



Sea Grant 701

PART 2: Federal Budget Process

Sea Grant
50
YEARS

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Sea Grant Week 2016



Sea Grant 701

Graduate level mini-course on the National Sea Grant College Program (Sea Grant): history and evolution

History and Structure of Sea Grant

- How Sea Grant was formed?

Federal Budget Process

- **Where Sea Grant fits into the federal budget?**

Evaluation of Programs

- How did the evaluation process evolve and why does it matter?

The Challenges Ahead

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Federal Budget Process

- Federal Government Budget
- Congressional Budget
- Sea Grant Budget

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Federal Budget Process

- **Federal Government Budget**
- Congressional Budget
- Sea Grant Budget

Authorization versus Appropriation Bills

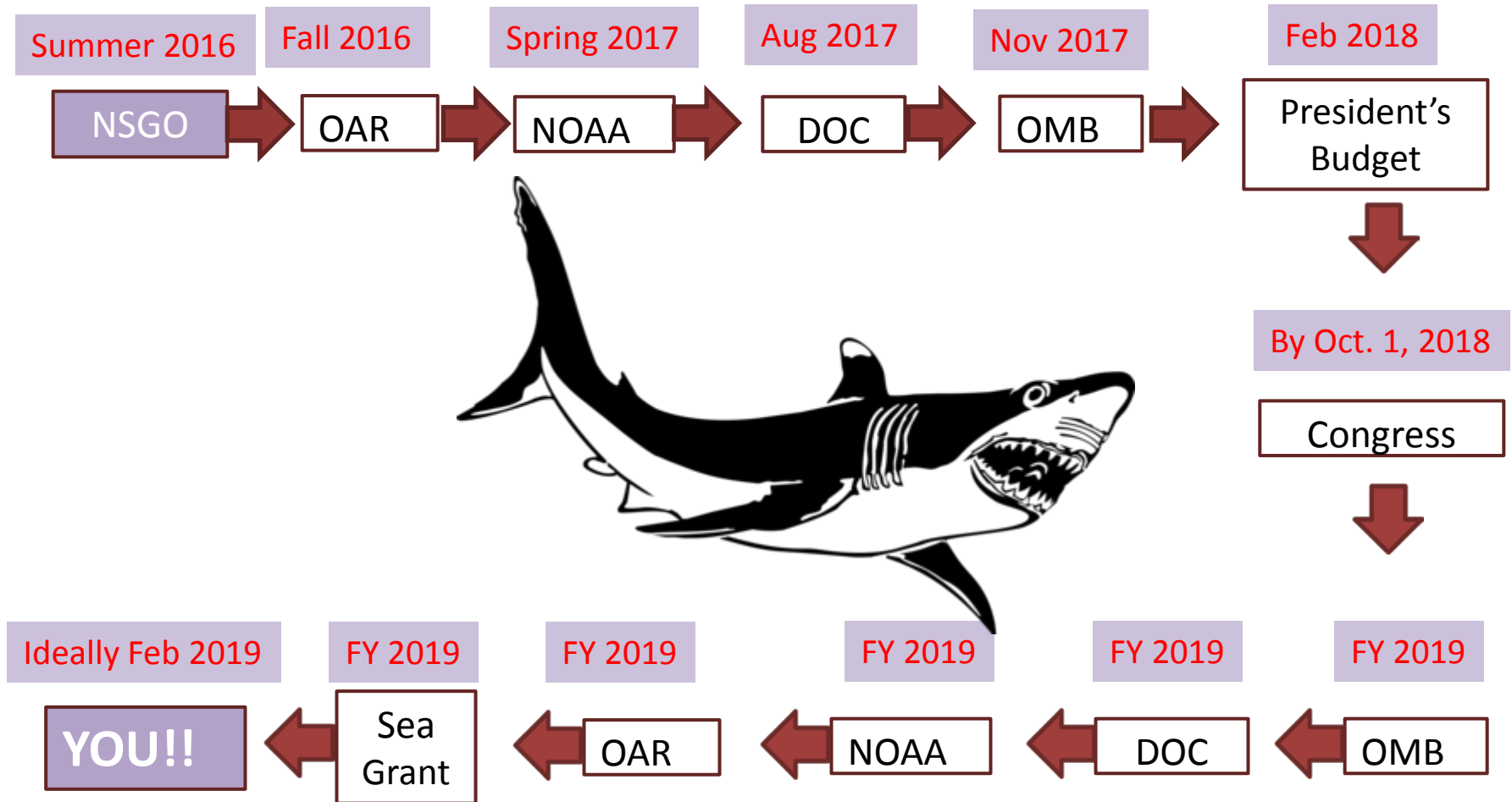
Authorization

- Policy guidance; establishes a framework including what should a program do, where should it be located, etc.
- Authorize the federal government to do something, such as implement marine protected areas off the West Coast or amend the tax code, etc.
- The authorization bill merely says the government CAN spend the money on this purpose if it so chooses.

Appropriation

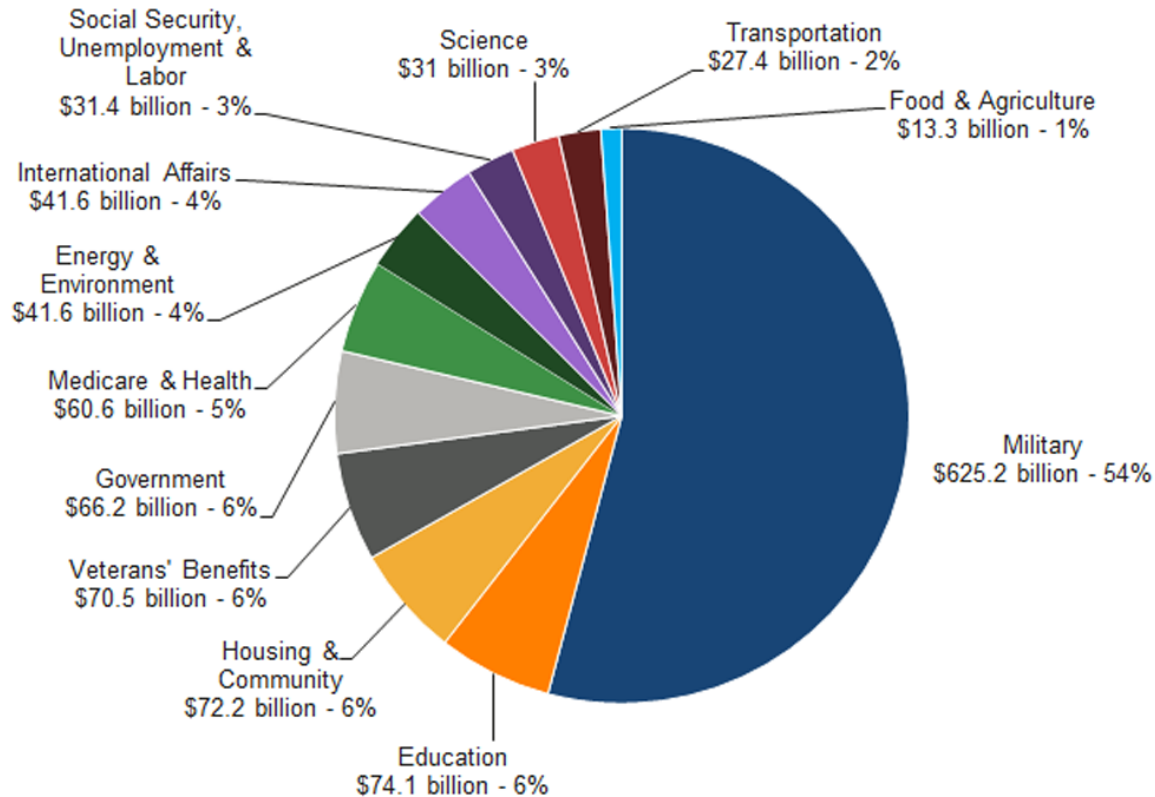
- Any agency or program needs language in an appropriation bill to actually get the money
- Appropriations bills are key to making things happen because federal actions require money. Even though most policy guidance is contained in authorization bills, policy can also be modified through the appropriations process.

