



State of Louisiana

**DEPARTMENT OF ENERGY
AND NATURAL RESOURCES**

Federal Update

The Speaker from Louisiana,
Hearings, and WRDA requests

Speaker Mike Johnson

As Louisiana knows by now, Congressman Mike Johnson of Louisiana's 4th District was elected as the first Speaker of the House from the Pelican State on October 25, 2023.



(You were told this was a possibility back at the October 18th CPRA Board Meeting)

Congressman Johnson is the Vice Chair of the Republican conference, who indicated that he would be willing to run for Speaker if Chairman Jordan falters. Many members have floated him as a possible option depending on how the frontrunners fare.



Narrow House Majority & FY 24 Appropriations

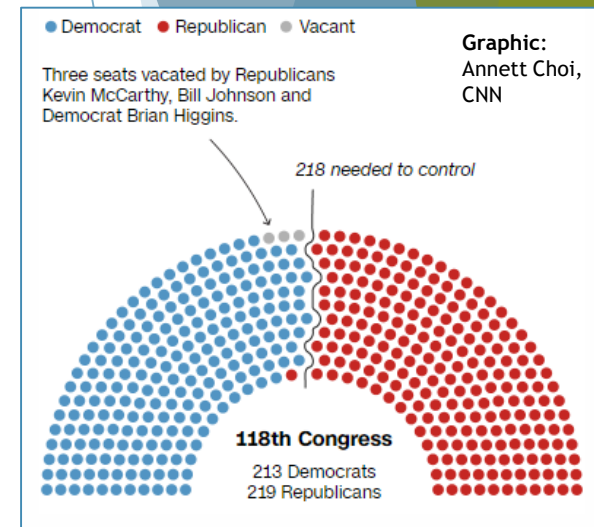
Smaller House Majority: With retirements and the expelling of a member, Speaker Johnson faces an even tighter majority than former Speaker Kevin McCarthy. Currently, there are **219** House Republicans and **213** House Democrats. With a full Congress, a majority must have **218** members. With the three vacancies, Speaker Johnson can only lose up to two votes if everyone is present.

This narrow majority makes enacting legislation with bipartisan support while maintaining the backing of the House Republican caucus very difficult.

FY24 Appropriations: While the border and foreign policy have been major issues during his Speakership, funding the government is the urgent issue. Currently, the federal government is scheduled to shut down partially on March 1 and fully on March 8.

Congress has twice passed continuing resolutions (CR) to keep the government funded at FY23 levels since former Speaker McCarthy was ousted in October for doing so. The sense is either Congress will come together and finally pass FY24 appropriations, or it will enact a year long CR that will result in 1% cuts across the board.

Earmarks such as those supporting Louisiana Army Corps projects or proposed funding to CPRA for monitoring equipment would not be passed through a CR.



Senate Hearing on Project Partnership Agreements (PPAs)

On November 29, 2023, the Senate Environment and Public Works Committee held a hearing titled “[WRDA 2024: Stakeholder Feedback on USACE Project Partnership Agreements.](#)”

Hearing Theme: The difficulty non-Federal sponsors have when it comes to signing the agreements to initiate a study or construction project. Congress provides the authority to the Army Corps (USACE) to take the action and the appropriations to fund the initiative. But the non-Federal sponsor has to agree to the terms of the agreement, which can pose challenges particularly for ecosystem restoration projects.

Takeaways from Witness Testimony

[Jimmy Hague](#), The Nature Conservancy

- ▶ Difficult for non-Federal sponsors to commit to cost share with potential cost and time overruns
- ▶ USACE PPAs have do not adequately allow for credit to non-Federal sponsor from donations

[Kirsten Wallace](#), Interstate Council on Water Policy / Upper Mississippi River Basin Association

- ▶ Indemnification requirements in USACE PPAs often conflict with state and local law
- ▶ Requiring indefinite operations, maintenance, repair, rehabilitation, and relocation for water resource projects is problematic. PPAs should cover the life of the project.



Haase Testimony on CPRA's PPA Experience

Takeaways from [CPRA Chairman Bren Haase Testimony](#)

- ▶ Louisiana's Experience: Since 2007, CPRA has signed approximately 40 PPAs, Feasibility Cost Sharing Agreements, Design Agreements, and Memoranda of Understanding/Agreement.
- ▶ Activate Flexibilities: Congress should encourage USACE to use the flexibilities given to adapt agreements to the unique circumstances of a project. Beneficial for USACE to allow for a “deviation” from a model agreement to improve projects.
- ▶ Address Deficiencies: Agreements should provide recourse to the non-Federal sponsor when there are federally-led deficiencies that impact the success of the project, including related to liability.
- ▶ Increase Transparency: Non-Federal sponsors should receive better insight into federal expenses, since the sponsor must supply its cost share even when project costs escalate.
- ▶ Right-sizing Land Rights: Full fee title ownership of a project's area is not a fit for many ecosystem restoration projects.
- ▶ Crediting: Agreements should have provisions to allow the non-Federal sponsor to easily receive all due credit.
- ▶ Empower District Commander: The USACE District should have the ability to make many of these judgements.



