

MRCTI



Mississippi River Cities & Towns Initiative

1520 Market Street • St. Louis, MO 63103 • (314) 657-3863 • mrcti.org

SENATE TESTIMONY

Key Issues of Frontline Communities in the
U.S. Facing Climate Risk

Testimony before
Senate Democrats' Special Committee on the
Climate Crises

United States Senate

December 10, 2019

The Honorable Tim Kabat
Mayor of La Crosse, WI and Wisconsin Chair for the
Mississippi River Cities & Towns Initiative

Chairman Shatz and members of the Senate Special Committee on Climate Change, thank you for inviting me here to represent what frontline communities are facing in terms of sustaining impacts from our worsening climate crisis. I would like to convey a special note of gratitude to Senator Baldwin for her leadership and commitment to giving the cities and towns of my state a voice in this process.

I ask the Committee for unanimous consent to revise and extend my remarks before final submittal.

Introduction

As introduced, my name is Tim Kabat, I am the Mayor La Crosse, WI and I serve as Wisconsin Chairman of the Mississippi River Cities and Towns Initiative. The Initiative is comprised of 95 Mayors along the Mississippi River from the headwaters in Minnesota to the Gulf of Mexico. Indeed, there are three Mississippi River states represented on this committee. My fellow state chairs whom have representation on the Climate Crisis Committee include Mayor Sean Dowse of Red Wing, MN and Mayor Rick Eberlin of Grafton, IL.

I proudly represent the 52,000 citizens of the City of La Crosse, Wisconsin. People have lived in La Crosse and the surrounding region for centuries and have enjoyed the natural resources that the Mississippi River and its bluffs, wetlands, fisheries and forests provide.

Our community is home to three institutions of higher learning, two large health care systems, a robust and diverse economy and vibrant outdoor recreational opportunities. We are the center of a larger region including southeast Minnesota and northeast Iowa and our daytime population grows to more than 70,000 people who travel into our City to work, attend school, health care appointments and shop.

We are also blessed to be the home of the USGS Upper Midwest Environmental Sciences Center, the USFWS Upper Mississippi River National Wildlife and Fish Refuge, and the USACE Lock and Dam Number Seven. These partners have enhanced water quality and native habitats through island building, river drawdowns and planting native species.

La Crosse is like other river communities as we have learned to live, work and play in the Mississippi River and its watershed. We are also like other communities in that we are experiencing significant challenges because of our changing climate and weather patterns. River flooding is no longer limited to the spring, but is happening year-round. Storm events are more severe and more frequent.

Assessing Climate Risk to the U.S. Economy

The Mississippi River is the most important waterway in the world. The Mississippi main stem moves 40 percent of all United States Agricultural Output. The 31-state Mississippi River Basin produces more agricultural commodities than any other river basin on Earth and our basin has the most untapped commodity production capacity. The Mississippi River makes possible our nation's only trade surplus. The Mississippi River generates nearly \$500 billion in annual revenue for the nation directly supporting 1.5 million jobs. The three top-performing economies on the Mississippi River include manufacturing, tourism, and agriculture in that order. In my state of Wisconsin, waterways and ports support over 26,800 jobs adding \$4.9 billion to my state's economy.

Specifically, relevant to this committee, Minnesota, Wisconsin, and Illinois are among the top ten performing states for cash receipts generated from agricultural production. Further, of the top five U.S. commodity exports, three of them are agriculture commodities (soybeans, corn, and wheat) which are majority produced in Mississippi River States and mostly moved on the Mississippi River through our ports. One out of every 12 people on Earth ingest commodities produced in the Mississippi River Basin.

Our freshwater economy along the Mississippi River is critical to the continued economic security of our cities and states. \$456 billion in revenue along our corridor is dependent on the freshwater provided by the Mississippi. More importantly, 20 million people, including myself and everyone else in my city, depend on the surface water of the Mississippi River for their drinking supply.

Yet, all of the economy and export potential I just described are at grave risk from persistent and worsening disasters. From 2005 to 2019, our corridor has sustained over \$200 billion in actual losses due to natural disasters. My state of Wisconsin has incurred no less than \$5 billion in actual losses in that time period. I know that water security is especially a significant issue to many members of this committee.