Federal Budget Process for FY2019

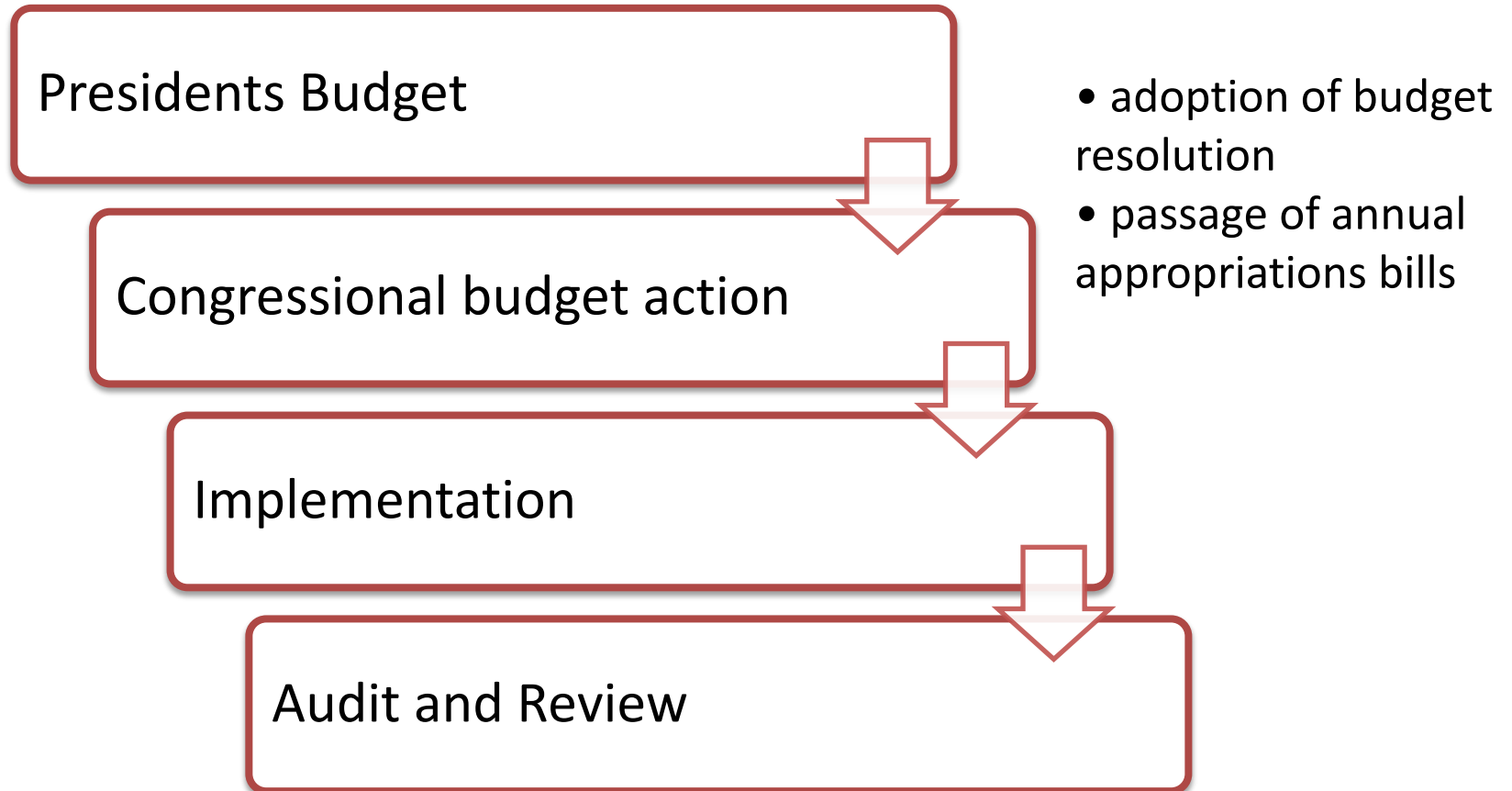


Discretionary Spending

President's Proposed \$1.15 Trillion Discretionary Spending Budget (FY 2016)



