



Cape Fear Firebird

The Light of Save the Cape

March 1, 2011

Earmarks are gone.
–Star News editorial

Budget Unbalance

Deep in the inner regions of the Governor’s recommended budget for fiscal years 2012 and 2013 there is an item for \$4,535,000 for “water resource projects”–dredging and the like. The line items are not shown, but there is a statement that “state dollars will leverage \$23.4 million in federal funds... .” Well, folks, that is not quite true. Indeed, hardly any of it is true.

This part is true: Some water resource projects are studies, with 50/50 or 25/75 sharing of costs between the State and the Federal governments. The Corps of Engineers would conduct the studies. State funds in the amount of \$710,000 would be necessary to match \$1,025,000 in Federal funds that are now included in the President’s recommended Federal budget.

As for the remaining \$3,825,000 in the Governor’s budget, some would be for projects that can be accomplished efficiently in connection with Federally-funded operation and maintenance of channels, harbors and dams, or are otherwise useful. But some were intended as matching funds for projects that did not get in the President’s budget. Now the only way to get them funded is with earmarks, either in an appropriation or other bill. Although that is the time-honored way to fund water resources projects, the Congress and the President have announced there won’t be any more earmarks. So the Federal matching share for these projects will not likely become available. About \$1,925,000 falls in that category and can be cut from the State budget.

One such State project without a Federal matching budget item is \$250,000 for the Wilmington Harbor Improvements feasibility study. That does not deserve State support anyway.

- The scope of the project is unknown; it is defined only in a “section 905(b) analysis” that is being treated by the Corps of Engineers with all the secrecy of plans for an invasion of enemy territory. The State of North Carolina is being asked to write a blank check—not only for \$250,000 for the first year, but for half of the cost in each succeeding year the study would run. A similar study for the Savannah River has run 14 years and \$36 million.
- The issues presented to the State as subject of the study—modification to the turning basin at Wilmington and modifications to the channel at Battery Island and Bald Head Island—are legitimate items for study. But these are not improvements—they would be corrections to problems created by the last “improvement” project, started in 1998 and still not complete. Those problems should be addressed in the normal Corps of Engineers review procedure—the “General Reevaluation Report.” That has been started but came to a halt two years ago.

This project should be cut. We should not be paying for Corps of Engineers mistakes.