One may think our problem along the Mississippi is too much water. While that was certainly the case this year, we are actually more concerned about drought and intensifying heat. The 50-year drought of 2012 in our region cost the nation \$35 billion in actual losses and was the second most expensive disaster on Earth that year. The 500-year floods of 2011 in the lower stem Mississippi topped-out at just over \$4 billion in losses, but the 2012 drought cost us over eight times that amount.

It's hard to overstate what we have sustained this year. The 2019 flood was the largest and longest in US recorded history. This flood stretched from my area to New Orleans and spanned from Pennsylvania to Oklahoma, it was truly a basin-wide event. Fourteen million people displaced, 19.3 million acres unplanted, and over 270 consecutive days of flooding in some areas describe this record-breaking disaster.

The River at La Crosse was above flood stage for 89 days. Illinois communities along the Mississippi River lost as much as 80 percent of their season economy. Red Wing, MN sits on the River just 90 miles north of me and if my friend Mayor Sean Dowse were here, he would likely talk about the inundation damage he has sustained this year and how he is working hard to finance that recovery. From initial inspection, we are looking at an estimated impact of over \$2 billion in damage for the Mississippi River corridor and costs north of \$4 billion for the larger basin.

La Crosse's floodplain properties, flood insurance, and most recent storm events

Approximately 13% (1,893) of La Crosse's improved parcels (14,942) are located within the designated special flood hazard area. This includes 7.5% (1,924) of all structures (26,108) across the City. La Crosse participates in both the National Flood Insurance Program (NFIP) and the Community Rating System (CRS) to help reduce how much our homeowners pay in flood insurance.

La Crosse has around 700 flood insurance policies and property owners pay about \$750,000 annually into the NFIP. Ninety percent (90%) of these policies are for Pre-FIRM structures. In La Crosse that means structures built before 1971.

La Crosse has seven (7) reaches of levees, totaling nearly five (5) miles in length (25,100 feet). Most of these were hastily constructed in 1965 to combat our flood of record. From 1989 to 1994 the City partnered with the USACE to construct the Pammel Creek flood control structure, a 2.6-mile concrete channel, which removed hundreds of homes from the floodplain designation.

La Crosse and our region have experienced our share of flooding with major events occurring in 2001 and 2007 and serious storms in 2010, 2017 and 2018. Our flood of record occurred in 1965, when the river reached 17.9 feet at Riverside Park. Although a few weeks remain in 2019, we have already shattered records for the highest average April river stage, the highest average May river stage, and the highest average October and November river stages this year alone.

Severe storm events in 2017 and 2018 caused millions of dollars in damage to private property and infrastructure including street and trail wash outs, the undermining of railroad tracks, collapsed water and sewer lines and private utilities. We are still working to recover from these events, including reimbursements from the Federal government.

The high river levels negatively impact barge shipments, our waste water treatment plant, causes delays for infrastructure projects and hurts tourism.

In our case, high river levels are connected to high groundwater. These groundwater levels are causing damage to our resident's home foundations and basements. Parts of our community are still pumping groundwater out of their homes into our storm sewers. No one can remember a time when pumping was still happening in November and December.

Floodplain management in La Crosse

The City of La Crosse has actively managed our floodplain and the associated challenges for decades. During this time, La Crosse's floodplain management program has evolved into a comprehensive strategy that seeks to assist individual homeowners, as well as complete larger neighborhood and City-wide improvements. Our goal is to remove homes and properties from the floodplain, improve the resiliency of our infrastructure, reduce street flooding and water in basements, and to enhance our levees, pumps and flood ditches and channels to protect us from high river levels.

A few examples of our local program include a City-funded elevation certificate program for property owners with on-line mapping resources and the floodplain relief program, which provides funds for homeowners to remove properties from the floodplain. This program was expanded to provide funds for homeowners to fill their basements to deal with high groundwater levels. The City also acquires homes in the floodplain, demolishes them, fills the property, obtains a LOMR and works with our private and non-profit partners like Habitat for Humanity to construct new homes on the sites.

We are working with the USACE and Wisconsin Emergency Management on a City-wide flood hazard mitigation plan to develop solutions and become eligible for additional federal and state grant funds. We received a \$3.6 million U.S. EDA grant to replace temporary stormwater lift and pumping stations with permanent stations and to upgrade existing lift and pumping stations. We also implement a robust green complete streets program that includes stormwater management best practices, bioswales, retention and detention ponds and permeable pavement as part of our annual capital improvement program.