Budget Cycle



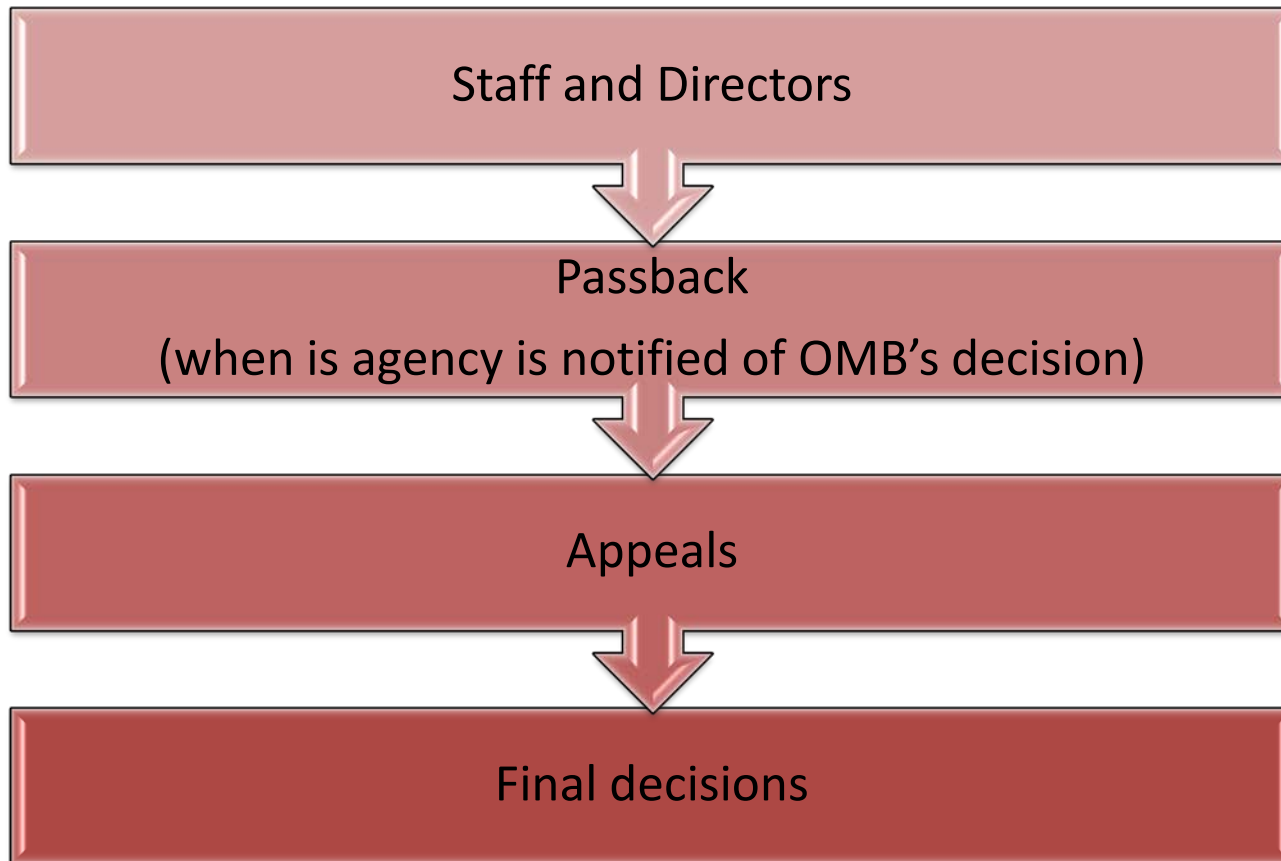
(Activities related to a single FY stretch over a period of 2.5 calendar years)

