

Hicks-Ray Associates

Implementing Strategies, Achieving Success



February 12, 2018

TO: WESTCAS Membership
FROM: Hicks-Ray Associates
SUBJECT: Sorting Out the DC Budget Process

The well-known saying, “you can’t tell the players without a scorecard” could be applied these days to the Federal budget process. At the moment there are at least three moving parts to the budget cycle including:

--Final disposition of spending for the FY18 budget cycle, which will hopefully occur by the time the next Continuing Resolution expires on March 23.

--The impact on spending in FY18 and beyond of the \$89.3 billion included in the “Bipartisan Budget Act” [BBA] signed into law by President Trump on February 9.

--The proposed FY19 budget released by President Trump yesterday.

The BBA includes massive new spending for the Army Corps of Engineers including \$15 billion for construction and an additional \$135 million for Corps investigations. Total increase in the funding for the Army Corps is \$17.39 billion in the BBA that may be contrasted with the total Corps budget in FY17 of approximately \$6 billion.

Of the \$15 billion in the BBA for Corps construction activities \$10.425 is reserved for States impacted by Hurricanes Harvey, Irma, or Maria with \$4.575 allocated to other areas of the United States. Of the \$135 million allocated by the BBA for Corps Investigations \$75 million is reserved for States that suffered damage associated with Hurricanes Harvey, Irma, and Maria with the remaining \$65 million reserved for States “with more than one flood-related major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act in calendar years 2014, 2015, 2016 and 2017.”

What isn’t clear and what won’t be known until closer to the time that the latest CR expires on March 23 is the impact on the FY18 cycle infusion of funding from the Bipartisan Budget Act. It’s easy to become confused and believe that FY18 funding has been settled but it hasn’t. This means that Energy and Water Appropriations for FY18 for the Corps of Engineers and the Bureau of Reclamation and Interior and Related Agency Appropriations for the USEPA still have to be dealt with, hopefully for the remainder of FY18.

Please see our attached chart which shows the status of Corps of Engineers funding for FY18, the BBA addition of funding, and the President’s FY19 request. We look forward to sorting out all the nuances of how this water related infrastructure funding could likely work during the WESTCAS Federal Issues Workshop next week, February 22, in Phoenix. Look forward to seeing you there!

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