

SHORELINES – March 2005
As presented to the *Island Review Magazine*.

The President's Budget – FY 2006

Each year the President provides a budget to Congress on the first Monday in February, marking an important day for beaches and waterways throughout Carteret County, the State, and Nation. And unlike most municipal calendars that run from July 1st to June 30th, the Federal Fiscal Year stretches from October 1st to September 30th. This leaves the U.S. House, Senate, and the House/Senate Conference Committee less than seven months to establish spending priorities and reach reconciliation before FY 2006 begins on October 1, 2005. This sometimes daunting and always contentious task includes the passage of 13 appropriation bills that constitute the discretionary spending portion of the budget above any non-discretionary, programmatic expenditures like Medicare and Social Security.

For beach and boater enthusiasts, the U.S. Corps of Engineers (Corps) is charged with the Herculean task of maintaining the Nation's waterways and many of the beaches in the U.S. Their ability to perform these important water resource infrastructure functions is directly related to the figures contained in 1 of the 13 appropriation bills passed by Congress and returned to the President each year for his signature – **The Energy & Water Development Appropriation Bill**.

Adding to the typical appropriation dynamic this year is a looming budget deficit, a war on terror, and rhetoric from both sides of the political isle (Republicans and Democrats) calling for rigid discretionary spending limits. With this backdrop in mind and the literally hundreds of variables (and personalities) at play, the President's budget for FY 2006 was released to the 109th Congress of the U.S. a few weeks ago on Monday, February 7th.

Of course the President doesn't have the time necessary to prepare the budget by himself and vests this important responsibility with the Office of Management and Budget (OMB). To be blunt, the sole purpose of OMB is to not spend money while concurrently identifying means to allocate funds for the President's top national priorities. It's obvious in reviewing the President's budget for FY 2006 that beaches and waterways are simply not a major priority for this Administration.

From a National perspective, the President's Administration provided the Corps ~\$4.5 billion of the total \$2.57 trillion budgeted for the Federal Government. The Administration appears to have a "hold the line" mindset for the Corps as the FY 2006 appropriation is very similar to previous fiscal year recommendations. The Corps shoreline protection program received approximately \$50 million total, or 0.00002% of the total Federal budget (discretionary/non-discretionary).

Locally, the appropriation situation can essentially be summed up in one word – "zero". That's not a single dollar for any beach nourishment/shoreline protection projects in N.C., including the Bogue Banks 50-Year Shore Protection Project Feasibility Study, or projects in Brunswick, Dare, Pender, and Onslow Counties. The only exception is the Wrightsville Beach 50-year Project that received \$890,000 for periodic nourishment.

Shallow draft waterways up and down the coast also continue to be below the appropriation radar screen. The entire Atlantic Intracoastal Waterway (AIWW) for N.C. received \$860,000 total and with one exception, not a single cent was recommended for maintenance dredging of all connecting channels/shallow draft inlets in N.C. This includes the Bogue Inlet connecting channel extending from Bogue Inlet proper to the AIWW, which is the lifeblood for many commercial/recreational fishermen and along with our beaches, is

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a tourism linchpin for the area as well. The exception noted above is the Masonboro Inlet and connecting channel that received \$3.7 million and is related to the Wrightsville Beach Nourishment Project.

However, the overall shallow waterway funding approach is resulting in a “de facto” dredging policy that essentially ignores all shallow water inlets and in the process has the potential to seal off ocean access along the entire central/south corridor of North Carolina coast with the exception of the two major Port Harbors – Morehead City and Wilmington. These navigation projects received \$3.575 million and \$33.863 million in the President’s budget, respectively.

In light of these statistics, one thing to keep in mind is that the President’s budget figures are usually increased by Congress as they deliberate the 13 appropriation bills that need to be passed each year. These increases are often called “Congressional Adds”. However, there is concern that the 109th Congress may be more tightly aligned with the White House than in previous years, meaning that we may not experience the same level of Congressional adds that have become customary.

If you care about the beaches and waterways, then it’s important to keep an eye on the Energy and Water Development Appropriation Bill as it is navigated through Congress this year. The continued absence of Federal Funds to maintain our coastal infrastructure has real-world, practical implications whether that’s a compromised beach bracing for a storm, degraded environmental habitat, shoaled waterways, unresolved sand management issues, or a combination of factors that makes a beach or waterway difficult to access in the first place, or creates a less enjoyable experience for you and your family. Last month, the Coast Guard announced that they will be removing the buoy systems from four inlets they described as dangerously shoaled; New Topsail, Carolina Beach, New River, and Lockwood Folly. This has a “one to one” correlation with the simple fact that the U.S. Army Corps of Engineers is not receiving enough Federal funds to even provide basic maintenance dredging at our coastal waterways and inlets – the absolute foundation for navigation safety and a vital component of our shore protection efforts as well.