

Coastal Connection

Published by Marlowe & Company, LLC
Washington, DC

May 22, 2006
Volume 4, Issue 11



Current Issues in Washington

Both the House and Senate will try to complete work on several pieces of legislation before leaving for the one-week Memorial Day recess on Friday.

The House is slated to consider three FY 2007 appropriations bills: Agriculture, Homeland Security, and the Energy and Water Development Appropriations bill (see story on this page).

The Senate is expected to continue debate on immigration reform. Several amendments to this bill are pending and must be disposed of prior to final passage. Senate leaders hope that they can finish work on this bill prior to the recess.

If you have questions or need additional information,
please contact:

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The Coastal Connection is published weekly when Congress is in session, or as events warrant.

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Beach Funding Cut 34% in House Appropriations Bill

Last week, the House Appropriations Committee approved its version of the FY 2007 Energy and Water Development Appropriations bill. This bill provides funds the U.S. Army Corps of Engineers.

The House funding level for beach studies and construction projects for FY07 is \$81,161,000. This amount is 34% lower than the \$122,880,000 Congress enacted for FY 2006 and signed into law by the President.

The House funding level amounts to only 54% of the \$150 million in federal funds that the American Shore and Beach Preservation Association has estimated is needed for beach studies and construction projects in FY07.

A table listing the federal beach projects and their funding levels

will be included along with this week's *Coastal Connection*.

Earlier this year, President Bush submitted his FY07 budget request that proposed \$46,460,000 for beach projects.

The Senate has yet to act on its appropriations bill for the Corps of Engineers.

After the Senate acts, the House and Senate will have to resolve the differences between their bills and produce a final bill that must be passed again by the House and Senate and signed into law by the President.

The full House is expected to consider the Energy and Water Development Appropriations bill later this week, prior to leaving for the upcoming Memorial Day recess.

Spending Target Set for Emergency Appropriations Bill

Lawmakers working on the stalled Emergency Supplemental Appropriations bill have agreed to the President's request to keep the overall cost under \$94.5 billion, allowing the Republican-controlled Congress to avoid a

possible veto by President Bush.

The Senate's version contains over \$108 billion for hurricane recovery, military operations, and a host of other issues.

It is unclear what will be cut in order to meet the spending target.

Analysis: One NC Beach Draws Visitors from All Regions of U.S.

Over a two year period from 2003 to 2005, visitors from across the country and the world rented cottages in Nags Head, North Carolina.

Visitors to Nags Head came from 375 Congressional Districts across the United States, according to an analysis of rental property data by Marlowe & Company. This is over 86% of all Congressional Districts.

Renters' ZIP codes were obtained from local realtors and town officials and matched with Congressional District information.

The map below illustrates a visual representation of where the visitors live across the United States.

There were also several international postal codes that were not matched during this analysis.