NOAA and OMB

- The Office of Management and Budget (OMB) is an extension of the White House.
- OMB operates the executive budget system and advises the President on expenditure of funds.
- As agencies formulate their budgets, they maintain on-going contact with OMB budget examiners
- Agencies ask for more than OMB can give them
- OMB regulations provide for confidentiality
in all budgets before transmittal to Congress



OMB Level of Reviews



President's Budget

- Must be submitted to Congress no later than early February of each year
- Only a request to Congress; nevertheless, the power to formulate the budget is a vital tool in direction of the executive branch and of national policy.
- Proposal often influences congressional revenue and spending decisions, the extent of the influence varies from year to year and depends more on political and fiscal conditions than on the legal status of the budget.



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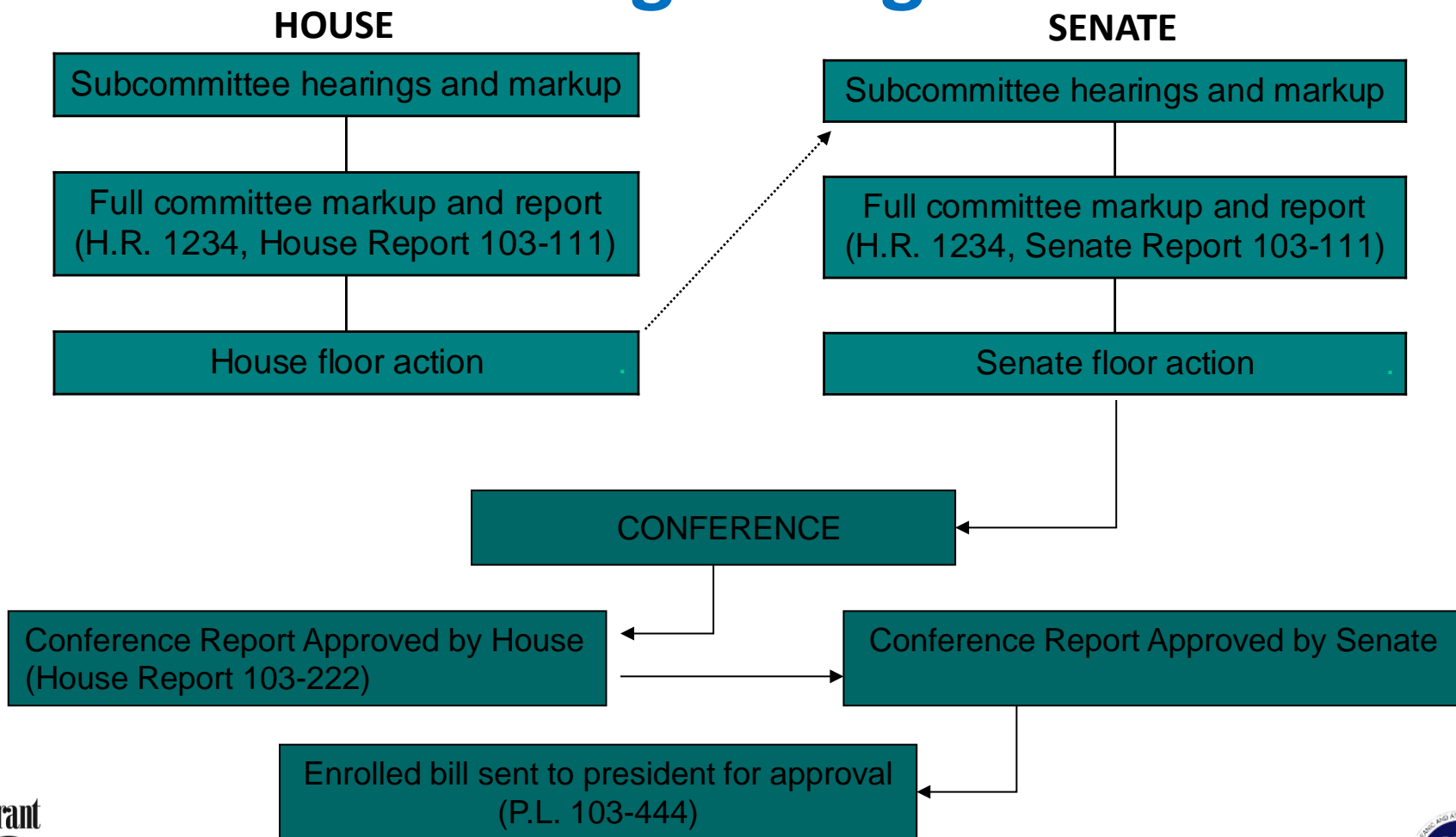
Federal Budget Process

