

# Coastal Connection

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## Current Issues in Washington

Both the House and the Senate are on recess this week for the Independence Day holiday.

Both chambers will reconvene on Monday, July 10.

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

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## Energy and Water Bill Clears Senate Committee

Last week, the Senate Appropriations Committee approved its version of the FY 2007 Energy and Water Development Appropriations bill.

The bill has an overall funding level of \$30.7 billion. Of that amount, \$5.13 billion is allocated to the Corps of Engineers. This is \$406.4 million over the President's budget request for the Corps.

The Senate funding level for beach studies and construction projects for FY '07 is \$86,533,000. That is 30% lower than the \$122,880,000 Congress enacted for FY '06 and signed into law by the President. The Senate funding level amounts to only 58% of the \$150 million in federal money that the American Shore and Beach Preservation Association has estimated is needed for beach studies and construction projects in FY '07.

The bill now waits for consideration by the full Senate. Differences between the House and Senate bills will need to be resolved in a final package and passed again by the House and Senate before being sent to the President for his signature.

Capitol Hill sources expect that work on the FY 2007 budget will not be completed prior to the start of the fiscal year on October 1. Under this familiar scenario, Congress would need to pass a Continuing Resolution to keep the government operating until the appropriations bills are signed into law.

In addition, Congressional leaders may wait to see the results of the fall elections before considering the spending bills in a lame duck session at the end of this year.

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## House Backs Offshore Drilling Bill

The House of Representatives approved the Deep Ocean Energy Resources (DOER) Act by a vote of 232 to 187.

The bill, HR 4761, would provide coastal states greater authority over offshore energy development

and a percentage of possible royalties.

At this time, the Senate is not expected to take up this legislation. The House bill faces a filibuster threat from Florida Senator Bill Nelson (D).

## Senate Fires Back at Office of Management and Budget

From the report (S. Rpt. 109-84) produced by the Senate Appropriations Committee to accompany its version of the Senate Energy and Water Development Appropriations bill, the following are just some of the criticisms directed to the Office of Management and Budget (OMB):

“From the Committee’s perspective, the Corps’ budget seems to be developed exactly in the opposite manner it should be. It appears that overall spending targets are set by the administration, their priority projects are then inserted within these targets and the remaining funds are available for the remaining needs that meet the criteria for lower priority projects. The problem with budgeting in this manner is evident in the construction account for fiscal year 2007. Ten priority projects consume more than 40 percent of the requested dollars in this account. That means that some 75 projects have to split the remaining construction dollars.

“In fiscal year 2005, more than 130 projects were budgeted by the

administration for construction; this year there are only about 85. However, Congress funded more than 300 projects in fiscal year 2006 and averaged about 315 annually since fiscal year 2000. Budgetary criteria established for the fiscal year 2007 budget required that eight projects that were budgeted in fiscal year 2006 could not be budgeted in fiscal year 2007. These projects were scheduled [by the administration] for termination or suspension. These termination/suspension projects are in addition to the more than 30 projects that were budgeted in fiscal year 2005 that were recommended for termination or suspension in the fiscal year 2006 budget based on that year’s budget criteria. In other words, projects aren’t being completed by these budget proposals; they are being terminated or suspended. It has been up to Congress to provide the funding for these projects.

“The logic behind this budgeting rationale appears to be that concentrating scarce resources on finishing a few higher performing



Former Congressman Rob Portman was named OMB Director on April 18, 2006.

projects will allow the Nation to reap the benefits of these projects sooner. The trouble with this is that these are long term projects that will take many years to complete. *At the rate the [proposed] budget is heading, we will only be funding these projects in another couple of years with little else in the pipeline....Once these priority projects are completed, one has to wonder whether there will be any projects or sponsors interested in resuming construction in an infrastructure program that suspends projects based on changeable annual criteria.* (emphasis added)

## Report: Time May Be Right for Federal Seismic Insurance Program

Is federal disaster insurance in our future? That’s the question posed by a Congressional Research Service report (Order Code RL32847) authored by Rawle O. King.