Building Innovative Solutions

What I have just described would appear to be an overwhelming problem of seemingly insurmountable measure. Definitely, what we are facing could be characterized as the *challenge of our time*. Thus, to meet this challenge we as Mayors along the Mississippi River are committed to pursuing several strategies including:

- 1) Meeting our impacts at the corridor scale instead of just in our individual cities. This is probably one of the most important aspects of our approach. Joining me today for this hearing is Mayor Belinda Constant of Gretna, LA. Mayor Constant is our Louisiana Chair; her city is situated directly across the Mississippi River from New Orleans. She thought it important to be here today to prove to the Committee that our effort is truly corridor-wide running all 2,500 miles of waterway through the center of the North American continent.

2) Another aspect of our approach involves innovative finance options. On July 24, our Mayors stood next to Congresswoman Angie Craig of Minnesota, Congressman Rodney Davis of Illinois, and Congresswoman Dina Titus of Nevada in the U.S. Capitol to introduce the Resilience Revolving Loan Fund Act of 2019. If passed, this Resilience Revolving Loan Fund would be the first of its kind within the Federal platform. The RRF Act of 2019 actually prioritizes for projects that augment natural infrastructure creating more natural assets to further clean our water and absorb climate impacts. The RRF Act calls for FEMA to establish capitalization grants to states for the formation of a resilience revolving loan fund to distribute funds to our cities for resilience projects with terms that are flexible across multiple disasters prioritizing for multi-state efforts. Also, we just launched an environmental impact bond challenge with the capital industry. Through this new partnership, two of our cities will deploy environmental impact bonds to finance natural infrastructure projects to assist us in absorbing climate impacts. Further, we partnered with The Nature Conservancy to pass a habitat and natural infrastructure assessment of the lower Mississippi River in the 2018 Water Resources Development Act which will coordinate out for us the best places to restore habitat, reconnect back water and flood plain areas to realize the best climate resilience for the least cost to the taxpayer.

3) Finally, an aspect to our approach involves advanced partnerships. For instance, our close collaboration with the Mississippi River Caucus in the U.S. House and Senate has been transformative. On the Senate side, under the leadership of Senator Roy Blunt of Missouri and Senator Amy Klobuchar of Minnesota, the Caucus has made tremendous strides in creating new resources for the Corps of engineers and moving the nation's disaster response strategy from one of costly reaction to one of fiscally responsible pre-disaster mitigation which creates a return on investment to the American taxpayer of \$6 for every \$1 spent. I'm very proud that my Senator, Ms. Baldwin is an active member of the Caucus and she has worked closely with us in this effort.

How increased resources would assist La Crosse

We need stronger partnerships with our Federal agencies and greater flexibility in how resources are implemented on the ground.

We can use dollars and technical assistance to update and enhance our levee system. La Crosse's levee network was constructed during our flood of record and not to USACE standards, thus we are ineligible for Federal funds. However, the levees are still doing their job and we could use assistance in enhancing these flood control structures.

We look forward to continued grant opportunities – such as the U.S. EDA funds to upgrade our temporary lift and pumping stations, and Pre-Disaster Mitigation funds to acquire homes and remove structures from the floodplain and floodways.

We would like the Federal Government to work with us on updated mapping and matching flood maps with actual rainfall and flooding events. We are going through a significant local expense to convince the State and Federal Government that the official maps in one of our floodplain areas should be consistent with the actual storm events we experienced in 2017.

We are asking for creativity and flexibility – one idea is to allow the locals to utilize a portion of the flood insurance premiums our residents pay for local prevention and pre-disaster mitigation projects.

We seek cost sharing to restore impacted waterways and connecting wetlands. In La Crosse, we could use resources to remove invasive species, improve water flow and water quality, increase flood storage capacity and restore native habitats to the 1,100-acre urban wetland that is in the heart of our City.

We also seek cost sharing to flood proof our residents' homes, to fill in basements and raise property levels above the regional flood elevation.

We are still working to receive reimbursement from the 2017 and 2018 storm events.