- Federal Government Budget
- **Congressional Budget**
- Sea Grant Budget

Budget Resolution

- **WHERE** (not how) to spend money
 - Just as an individual has to allocate money among rent, food and insurance, the federal government allocates its money between items such as national security, environmental protection and education (divided up between 12 appropriations bills)
- Congress can provide more or less funds than the President has requested or make changes in tax laws

The path of an appropriations bill through congress



Continuing Resolutions

- If Congress fails to pass the appropriations bills by October 1st, they must pass a “CR” or continuing resolution. This allows the government to continue operating with funding at the level of the previous fiscal year.

Supplement Appropriations Bill

- Passed before the President's annual budget to pay for unanticipated matters occurring in the current fiscal year.
 - For example:
 - Hurricane Mitch - funds to PR SG for extension agents in Nicaragua and Honduras; MI and FL SG for aquaculture work.
 - Superstorm Sandy – funds CT, NJ, and NY for research and extension activities

Rescissions

- To rescind is to take money from an account
- Can be either initiatives of Congress or a Federal Department/Agency
- Congressional
 - Example: FY03 -0.065% government-wide
 - Example: FY03 Sea Grant appropriation -\$2M in unobligated balances
- Agency or Department
 - Many forms (reprogramming, deobligation actions)
- Departmental or Agency initiatives must be requested of (approved by) the Appropriations committee

Sequester

- Deficient reduction.
- All Sea Grant programs had a sequester reduction to the FY13 omnibus proposal.
- From wikipedia:
 - The budget sequestration in 2013 refers to the automatic spending cuts to US federal government spending in particular categories of outlays that were initially set to begin on January 1, 2013, as an austerity fiscal policy as a result of Budget Control Act of 2011 (BCA), and were postponed by two months by the American Taxpayer Relief Act of 2012 until March 1 when this law went into effect.
 - The cuts are split evenly (by dollar amounts, not by percentages) between the defense and non-defense categories. Some major programs like Social Security, Medicaid, federal pensions and veteran's benefits are exempt.

