

## **Coastal Protection and Restoration Authority Gulf of Mexico Energy Security Act Infrastructure Funding Program**

### **I. Purpose**

Subject to approval by the Coastal Protection and Restoration Authority Board (“CPRA Board”) the Coastal Protection and Restoration Authority (CPRA) hereby establishes the following criteria and processes for the solicitation and prioritization of eligible infrastructure projects directly impacted by coastal wetland loss for funding under the Gulf of Mexico Energy Security Act (“GOMESA”) of 2006. All requests for funding of any eligible infrastructure projects under GOMESA shall be made pursuant to La. R.S. 49:214.6.6 and the CPRA’s GOMESA Infrastructure Funding Program as described herein.<sup>1</sup> Eligible projects may be considered for up to ten percent (10%) of the federal revenues the State receives in each year under GOMESA.

### **II. Background**

Coastal infrastructure projects benefiting the economy are vital to Louisiana and to the nation. Such infrastructure projects provide key evacuation routes and transportation corridors for the private and public sectors and benefit the energy sector which provides fuel for the nation and revenue for the state. However, needed investments in coastal infrastructure exceed the amount of funding currently available.

Recognizing this, on October 21, 2015, the CPRA Board passed Resolution No. 2015-10-01, stating that eligible infrastructure projects directly impacted by coastal wetland loss shall be prioritized for funding under GOMESA. The resolution states:

... in accordance with the Gulf of Mexico Energy Security Act of 2006 and La. R.S. 49:214.1, *et seq.*, coastal infrastructure projects directly impacted by coastal wetland loss are eligible to be considered for up to ten percent [10%] of the federal revenues the State receives under GOMESA, including the LA 1 project, shall be prioritized according to criteria developed by the Coastal Protection and Restoration Authority, as approved by the Coastal Protection and Restoration Authority Board ....

Accordingly, the CPRA Implementation, subject to CPRA Board approval, hereby establishes the following criteria and processes for the solicitation and prioritization of eligible infrastructure projects for funding under GOMESA.

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<sup>1</sup> The processes for the solicitation and prioritization of infrastructure projects under GOMESA are intended to comply with La. R.S. 49:214.6.6 and shall be construed accordingly.

### III. Legal Authority

On December 20, 2006, GOMESA (Title I of Division C of Public Law 109-432; 43 U.S.C. 1331 note; 120 Stat. 3000), was signed into law as part of H.R. 6111, The Tax Relief and Health Care Act of 2006. GOMESA significantly expanded Outer Continental Shelf (“OCS”) revenue sharing in the Gulf of Mexico to those Gulf Coast states which host energy production in order to mitigate the demands placed on infrastructure and natural resources associated with that production. Phase II of GOMESA will begin in fiscal year 2017, and will expand revenue sharing across the entire Gulf of Mexico OCS, resulting in increased revenues for the Gulf Coast states, including the State of Louisiana.

According to La. R.S. 49:214.5.4(E)(1), subject to Article VII, Sections 9(B) and 10.1 of the state constitution, “in each fiscal year, the federal revenues that are received by the state generated from OCS oil and gas activity and eligible, as provided by federal law, shall be deposited and credited by the treasurer to the Coastal Protection and Restoration Fund.” As provided in section 10.2(A) of the state constitution and La. R.S. 49:214.5.4(A), the monies in this fund are dedicated to funding the development and implementation of a program to protect Louisiana’s coastal area, which is a program driven by Louisiana’s Comprehensive Plan for a Sustainable Coast (“master plan”) and the associated Fiscal Year Annual Plans (“annual plans”). According to La. R.S. 49:214.5.4(E)(2), these federal revenues shall be used “only for the purposes of integrated coastal protection, including but not limited to coastal wetlands conservation, coastal restoration, hurricane protection, or for infrastructure directly impacted by coastal wetlands losses.” Further, according to La. R.S. 49:214.5.4(E)(3), “[i]n each year, no more than ten percent [10%] of the federal revenues received by the state generated from Outer Continental Shelf oil and gas activity may be used for the purposes of infrastructure directly impacted by coastal wetlands losses.”

