

# Federal Perspectives Update

# Congressional Interest – on the rise, and widely divergent

- This Congress we've seen a shifting dynamic regarding whether Members are willing to discuss climate change
  - Several partisan and bipartisan Committee and caucus “framework” efforts
  - Impacts to infrastructure resiliency; protecting federal investments resonates
  - Facilitates more bipartisan discussions
- Wide range of proposals under consideration – little coalescing to date
  - Democrats are not aligned around a path; Republicans developing own proposals
- Examples:
  - Ways & Means (taxation committee) hopes to address clean energy incentives and could address carbon taxation – various carbon tax proposals have been introduced
  - Select Committee on the Climate Crisis -- developing a policy report for March release which may help coalesce House Democrats
  - Energy & Commerce Majority (Dems) released a package in January; Republicans developing proposals focused on energy innovation; trees; Ag

# Opportunities for NACWA Engagement

- Carbon Tax as a Revenue Source – pricing carbon emissions to reduce climate change
  - Could address the infrastructure gap -- providing a new revenue source for federal investment
    - A carbon tax levied on all energy-related carbon emissions would generate \$1.87 trillion in new federal revenue over next 10 years<sup>1</sup>
    - Private sector support has grown for this mechanism, but certainly not unanimous
    - Differing approaches to designing the tax; allocating revenues – some send large portions of revenues to infrastructure, such as the America Wins Act of 2019 ([H.R.4142](#)); Climate Action Rebate Act of 2019 ([S.2284](#) / [H.R.4051](#))
    - NACWA Board supports
- Continuing to elevate the impacts of climate change on water infrastructure
- Advocating for resilience in WRDA 2020
- Ongoing dialogues with groups such as Bipartisan Adaptation Working Group

<sup>1</sup>Tax Foundation - assumes rate of \$50/metric ton; 5% annual growth rate

# Proposed NEPA Reform

- On January 10<sup>th</sup> the White House Council on Environmental Quality (CEQ) proposed to update the regulations implementing the National Environmental Policy Act (NEPA), the statute that requires federal agencies to prepare environmental impact statements (EIS) before undertaking major federal actions. This action advanced an Administration priority to modernize and accelerate the NEPA process.
  - Would limit the definition of *environmental effects* to those that are “reasonably foreseeable and have a reasonably close causal relationship” to the proposed action
  - *Cumulative effects*, which require delineating the cause-and-effect relationships between multiple actions and resources, ecosystems, and human communities of concern would no longer be considered in the NEPA analysis.
    - This has been important to assessing GHG impacts
  - Would establish a 2 year limit for federal agencies to complete an EIS; 1 year for an Environmental Assessment (EA); also page limits

# Proposed NEPA Reform

- Environmental advocates and Democrats requested an extension beyond March 10<sup>th</sup> comment deadline, arguing the proposal “ignores the reality of climate change and the critical role NEPA plays in addressing it.”
- Counterargument: expediting the process could help advance clean energy projects
- Are clean water agencies concerned and/or encouraged by the proposal? Should NACWA Engage?
  - NACWA does not typically comment on NEPA issues, but this could be concerning to the extent resiliency considerations are no longer included in project permitting. If federally funded projects take resilience and climate impacts as factors for NEPA projects such as major new highways in clean water agency service areas, could that have negative impacts on their wastewater/stormwater systems? Should NACWA weigh in on the overall approach of moving away from considering climate change in federal environmental assessments, given the resiliency challenges utilities face?

# Upcoming Events

# NACWA/AMWA

## 2020 Water Utility Resilience Forum

- First of its kind forum being co-convened by NACWA and AMWA, in partnership with The Water Research Foundation and the Water Information Sharing and Analysis Center (WaterISAC)
- November 30 – December 3, 2020, Miami, FL
- Preliminary Agenda posted to: <https://www.waterresilienceforum.org/> -- marketing/registration coming soon
- Program Committee will be firming up sessions and speakers over the next month – input welcomed

# NACWA/AMWA

## Dealing with Disruption Webinar Series

- Four-part webinar series underway – Dealing with Disruption: Operationalizing Resilience in the Water Sector; significant participation from NACWA and AMWA members
- Details and prior webcasts are available for viewing anytime:  
<https://www.nacwa.org/conferences-events/forums-workshops-seminars-executive-education/resilience-webinar-series>