



CPRA Publishes Proposed Rule to Establish Natural Resource Damage Restoration Banking Program

The Coastal Protection and Restoration Authority (CPRA) published in the January 2017 Louisiana Register a proposed rule to establish a natural resource damage (NRD) restoration banking program. This program—the first of its kind in the nation—will provide the State with an alternate method to offset injuries to natural resources sustained as a result of oil spills and resolve liability of responsible parties (RPs) for the unauthorized discharge of oil in Louisiana’s coastal area. The program will complement efforts on the federal level to increase private investment in restoration and conservation activities, as called for in a November 3, 2015 Presidential Memorandum.

NRD restoration banking is up-front restoration utilizing third-party, private investment to address NRD liability under the Oil Pollution Act of 1990 (OPA), 33 U.S.C. § 2701 *et seq.*, and the Louisiana Oil Spill Prevention and Response Act (OSPR), La. R.S. 30:2451 *et seq.* The NRD restoration banking program will provide the State’s natural resource damage assessment (NRDA) trustees with an efficient pathway to restore for injury caused by the release of oil into the Louisiana coastal area.

Under the NRD restoration banking program, a private company (“sponsor”) may implement restoration projects at a site in the Louisiana coastal area, referred to as a “restoration bank.” Proposed restoration banks must be consistent with the goals and objectives of Louisiana’s Coastal Master Plan to be eligible for the NRD restoration banking program. A preference will be given to potential banks that construct Coastal Master Plan projects or increments, add-ons, or enhancements of Coastal Master Plan projects.

Following an unauthorized discharge of oil, the NRDA trustees may authorize the RP to purchase credits from certified restoration banks to restore for injuries from that discharge. By participating in the NRD restoration banking program, responsibility for the restoration project is transferred from the RP to the bank sponsor. The availability of restoration banks to resolve NRD liability may also facilitate early settlement and reduce administrative costs associated with the design and development of multiple spill-specific restoration projects.

The NRD restoration banking program will be implemented by the Natural Resource Damage Banking Review Team, which consists of the following State agencies: CPRA, the Louisiana Oil Spill Coordinator’s Office, the Louisiana Department of Environmental Quality, the Louisiana Department of Natural Resources, and the Louisiana Department of Wildlife and Fisheries.

View the proposed rule in the [January 2017 Louisiana Register](#).

View CPRA NRD Banking White Papers:

[NRD Banking: Current State & Path Forward](#)

[What CPRA Hopes To Achieve With NRD Banking](#)

[NRD Banking - Frequently Asked Questions](#)