

April 7, 2021

The Honorable Nancy Pelosi Speaker of the House U.S. House of Representatives Washington, D.C. 20515

The Honorable Chuck Schumer Majority Leader U.S. Senate Washington, D.C. 20510 The Honorable Kevin McCarthy Republican Leader U.S. House of Representatives Washington, D.C. 20515

The Honorable Mitch McConnell Republican Leader U.S. Senate Washington, D.C. 20510

Speaker Pelosi, Leader McCarthy, Leader Schumer, and Leader McConnell:

As Congress continues to respond to untold hardship and suffering from the unprecedented COVID-19 pandemic, the resulting economic recession, and last year's record-breaking hurricane season,¹ American Flood Coalition Action (AFCA) believes that addressing America's infrastructure would help to create jobs and spur economic growth, all while building resilience and strengthening communities for the future.

Building back communities cannot simply be business as usual. Investments must go toward resilient infrastructure that allows communities to adapt to the environmental impacts already here, as well as the worsening impacts still to come. Additionally, resources must be equitably allocated to benefit all communities, especially the most vulnerable people at the frontlines. Finally, investment must target projects that end the cycle of disaster spending, which last year alone totalled \$95 billion.²

Funding flood resilient infrastructure not only better prepares communities for the impacts of more frequent flooding, rising seas, and costly natural disasters; it also boosts local economies. Flood resilient infrastructure creates jobs at all levels, and because recovering from natural disasters is extremely expensive, this infrastructure avoids future costs by preventing some of the worst economic impacts of flooding.³ Since floods know no political boundaries, investing in tools to respond to floods is a national necessity.

To fully realize the benefits of flood resilient infrastructure, AFCA urges Congress to commit *at least* **§38.2 billion** to flood mitigation, resilience, and disaster preparedness programs and

¹<u>National Oceanic and Atmospheric Administration (NOAA)</u>, The 2020 Hurricane Season broke the record with 30 named storms and 12 landfalling storms in the continental United States.

² <u>National Oceanic and Atmospheric Administration (NOAA)</u>, The billion-dollar disaster events during 2020 caused \$95.0 billion in damages, which is the fourth-highest inflation-adjusted annual cost total since 1980, and more than double the 41-year average of \$45.7 billion.

³ <u>National Institute of Building Sciences</u>, <u>Natural Hazard Mitigation Saves</u>: 2019 Report, every dollar invested in pre-disaster mitigation has been shown to save \$4-7 in disaster relief.



projects. Research has shown that this level of investment could create as many as <u>one million</u> jobs.⁴

Outlined in the two sections below, AFCA proposes 12 specific requests to Congress that combine innovative, new programs and proven, existing programs that are ideally positioned to achieve the goals of an economic stimulus. Together, these programs drive local solutions to local challenges; encourage proactive steps that minimize flood risk and spur economic growth; and advance equitable solutions that provide under-resourced communities with tools to increase their resilience.

Section 1. Innovative, New Programs and Authorizations

- 1. *Pre-Development Funding:* Authorize a total of **at least \$5.6 billion** over five years, and provide initial funding for a Resilient Infrastructure Pre-development Fund to help communities overcome the technical capacity gap that often hinders their ability to access and utilize federal funds. With specific emphasis on small, rural, and vulnerable communities that have traditionally suffered from under investment, this fund will help complete critical tasks (zoning, engineering work, economic feasibility studies, business and grant plan writing, life-cycle risk assessments, and permitting) that must occur before resilient infrastructure projects can move forward. By addressing this critical capacity gap, Congress can ensure that all communities are ready to deploy stimulus funding for forward-thinking resilient infrastructure projects.
- 2. *Infrastructure Resilience Accelerators:* Authorize a total of **at least \$1 billion** over five years and provide initial funding to establish technical hubs throughout the country that prepare smaller, rural, and disadvantaged communities to accelerate forward-looking infrastructure projects. By offering dedicated technical assistance, Resilience Accelerators will help state, local, and regional officials build capacity to rapidly scale projects. To spark local investment and ensure broad access for all communities, AFCA recommends housing and/or affiliating a number of Accelerators within community colleges as well as Historically Black Colleges and Universities, Tribal Colleges and Universities, and other minority-serving institutions.
- **3.** *Small Business Administration (SBA) Pre-Disaster Loan Program:* Authorize a total of \$125 million over five years and provide initial funding for an SBA pre-disaster loan program⁵ to support small businesses in advancing their disaster preparedness and reducing future recovery costs. At a time when many businesses are struggling from the COVID-19 pandemic, this program would help small businesses cover expenses to proactively protect physical property, goods, and supplies from disaster damages. Beyond directing assistance to small businesses, the program should include sufficient funding for SBA to conduct outreach and provide technical assistance for program applicants.