Moving Forward: Specific Steps the Committee can Take

I will conclude with specific recommendations the members of this committee can take in their individual capacity as Senators and as the whole committee. In early 2020, FEMA will publish its guidance on the newly refitted Pre-Disaster Mitigation Grant Program (PDM) as changed through passage of the Disaster Recovery Reform Act of 2018. This new guidance will completely alter PDM as we know it. No longer will it be a Congressionally designated spending line, but will become funded by a 6% set-aside from the funds spent on disasters the previous year. We urge this committee to closely examine the agency's activity in this regard and submit recommendations on what the new version of PDM should include.

- The new PDM should include safeguards that prevent actors within any administration from unilaterally allocating PDM funding outside a public process based on need and importance to the economic and security interests of the nation;
- The new PDM should prioritize for projects that include natural infrastructure assets, involve multiple states, address multiple hazards, and incorporate and reward climate risk reduction capacities;
- The new PDM should also have specific limits on what administrative restrictions states can place on localities competing for a share of the funds. Too often do states issue controls on local governments preventing them from applying for competitive federal funds such as prohibitively short deadlines;

- The new PDM should be as flexible and multi-hazard as possible in spending requirements. Climate impacts now are so severe, persistent, and variable that tight spending margins will only serve to frustrate progress and cost the taxpayer more;
- There should be provisions in the new PDM and across the FEMA portfolio that reward local governments for actually saving critical national infrastructure from being destroyed. During this year's flood we had many cities along the Mississippi that spent the vast majority of their budgets to save the city from being washed away, but FEMA assistance does not incentivize this mission. Instead, Mayors are actually financially encouraged to not thwart the disaster.

Another important step this committee can take is by working to include climate risk reduction capacities into other federal programs such as the Emergency Watershed Protection Program, BUILD Grants, WIFIA, TIFIA, the Urban Community Forestry Program, and the Wetland Development Program Grants just to name a few. Major authorization vehicles such as the highway bill and the Water Resources Development Act can also benefit from an overarching directive that rewards projects with climate or disaster mitigation platforms.

Speaking of the Water Resources Development Act, I'm very glad that several senators on this committee also serve on the Fisheries, Water, and Wildlife Subcommittee of the Environment and Public Works Committee. As the Committee considers the 2020 reauthorization of WRDA, we would recommend three priorities be included:

- Disaster Prediction Improvements—Similar to what was authorized in WRDA 2014 but with hardware and software additions specifically aimed at capturing more real-time data on water levels and inundation mapping capabilities;
- Natural Infrastructure Mitigation Capacity Study—Wetlands, marshes, forests, connected floodplain and backwater areas play a multi-billion dollar role in helping cities manage and regulate water as well as absorb GHGs. But it is not well understood how these assets can work collectively to protect critical national infrastructure through the corridor so Mayors know where to deploy, restore, and/or augment natural infrastructure to achieve the best mitigation results; this study will equip them with that knowledge;
- Recovery Bond Pilot—Not dissimilar to profit repatriation legislation or Build America Bonds, these recovery bonds would allow for private capital to flow into recovery and resilience projects by providing a subsidy to the issuer of the bonds at the rate of 35% of the interest paid by the issuer. This pilot can allow for a significant expansion of projects and programs, create jobs in devastated areas, give investors confidence the United States is taking steps to address compelling needs, and stimulate local economies that have been depressed by recent flooding and reduced international commodity sales. Moreover, this pilot can address critical infrastructure needs that threaten the security of our waterways and logistical systems.

I would be remiss if I didn't mention perhaps one of the easiest steps the Senate could take in this work and that is introduction and passage of the Resilience Revolving Loan Fund Act of 2019. It is on its way to the House floor now and we remain hopeful to have a Senate companion soon.

Conclusion

I want to thank the Committee again for the opportunity to appear before you today and both myself and my fellow Mayors remain committed to working with all of you to achieve a systemic and near-term reduction of climate risk for our nation. I look forward to answering your questions and forthcoming discussions. One last note, our Mayors will be in Washington, DC March 3-5 for our Capitol Meeting at which time we could engage at a larger level with the Senate on this work. We appreciate the significant role the Federal agencies provide in helping us prevent and recover from flooding and severe storm events. We look forward to strengthening this partnership.