Under La. R.S. 49:214.5.4(G), the Coastal Protection and Restoration Fund is subject to appropriations by the Louisiana Legislature for the purposes of integrated coastal protection and may include “coastal wetlands conservation, coastal restoration, coastal zone management, hurricane protection, and infrastructure directly impacted by coastal wetlands losses.” La. R.S. 49:214.2 provides that the term “integrated coastal protection” includes infrastructure, and the term “infrastructure” is defined as “publicly owned facilities or systems in the coastal area that are negatively impacted by coastal land loss or rising seas, and that serve a critical public purpose and are consistent with the priorities stated in the master plan and the eligible uses of the Gulf of Mexico Energy Security Act of 2006.” Finally, according to Section 105(d)(1)(A) of GOMESA, an eligible use of funds includes “projects and activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly affected by coastal wetland losses.”

Pursuant to the foregoing legal authority, eligible coastal infrastructure projects directly impacted by coastal wetland loss may be considered for up to ten percent (10%) of the federal revenues the state receives under GOMESA.

#### **IV. GOMESA Infrastructure Funding Program**

##### **A. Infrastructure Project Application**

Requests for funding of any eligible infrastructure project under GOMESA shall be made by formal, written application to the CPRA Board. Applications may be submitted by any political subdivision of the state within the Coastal Zone. Eligible submitting entities shall be responsible for the preparation of applications for their respective projects.

Proposals for GOMESA funding should be no more than five (5) pages in length (i.e., a 4 page description and a one page map). Information to be provided in the application shall include but not be limited to the following:

- (1) Description of the infrastructure impacted by coastal wetlands loss and demonstration of need for the project and benefits of the project, including a description of how the project can support large-scale restoration or protection projects and how the project itself will be designed to maximize resilience against future environmental conditions;
- (2) A description, map, and shapefiles of the proposed project area and features, including the geographical area affected and land ownership information;
- (3) A Preliminary Design Document and Engineers Estimate of Probable Construction Cost, including a description of the status of any necessary environmental permits; Description of project area including the geographical area affected and land ownership information;
- (4) Description of how the project is consistent with the priorities, objectives and principles of the master plan and how the project will address mitigation issues;
- (5) Description of the project's beneficial economic impact to the State; and
- (6) The acknowledgment of the eligible submitting entity that they will be required to perform any necessary operations, maintenance, repair, replacement, and rehabilitation (OMRR&R) and also monitoring for the proposed project.

Project applications shall not be subjected to formal review and evaluation until the information required in the application has been submitted or is determined to be unavailable.

Proposals may be submitted via mail or email, but must be received by CPRA Board before close of business on or before November first of each year for consideration of funding in the following fiscal year. Submissions should be sent via email to: [coastal@la.gov](mailto:coastal@la.gov), or via regular mail to: CPRA, Attn: Chuck Perrodin, P.O. Box 44027, Baton Rouge, LA 70804-4027.

## **B. Infrastructure Project Prioritization**

The applications submitted shall be evaluated by the CPRA Board, through CPRA Implementation, which shall hold no less than three (3) public hearings in separate locations within the coastal zone for the purpose of receiving public testimony and comment from requesting authorities and citizens regarding the proposed infrastructure projects. Such hearings may be held at the same time and location as hearings set for public comment on the annual plan.

CPRA Implementation shall prioritize and rank such applications according to the following criteria:

- (1) The project's consistency with the priorities, objectives and principles of the master plan;
- (2) The critical public purpose of the project;
- (3) The project's contribution to community resiliency (evacuation routes, connection to local businesses, contribution to regional commerce, etc.) and/or to state, regional and national energy security;
- (4) Resilience against future environmental conditions;
- (5) The community's investment in the project;
- (6) The project's beneficial economic impact to the State; and
- (7) Opportunities to leverage funding for the project from sources other than those discussed herein; and
- (8) Letters of support for the project from landowners whose cooperation is necessary for the implementation of the project. Letters of support can be attached to the application as an appendix to the official application.

CPRA Implementation shall provide its application evaluations to the CPRA Board. Based upon the evaluations of CPRA Implementation, the CPRA Board will then compile a list of any infrastructure projects to be formally included in the annual plan.