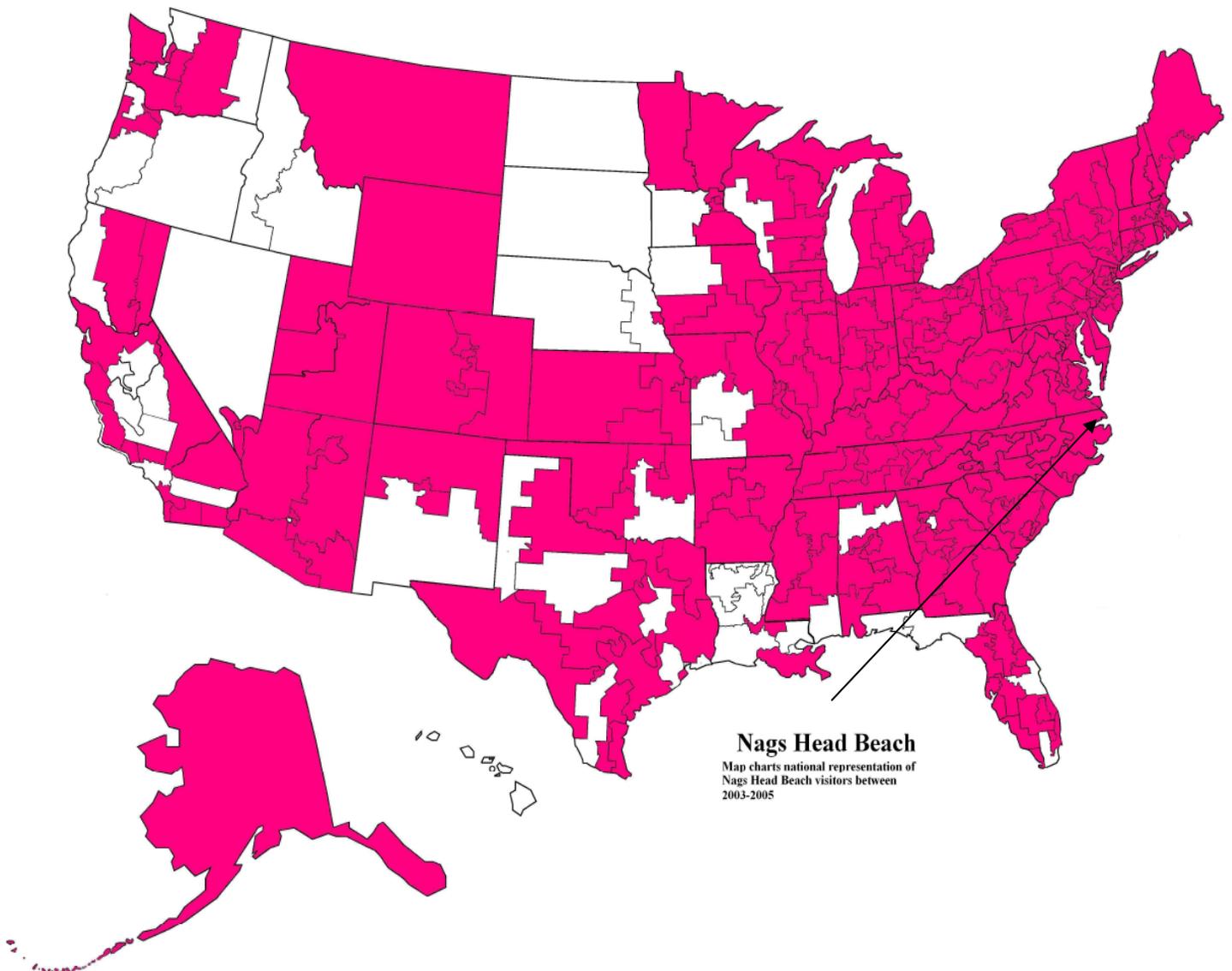
This data, along with the information that follows, reinforces the fact that America's public beaches are national resources, enjoyed by people from nearly all parts of the country.

The Outer Banks Visitors Bureau estimates that between 250,000 to

500,000 people visit Outer Banks beaches on major holiday weekends, such as July 4th (the 2000 census lists a total permanent population of 2,700.)

The majority of property owners in Nags Head have primary residences in five states: New Jersey, Pennsylvania, Maryland, Virginia, and North Carolina.

If your community is interested in a similar analysis, please contact beaches@marloweco.com for more information.



American Shore and Beach Group Responds to House E&W Bill

The American Shore and Beach Preservation Association (ASBPA) released the following statement in response to the House Appropriations Committee's approval of the FY 2007 Energy and Water Development Appropriations bill.



ASBPA is disappointed that the House Appropriations Committee was unable to support adequate funding for many of the nation's critical water resources needs. We know that these are tight fiscal times and that the job of allocating funds is extremely difficult. However, the committee's bill is as lacking in dollars as it is deficient in direction.

In less than two weeks, the 2006 hurricane season begins. Unfortunately, the House committee has missed the opportunity to fund projects that can reduce the loss of life and destruction of property caused by severe storms.

America's coasts are not in a condition to handle the damage to communities or the loss of life that these storms bring. Yet the appropriations measure takes a treacherous turn by reducing funding for storm damage reduction projects along America's coasts by a third!

Following the lead of the Administration, the House bill fails to provide funding for well over 100 projects that were funded by Congress in the current fiscal year.

The bill also proposes to defer or suspend construction of projects without providing funding to cover those costs. Even if this missing funding is restored before final passage, it will only result in a reduction in funding for other projects. That in turn will increase taxpayer costs even more.

ASBPA was delighted a year ago when the House appropriations subcommittee that develops the Corps funding bill urged a more programmatic approach to implementing the nation's water resources programs. Yet the initiatives of the House subcommittee, both for FY '06 and FY '07, will achieve the opposite result.

Despite the subcommittee's anti-earmark rhetoric, its bill takes a project-by-project approach to funding the Corps of Engineers.

