme weather and also increases funding for the National Ocean Service (NOS) and for the computing infrastructure at the National Weather Service (NWS). Responsibility for the climate monitoring sensors in Landsat will be transferred to NASA.

National Ocean Service

The budget request includes significant additional funding for a number of NOS programs and reflects a renewed emphasis on science and earth observations and a restoration of balance in NOAA’s various mission areas. Some of the additional
funds will be used to support Digital Coast. (ASFPM is a Digital Coast partner.) A few areas of budget increase are highlighted.

Coastal Lidar Data Collection and Coordination
This program (working with the Army Corps and U.S.G.S.) is increased by $7.8 million.

Harmful Algal Bloom, Hypoxia and Coastal Ecosystem R & D
This competitive funding is increased by $5.2 million.

Damage Assessment, Response and Restoration
This is a new request for $2.6 million to expedite resource damage assessments and restoration and improve NOAA's to prepare for and respond to coastal environmental hazards.

Regional Ocean Partnership Grants
These are increased by $1.5 million.

Water Resources Development Act (WRDA)

There has not been a WRDA enacted since WRDA 2007. Traditionally, WRDAs provided authorization for numerous Army Corps of Engineers projects and studies. The Senate Water Resources Development Act (WRDA) (S. 601) has passed the Senate. It occupied the Senate’s attention during the week of May 6th and part of the following week. Because of the Congressional commitments to avoid legislative earmarks, the WRDA that passed the Senate approves projects and studies included in the report of the Chief of Engineers.

ASFPM expressed overall support for moving this bill forward, while also noting concern about language streamlining the environmental and other review processes in conjunction with project approvals, among other concerns. Many environmental groups registered their objection to the streamlining language on the basis that it could undermine serious consideration of relevant public safety and environmental factors. Importantly, the bill establishes a National Levee Safety Program and also significantly expands the Corps’ technical assistance programs to assist state and local entities in developing flood risk management strategies.

Amendments related to the Biggert-Waters flood insurance reform legislation were filed, but, in the end, were not allowed to be considered. Senators Landrieu and Vitter of Louisiana filed an amendment to delay implementation of some of the premium increases due to subsidy removal. The amendment was cosponsored by Senator Schumer (D-NY) and Senator Lautenberg (D-NJ) and would delay implementation of Section 207 (removal of grandfathering and premium increases due to map changes) for 5 years. The Senate Banking Committee Chairman and Ranking Minority Member filed an amendment which would provide for a study of the feasibility of group flood insurance policies, would remove the requirement that federal funds be involved in determination that adequate progress has been made on construction, reconstruction or improvement of flood control systems and would
provide more flexibility in the methodology of the study of affordability called for in Biggert-Waters. Senator Jack Reed (D-RI) filed an amendment providing for the study concerning group policies. Neither amendment was approved or included in S. 601.

The House Committee on Transportation and Infrastructure has been actively holding meetings, roundtable discussions and hearings to develop its own version of WRDA. Committee staff indicate that a draft bill will be written in early summer. They note that nearly half of the current Members of the House have been elected since the last WRDA in 2007, so there is very little institutional memory of the WRDA process and policies. In an effort to assist with education, ASFPM organized a briefing for House staff on “Flood Risk Management and WRDA”. The June 3rd briefing included presentations from ASFPM, The Nature Conservancy, the National Association of Flood and Stormwater Management Agencies (NAFSMA) and the University of California at Berkeley. It was extremely well attended with standing room only in the Capitol Hill hearing room.

**Other Legislation**

A variety of bills have been introduced in the House and Senate to delay implementation of rate increases resulting from the Biggert-Waters reform bill. Those were listed in the March issue of “Insider” with the exception of a recent addition, H.R. 1485, introduced by Representatives LoBiondo and Runyan, both from New Jersey. No action has been scheduled at this time. Senators Landrieu (D-LA), Vitter (R-LA) and Menendez (D-NJ) have also introduced bills. Senator Landrieu’s bill, S. 996, would also remove the BW provision to move premium rates to actuarial upon sale of a property. It would expedite the affordability study called for in BW and would specifically allow new construction of critical facilities in V zones if constructed to strict standards.

A bipartisan group of 32 Representatives from areas affected by Hurricane Sandy have asked the House Speaker to pass a tax relief package for those impacted by the storm.

Two bills to provide a federal reinsurance backstop for states establishing their own catastrophe insurance funds, also described in the March “Insider”, are still pending in committee.

Rep. Candice Miller has introduced a bill (H.R. 1194) entitled “NFIP Termination Act” which would end the flood insurance program by the end of 2015. It is awaiting action in committee but no action has been scheduled.

*Referenced legislation can be viewed by going to: [http://thomas.loc.gov](http://thomas.loc.gov) and typing in the bill number or title.*