⁴ Johns Hopkins University, <u>*The Local Economic Impact of Flood-Resilient Infrastructure*</u>. For every \$1 billion invested in flood resilient infrastructure projects, 40,000 jobs could potentially be created.

⁵ AFCA recommends modeling this request on <u>H.R.7552</u> and <u>S.4699</u> from the 116th Congress.



- 4. *Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) Grant Program:* Authorize a total of **at least \$4.93 billion** over five years and provide an initial allocation for a PROTECT grant program⁶ to fund grants that reinforce, upgrade, or realign existing transportation infrastructure to be more resilient to extreme weather. Such a program will reduce disaster costs while potentially creating as many as **200,000 jobs.**⁷
- 5. *Hazard Mitigation Revolving Loan Funds:* Appropriate \$200 million to fully fund the STORM Act, which provides states with seed money to establish hazard mitigation revolving loan funds for projects that minimize risks posed by disasters such as flooding and storm surge. The requested funding will help states take proactive steps to become more resilient and could potentially create as many as **8,000 jobs.**⁸
- 6. *Pre-Disaster Infrastructure Mitigation at the Federal Highway Administration (FHWA)*: Authorize and establish a new pre-disaster mitigation program within FHWA to fund projects that address vulnerabilities and improve long-term resilience of FHWA infrastructure assets. Proactive, intelligent investments will strengthen FHWA assets while reducing over-reliance on the FHWA Emergency Relief Program that frequently requires supplemental funding after natural disasters.

Section 2. Proven, Existing Programs That Support Communities

- 1. *Disaster Mitigation Resources*: Increase the Building Resilient Infrastructure and Communities (BRIC) program set-aside from six percent to 15 percent, require mandatory use of the full set-aside, and allocate more resources for technical assistance, outreach, and other activities that improve program accessibility. These changes to the program's authorization will increase participation from smaller, rural, and financially-limited applicants while allowing FEMA to better meet high demand for BRIC resources.⁹
- 2. *Military Base Infrastructure Resilience:* Appropriate at least \$4.2 billion to pay for mitigation and adaptation measures at military bases and boost preparedness for flooding, sea level rise, and natural disasters. In addition to ensuring our national security, military bases drive local economies. This funding will infuse communities across the country with resources to create jobs and spur economic growth while reducing future disaster costs.

⁶ AFCA supports using a similar proposal in the bipartisan <u>America's Transportation Infrastructure Act of 2019</u> from the 116th Congress as a starting point.

⁷ Johns Hopkins University, *The Local Economic Impact of Flood-Resilient Infrastructure*. For every \$1 billion invested in flood resilient infrastructure projects, 40,000 jobs could potentially be created.

⁸ Johns Hopkins University, <u>The Local Economic Impact of Flood-Resilient Infrastructure</u>. For every \$1 billion invested in flood resilient infrastructure projects, 40,000 jobs could potentially be created.

⁹ FEMA, <u>Hazard Mitigation Assistance (HMA) Annual Grant Cycle Submissions Summary</u>. March 17, 2021. With \$500 million to allocate for BRIC funding, FEMA disclosed that it received 980 applications seeking a combined total of \$3.6 billion. According to FEMA, this is the largest number of applications it has ever received for a grant program that funds pre-disaster mitigation.



- **3.** *Address Backlogged, Authorized Army Corps Projects:* Appropriate **at least \$17 billion** for the Army Corps of Engineers to expedite construction and maintenance projects that reduce flood risk across the country. This funding will begin the process of reducing the roughly \$96 billion backlog of authorized projects that lack funding¹⁰ and could create as many as **680,000 jobs**.¹¹ Clearing the backlog will protect communities from harm, reduce future disaster costs, and shorten timeframes for considering future projects, especially those identified for assessment under environmental justice requirements in the Water Resources Development Act of 2020.
- 4. *Resources for Coastal Resilience Projects:* Authorize and appropriate **at least \$3 billion** for a grant program for shovel-worthy coastal resilience projects¹² to stimulate local economies, restore and protect coastlines, and create as many as **120,000 jobs**.¹³ With a specific emphasis on wetlands and wildlife habitat that help form natural protective barriers for coastal communities, these projects will also benefit commercial fishing and tourism industries that have been hard hit by the COVID-19 pandemic.
- **5.** *Resources for Flood Mitigation Assistance:* Appropriate **at least \$175 million** in additional funding for FEMA's Flood Mitigation Assistance (FMA) grant program to help states, communities, tribes, and territories fund projects that reduce or eliminate the risk of flooding to buildings insured by the National Flood Insurance Program (NFIP). The FMA program provides funding for communities to proactively address their flood risk through flood control, floodplain and stormwater management, and wetlands projects. Together, these investments will conserve taxpayer dollars by reducing NFIP claims, jumpstart flood resilient infrastructure projects, and could create as many as **7,000 jobs**.¹⁴
- 6. *Sewer Overflow Funding:* Authorize a total of \$2 billion¹⁵ over five years for Sewer Overflow and Stormwater Reuse Municipal Grants and provide an initial allocation to help communities upgrade and replace aging sewer systems. These investments will help the nearly 860 municipalities across the U.S. that have identified combined sewer overflows as a priority water pollution concern,¹⁶ and could create as many as **80,000 jobs**.¹⁷ As part of this request, we urge Congress to set aside funding for smaller communities (those with populations of 20,000 or less) and provide a greater federal cost share for projects that serve financially-distressed communities.¹⁸

