

U.S. Policy Update

As the Biden administration begins implementation of the Infrastructure Investment and Jobs Act (IIJA), Congress is in the midst of considering consequential water-resource legislation and federal appropriations for Fiscal Year (FY) 2023.

The <u>House</u> and <u>Senate</u> have completed markups of their respective versions of the Water Resources Development Act (WRDA) of 2022. WRDAs are omnibus measures that authorize the civil-works missions of the U.S. Army Corps of Engineers (USACE) to facilitate commercial navigation, address flood risks, and restore aquatic ecosystems. In recent years, Congress has considered WRDAs on a biennial basis.

Both the House and Senate versions of WRDA 2022 would strengthen the federal government's commitment to preventing an established presence of invasive carp in the Great Lakes and St. Lawrence River Basin. Specifically, the proposed legislation would adjust the federal cost share for the USACE's <u>Brandon Road Interbasin Project</u> to 90 percent federal, 10 percent local, an improvement from the 80/20 split authorized by WRDA 2020. Given the significant economic and environmental stakes, both the <u>Cities Initiative</u> and the <u>Council of Great Lakes Governors</u> have called on Congress to institute a 100 percent federal cost share for the remaining expenditures associated with Brandon Road.

Additionally, both proposals would amend Section 212 of current WRDA statute to authorize the USACE to conduct coastal-shoreline protection and restoration activities, including in the Great Lakes and St. Lawrence River Basin. This is a strong indication of growing congressional interest in leveraging the USACE's capabilities and expertise to mitigate the effects of climate change and associated extreme weather events along our nation's shorelines.

While the full House <u>passed</u> its version of WRDA 2022 in early June, the full Senate has not yet voted on its WRDA proposal. Once the Senate acts, the two chambers will form a conference committee to reconcile any differences between their respective bills, paving the way for consideration of the final WRDA 2022 in both the House and Senate later this year.

Meanwhile, the House had made substantial progress on its FY23 appropriations bills.

Most recently, on June 29, 2022, the House Appropriations Committee approved the House version of the FY23 Appropriations Act for Interior, Environment, and Related Agencies by a vote of 32 to 24. This measure, which includes appropriations for programs administered by the Environmental Protection Agency, would provide \$368 million for the Great Lakes Restoration Initiative (GLRI) in FY23, supplementing the \$1 billion for GLRI that was appropriated by the IIJA. For water-infrastructure programs, the House proposal would provide \$1.75 billion for the Clean Water State Revolving Fund and \$1.13 billion for the Drinking Water State Revolving Fund in FY23.

Previously, on June 28, 2022, the House Appropriations Committee approved the House version of the FY23 Appropriations Act for Energy and Water Development, and Related Agencies by a vote of 32 to 24. This measure would provide the USACE \$47.88 million in FY23 to begin construction of the Brandon Road Lock and Dam project, supplementing the \$226 million provided by the IIJA. Additionally, this measure would provide \$3 million for the Great Lakes Coastal Resiliency Study in FY23, \$2.4 million above the USACE's budget request.

As of this writing, the full House is preparing to vote on an omnibus package that would advance both appropriations measures discussed here. However, the Senate Appropriations Committee has not held markups for any of its 12 appropriations bills.

Looking forward, the Cities Initiative will continue to closely monitor the development of WRDA 2022 and the FY23 appropriations process, as well as report on potential impacts for the Great Lakes and St. Lawrence River Basin.