The report notes that most Americans live in areas considered “seismically active.”

King states, “In the aftermath of the 2004 Indonesian tsunami and America’s continued vulnerability

to seismic hazards, Members of the 109th Congress might focus attention on the vulnerability of the U.S. coastlines to offshore earthquakes and tsunamis, and the potential effects of a major earthquake on both the homeowners’ insurance market and the overall U.S. economy.”

While the federal government created the flood insurance program

in the 1960’s, there still is not an explicit federal earthquake insurance program.

The report examines the difficult choices facing policymakers, emphasizing that there is no consensus among experts about the need to implement a federal insurance or reinsurance program for earthquakes or other seismic risks.

## Coastal Group Responds to Global Warming Article

The following is a letter from Harry Simmons, President of the American Shore and Beach Preservation Association (ASBPA):

Recently the *New York Times* printed an article by Cornelia Dean that focused on the impact of global warming and sea level rise on America's beaches ["Next Victim of Warming: The Beaches;" June 20]. The article regrettably confuses a number of critical issues facing the nation.

Those of us who are concerned about the environment surely need to raise public awareness about the impacts of global warming and what can be done to retard or reverse its harmful impacts. In addition, there is general agreement that sea levels are rising. However, throwing up our collective hands and making a mad dash from the coast isn't an answer. Here are some facts to keep in mind:

1. There is no scientific agreement about predicting the rate of sea level rise or about how much global warming is part of the normal warming and cooling cycles that have affected the earth for at least 10,000 years. The absence of this agreement makes it extremely difficult to either make predictions or develop support for public policies that will deal with flood risks, coastal erosion, and changes in biodiversity and ecosystems.

2. Ms. Dean lays the blame at the doorstep of local officials for failing to adopt policies to deal with coastal development. She is pointing in the wrong direction. Nearly every coastal state has a coastal

zone management plan that has been endorsed by the federal government. These plans impose rigorous requirements on proposed coastal development at the state and local levels. It is time for the President and Congress to establish a new national policy for dealing with issues affecting America's coasts and oceans with the strong input of the state and local officials who know the situation best.

3. Most coastal erosion is caused by the construction of inlets and other obstructions to the natural coastal movement of sand. It is not caused by sea level rise alone.

4. Restoring eroded beaches is a science that has been used successfully for well over 50 years on all U.S. coasts. Sand nourishment restores recreational opportunities and environmental habitat while also providing critical storm damage protection for buildings, roads and other coastal infrastructure.

5. Ms. Dean's article confuses seawalls and sand renourishment. The primary response to beach erosion is to place sand from navigation inlets and offshore sites back onto the eroded shoreline. The type of seawalls she discusses may protect property; they will not renourish an eroded beach. The federal beach renourishment program is designed to partner with states and local governments to provide sand and other "soft" solutions that will discourage the armoring of America's coastlines.

6. Sand nourishment is not expensive. The annual federal investment in beach nourishment is only approximately \$100 million a year

or the equivalent of constructing one federal interstate highway interchange. Beach travel and tourism in the U.S produces over \$60 billion in tax revenues. The federal treasury gets back \$600 for every \$1 spent restoring beaches. In addition, the expenditure of that one dollar avoids more than four dollars in storm damage expenditures federal taxpayers would otherwise likely have to pay. Seems like a pretty good investment!

7. Ms. Dean's article chides the Army Corps of Engineers – the agency responsible for overseeing the restoration of America's beaches – with using historical sea level rise data rather than using presumably higher predicted levels. Ignoring the lack of agreement among scientists about predictions, she is asking the Corps to engage in precisely the kind of prediction that has subjected that agency to severe criticism in the Times and other newspapers over the past few years. Furthermore, increasing the rate of presumed sea level rise would only result in projects that have increased benefit-cost ratios because of the increased number of properties at risk.

We live in an age when fear is used by politicians and the mass media to achieve their objectives. Ms. Dean's article is another effort to get those who enjoy the recreational and environmental benefits of America's coast to ignore preservation of coastal and ocean resources and run for the hills....Common sense and reasonable investment is the answer.