



State of Louisiana
Coastal Protection and Restoration Authority

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Louisiana again urges Federal forgiveness of New Orleans post-Katrina infrastructure debt

Baton Rouge, Louisiana – This week, Johnny Bradberry, Executive Assistant to the Governor for Coastal Activities, issued a [letter to Louisiana’s congressional delegation](#) once again asking for assistance with the State’s Hurricane Storm Damage and Risk Reduction System (HSDRRS) debt repayment. According to Bradberry, “rather than asking the State to commit \$100 million a year for 30 years toward debt service, the federal government should allow us the flexibility to put that money toward coastal infrastructure that will protect the federal investment in the HSDRRS.” This letter follows a [CPRA Board resolution from September, 2016](#) and a [previous letter from June, 2017](#) that identified \$21 billion in Coastal Master Plan projects that would benefit over 272,000 acres of land that will add resiliency to the HSDRRS, extend its lifespan, and avoid damages to assets inside the system. The latest letter argues in favor of CPRA’s proposal in light of developing federal interest in investments in infrastructure. “Whether the federal infrastructure program under discussion is \$200 billion or \$1 trillion it should consider Louisiana’s remaining HSDRR balance as a small first step toward those goals,” wrote Bradberry. Over half of the \$3 billion owed is for interest that, if the state had to pay, would “represent a failure to appreciate the scale of the problem faced in coastal Louisiana and the significant impact of Louisiana’s land loss crisis on the nation at large.”

The State of Louisiana partnered with the federal government on aspects of the HSDRRS system in order to meet the 100-year protection guidelines of the National Flood Insurance Program. As a result, the State’s projected total cost-share for HSDRRS projects is \$1.67 billion which includes \$1.55 billion in principle and \$519 million in accumulated construction interest. Upon completion of the system in 2019 or 2020, the State will begin “paying back” this sum over thirty years in \$100 million annual payments. The additional interest accumulated over the payback period will amount to \$1.35 billion which brings the total amount owed by Louisiana to \$2.98 billion.

On September 21, 2016 the CPRA Board passed a resolution *Supporting Efforts to Obtain a Waiver or Reduction of Louisiana’s Cost-Share Obligation for the Hurricane and Storm Damage Risk Reduction System in the Greater New Orleans and Surrounding Areas*. This resolution offers a commitment by the CPRA to utilize any funds that would have gone to HSDRRS debt payments toward projects that will add resiliency and protection to the HSDRRS investment itself. The CPRA Board “supports any and all efforts



to obtain a waiver or reduction in Louisiana’s cost-share obligation for the Hurricane and Storm Damage Risk Reduction System in the Greater New Orleans and Surrounding Areas.” It also, “further commits to using funds directed for payback on ecosystem restoration projects that will add resiliency and protection to the HSDRRS and the federal investment therein.”

This initiative around the HSDRRS debt issue is just one of the ways Louisiana is promoting the projects in its Coastal Master Plan for consideration in federal infrastructure activities. In a [March 8, 2017 letter to President Trump](#), Governor John Bel Edwards called attention to Louisiana’s readiness to implement infrastructure projects, reminding that “Hurricanes Katrina and Rita demonstrated how important coastal infrastructure is to the preservation of life, and how disruptive, costly and disastrous infrastructure failures can be for our nation’s economy.” The Coastal Master Plan is Louisiana’s blueprint for high-impact, high-value coastal infrastructure for the next 50 years. “Under the circumstances of Louisiana’s historic and ongoing land loss crisis,” Bradberry said, “it would be extremely short sighted to require the State to redirect coastal funds to make HSDRRS debt payments that could better be used to make future progress toward the full buildout of our Coastal Master Plan.”

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Louisiana’s Coastal Protection and Restoration Authority is the single state entity with authority to develop, articulate, implement, and enforce a comprehensive coastal restoration and protection Master Plan of unified vision to reduce hurricane storm surge flood impact, to restore our bountiful natural resources, to build land to protect our nation’s critical energy infrastructure, and to secure Louisiana’s coast now and for future generations.