Until FY '06, congressional earmarks of most Corps projects were not written into law. They were advisory.

At the initiative of the House subcommittee in FY '06, the earmarks were written into law.

In addition, severe restrictions were placed on the Corps' ability to move funds from projects where they are not needed to projects which need them. If a project has been idled for any reason, the money appropriated to it cannot be moved unless the member of Congress in whose district the project is located approves.

Since the subcommittee's rules also say that money once moved out of a project cannot be moved back, there is absolutely no incen-

tive for programmatic flexibility. To compensate for this lack of flexibility, the House subcommittee has created a \$55 million "Reprogramming Investment Fund," a device that looks very much like the "slush fund" that was the alleged reason for the limitations the House subcommittee placed on reprogramming.

No federal agency can do its job with the level of congressional micro-management the House subcommittee would impose on the Corps of Engineers.

For the past year, there has been a lack of cooperation between the House and Senate subcommittees that are responsible for the Corps of Engineers budget.

The Corps has been whipsawed between the rhetoric and commands of the two subcommittees. Unfortunately, this trend is continued in the bill developed by the House subcommittee.

ASBPA urges the two subcommittees to bury the hatchet in a place where it can do no more harm.

Founded in 1926, the American Shore and Beach Preservation Association represents the scientific, technical and political interests along the coast in an effort to shape national research and policy concerning shore and beach management and restoration.

For more information, please visit
www.asbpa.org.

House Rejects Offshore Drilling Provision; Passes Spending Bill

On Thursday, May 18th, the U.S. House of Representatives approved the Fiscal Year 2007 Interior and Environment Appropriations bill, funding the U.S. Department of the Interior, the Environmental Protection Agency, and other agencies.

The bill was passed amid rancorous debate on language that was included by Rep. John Peterson (R-PA) that would have lifted the ban on natural gas exploration within three miles of America's coastline. Additional authorization language would have been required before any exploration could have been initiated.

Several Members from coastal states spoke out against the Peterson language, saying that it failed to protect the coastal environment and communities from the dangers of drilling. The provision did not require any buffer zone and may have allowed exploration just three miles off of the coast.

Rep. Adam Putnam (R-FL) introduced an amendment that re-

jected the Peterson language and prohibits federal funds from being used in violation of the moratorium on drilling in the Outer Continental Shelf.

The amendment passed by a vote of 217-203.

Rep. Putnam called the protection of the moratorium a victory for Florida and for all coastal states.

Water Infrastructure Funding

The bill also provides funds for State and Tribal Assistance Grants (STAG) administered through the U.S. Environmental Protection Agency (EPA). These grants help local communities address growing water infrastructure needs by matching federal dollars with state and local dollars.

This program has become a frequent target of budget cuts, with the President's budget cutting the program by over \$400 million compared to last year's enacted levels.

The House bill provides \$3 billion in STAG funding, which represents

a \$209 million increase over the budget request but is \$207 million short of Fiscal Year 2006 enacted levels.

Another program of much importance to states and local communities that has been targeted for budget cuts is the Stateside Land and Water Conservation Fund Grants.

The program provides federal grant dollars that are matched by state money to create parks and open spaces while enhancing recreational opportunities across the nation.

The program was slated for elimination in this year's budget and was not reinstated during consideration by the House.

The National Governor's Association has spoken out about the importance of these grants for states to continue with conservation of open spaces and has requested that Congress reinstate the program at least year's enacted level of \$91 million.

Flood Insurance: Non-Coastal Claims Exceed Coastal Claims

Coastal communities pay in almost twice as much in flood insurance premiums as they receive back as payouts from claims, Marlowe & Company determined after reviewing comprehensive data provided by the National Flood Insurance Program (NFIP).

The almost 600,000 non-coastal communities included in the data have paid in approximately \$5.7 billion in premiums while receiving

approximately \$6.8 billion in payouts to cover flood losses. This is an almost \$1 billion loss for the program since the time of its creation.

In contrast, over 800,000 coastal communities have contributed \$16.4 billion in flood insurance premiums while receiving just over \$8.4 billion to cover losses. This represents an almost \$8 billion investment into the program since

its inception almost 30 years ago.

These numbers do not include the losses paid out after the catastrophic 2005 hurricane season.

The American Geological Institute notes that flooding occurs in all 50 states and that over 75 percent of federal disaster declarations are related to flooding.

Even hurricane-related flooding can occur in non-coastal areas as heavy rainfall moves inland.