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Federal Budget Process

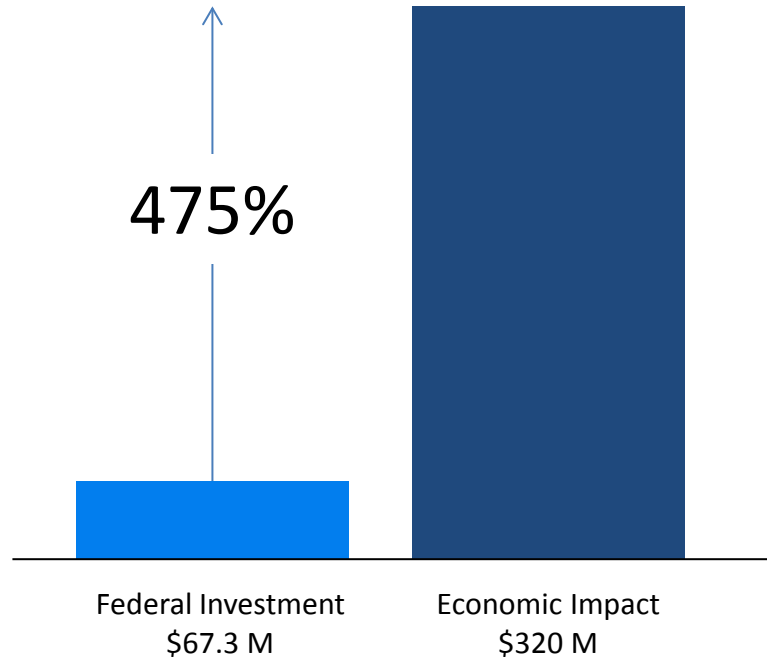
- Federal Government Budget
- Congressional Budget
- **Sea Grant Budget**

Sea Grant Budget Distribution

- Core (base, including CCD + merit) program funding
- Match
- National Strategic Investments, examples
 - National Competition, ie. Aquaculture
 - CCCAI, 30k funding to each program
 - Social Science, % of SS projects funded
- Program Development
- National Office (including all “indirect costs”)
- Education, Fellowships, Network Activities, Regional and National Activities, Advisory Board
- Congressional Recission, Deobligation, Reprogramming
- SBIR and Hollings

Sea Grant

Return on Federal Investment



\$320 million in economic impact, a 475% return on a federal investment of \$67.3 million in 2014

Jobs, Businesses,
Community Improvements



For more performance measures and metrics:

<http://seagrants.noaa.gov/WhatWeDo/PerformanceMeasuresandMetrics.aspx>



SGA and the Federal Budget

Coordinate through External Relations Committee, Federal Science Partners
Works on authorization language and helping guide it through Congress

Engage the delegates and network:

Individual State Sea Grant Program One-pagers

Compiled into book for distribution to Hill

Programmatic requests

Usually due early March

Requires full SGA engagement

Dear Colleague Letters

Requires Hill champions

Activities commence in February – March



SGA and the Federal Budget

- SGA Appropriations “One-pager”
- Testimony – Written and Oral
 - Request opportunity to provide in-person oral testimony before CJS Subcommittees
 - Submit written testimony to House and Senate CJS Subcommittees – Gets SGA on the record
 - Encourage stakeholders to submit testimony on behalf of Sea Grant
 - Due: March – April
- House and Senate Ocean and Coastal Caucuses – Reinvigorate and Engage

SGA and the Federal Budget

- Events on Capitol Hill to promote Sea Grant
 - “Sea Grant Day”
 - Open house – Each program represented by a display and program director and/or staff; Members and staff come by to learn
 - Luncheon briefing – Panel presentation focused on a timely issue of national significance for which Sea Grant plays an important role
 - Engage Ocean Caucuses, stakeholders, Knauss fellows, NOAA
 - Network help with materials, outreach
 - Coordinate with SGA spring meeting

SGA and the Federal Budget

NOAA and the Administration “Up-reach”

- Engaging the Administration
 - OMB – Questioning need for multiple “coastal programs”
 - US DoC
 - NOAA leadership
- Engage all levels of NOAA
 - NSGO,
 - Line offices (OAR, NOS, and others), and
 - Front office (administrator)
- Sea Grant support for NOAA
 - OAR as well as for other NOAA programs
- National Sea Grant Strategic Plan
 - More closely links Sea Grant to NOAA’s mission and goals
 - Stays true to the principles that make Sea Grant unique