¹⁰Congressional Research Service, <u>U.S. Army Corps of Engineers: Annual Appropriations Process and Issues for Congress</u>, April, 2020. Page 2.
¹¹ Johns Hopkins University, <u>The Local Economic Impact of Flood-Resilient Infrastructure</u>. For every \$1 billion invested in flood resilient infrastructure projects, 40,000 jobs could potentially be created.

¹² AFCA suggests using language from <u>H.R.7387</u>, Shovel-Ready Restoration Grants for Coastlines and Fisheries Act of 2020, from the 116th Congress, as a starting point for this program.

¹³ Johns Hopkins University, <u>*The Local Economic Impact of Flood-Resilient Infrastructure*</u>. For every \$1 billion invested in flood resilient infrastructure projects, 40,000 jobs could potentially be created.

¹⁴ Johns Hopkins University, <u>*The Local Economic Impact of Flood-Resilient Infrastructure*</u>. For every \$1 billion invested in flood resilient infrastructure projects, 40,000 jobs could potentially be created.

¹⁵ The requested funding amount mirrors amounts included in <u>H.R.1915</u>, the Water Quality Protection and Job Creation Act of 2021.

¹⁶ Environmental Protection Agency, <u>Combined Sewer Overflows</u>.

¹⁷ Johns Hopkins University, <u>*The Local Economic Impact of Flood-Resilient Infrastructure*</u>. For every \$1 billion invested in flood resilient infrastructure projects, 40,000 jobs could potentially be created.

¹⁸ This requested language mirrors Section 22106 of <u>H.R.2</u>, the Moving Forward Act.



If ignored, flooding, sea level rise, and natural disasters will continue to worsen and increasingly threaten our country's infrastructure. Any infrastructure plan must therefore consider how we adapt to these growing impacts. By investing in flood resilient infrastructure, Congress can both continue to support recovery from the COVID-19 pandemic as well as lay the groundwork for a smarter, more resilient future that benefits all communities for decades to come.

By addressing inequities, filling technical and capacity gaps, bolstering pre-disaster mitigation and adaptation efforts, and directing strategic investment in effective programs, AFCA's proposed requests will create jobs, revitalize communities, and safeguard lives and livelihoods into the future.

AFCA stands ready to work with our bipartisan Federal Champions, additional members of Congress, and the Biden Administration to advance these requests as part of an infrastructure package. We are happy to provide additional detail on any of these proposals, and look forward to seeing their enactment into law.

Sincerely,

In White

Melissa Roberts Executive Director

CC:

The Honorable Rosa DeLauro, Chair, House Committee on Appropriations The Honorable Kay Granger, Ranking Member, House Committee on Appropriations The Honorable Peter DeFazio, Chairman, House Committee on Transportation & Infrastructure The Honorable Sam Graves, Ranking Member, House Committee on Transportation & Infrastructure The Honorable Raul Grijalva, Chairman, House Committee on Natural Resources The Honorable Bruce Westerman, Ranking Member, House Committee on Natural Resources The Honorable Nydia Velázquez, Chairwoman, House Committee on Small Business The Honorable Blaine Luetkemeyer, Ranking Member, House Committee on Small Business The Honorable Patrick Leahy, Chairman, Senate Committee on Appropriations The Honorable Richard Shelby, Ranking Member, Senate Committee on Appropriations The Honorable Tom Carper, Chairman, Senate Committee on Environment & Public Works The Honorable Shelley Moore Capito, Ranking Member, Senate Committee on Environment & **Public Works** The Honorable Gary Peters, Chairman, Senate Committee on Homeland Security and **Governmental Affairs** The Honorable Rob Portman, Ranking Member, Senate Committee on Homeland Security and **Governmental Affairs**



The Honorable Maria Cantwell, Chair, Senate Committee on Commerce, Science, and Transportation

The Honorable Roger Wicker, Ranking Member, Senate Committee on Commerce, Science, and Transportation

The Honorable Ben Cardin, Chair, Senate Committee on Small Business & Entrepreneurship The Honorable Rand Paul, Ranking Member, Senate Committee on Small Business & Entrepreneurship