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Earlier today, CPRA Chairman Bren Haase testified before the U.S. Senate Committee on Environment and Public Works in order to provide the non-federal sponsor experience related to negotiating Project Partnership Agreements. See full testimony here: loom.ly/s3TXJcI



“ We encourage the Committee to improve the Corps' ability to be **transparent and flexible**. Those improvements will serve to facilitate **even greater partnerships and ultimately positive results for the nation.** ”

Bren Haase, CPRA Chairman

CPRA's Requests for WRDA 2024

Request	Policy Goal
Address RESTORE Act Eligibility for Cost Sharing	Provide clarity that RESTORE's Council-Selected Restoration Component (Bucket 2) funds can be used as a non-Federal cost share for USACE projects, such as the Maurepas Swamp Freshwater Diversion for West Shore Lake Pontchartrain project.
Include Pointe Celeste Pumping Station in NOV	Have USACE direct funding from the \$783 million allocated to New Orleans to Venice (NOV) project from 2021 Disaster Supplemental funding to revitalize/replace the Pointe Celeste Pumping Station in Plaquemines Parish.
Authorize Lake Pontchartrain Barrier Study	Have USACE take a fresh look at the Lake Pontchartrain Barrier project as envisioned in 2023 Coastal Master Plan.
Authorize St. Tammany Parish Study for Construction	Allow USACE to initiate construction on the St. Tammany project to construct a levee around Slidell and conduct nonstructural home elevations across the parish.
Allow Segmented Environmental Review for Hurricane Risk Reduction Projects	Provide USACE with the ability to expedite construction on discrete elements of major (\$500M+) hurricane and storm damage risk reduction projects, before the completion of the comprehensive environmental impact statement. All determined mitigation would still be required to be fulfilled. Morganza to the Gulf would be an example beneficiary.



CPRA's Requests for WRDA 2024

Request	Policy Goal
Continue Non-Federal Implementation Pilot Program (Section 1043)	Keep authority active, allow new entries into this pilot program, increase available funding, enable non-Federal sponsors to use this for separable elements, and set up process for Louisiana Coastal Area similar to the Everglades.
Clarify HSDRRS Payback Terms	Clean up the deferred payment agreement language to ensure that Louisiana actions have fulfilled the terms, as well ensure credits obtained endure and are able to be used flexibly.
Tie Upper Barataria Basin in to Morganza to the Gulf	Connect the two USACE projects to address the gap between the two levee systems.
Extend Rehabilitation of Existing Levees Authority	Allow the USACE to continue to lift levees such as LPV and WBV to the design elevation for decades to come.
Address Work in Kind related to O&M of Fuel Taxed Inland Waterways	Enable SLFPA-W to receive credit for Work in Kind conducted since 2014 on certain structures, that USACE has the obligation to conduct O&M.
Expand Alexandria to the Gulf Study Territory	Adjust the scope of this study to align with the 16-parish territory covered by Louisiana Watershed Initiative Region 5.



House Oversight Hearing on Offshore Energy

On January 11, 2024, the House Natural Resources [Subcommittee on Energy and Mineral Resources](#) held a hearing titled “[Examining the Biden Administration’s Limits on Access to the OCS: Impacts on Consumers, States, and Operators.](#)”

Key hearing theme was the revenue impacts to states and localities from the reduced offshore oil and gas leasing scheduled through the [Department of Interior’s 2024-2029 National Outer Continental Shelf \(OCS\) Oil and Gas Leasing Program](#), which was finalized on December 14, 2023.

Notable Quotes

“This puts funding for initiatives like GOMESA and the Land and Water Conservation Fund at risk, undermining future coastal conservation and restoration efforts.”

HNR EMR Subcommittee Chairman Pete Stauber (R-MN)

“Biden Administration polices are undermining goals like coastal conservation and hurricane protection, wildlife habitat enhancements, recreation, public lands access, and water resources management.”

HNR Committee Chairman Bruce Westerman (R-AR)

“We expect GOMESA revenue sharing to be fully funded for the foreseeable future.”
Dr. Walter Cruickshank, Deputy Director of Bureau of Ocean Energy Management.



Blankenship & Havens Testimony on GOMESA



Excerpts from [ADCNR Commissioner Blankenship Testimony](#)

"The revenues from... GOMESA allow [Alabama] to improve many underserved and impoverished communities along the coast."

"The existing revenue sharing cap for the Gulf States under GOMESA should be lifted, thus ensuring a more equitable system to share the benefits of offshore development with the affected states."

"Expanded and enhanced revenue sharing and a return to more normal leasing opportunities will allow states to more properly address the coastal impacts of offshore production and put them in better position to support OCS activities."



Excerpts from [GLO Chief Clerk Mark Havens Testimony](#)

"Continued funding to the States through GOMESA revenue sharing pays for countless critical environmental improvements all along the coast of the Gulf of Mexico."

"The GOMESA leasing and production program is literally a Federal/State win-win, but could and should be responsibly expanded."

"The substantial decreasing in leasing in the Gulf of Mexico... will have a catastrophic impact on... our ability to protect the Texas coastline."



Increased Support for RISEE Act

Senate RISEE Act added the cosponsorship of Senators **Gary Peters (D-MI)** and **Peter Welch (D-VT)**. There are now 25 Senators signed on (19 D and 6 R).

House RISEE Act added the cosponsorship of Representatives **Jim Himes (D-CT)**, **John Garamendi (D-CA)**, **Mike Thompson (D-CA)**, **Gerald Connolly (D-VA)**, **Ted Lieu (D-CA)**, **Pat Ryan (D-NY)**, **Jerry Nadler (D-NY)**, **Marcus Molinaro (R-NY)**, **Hillary Scholten (D-MI)**, and **Gregory Meeks (D-NY)**. A total of 31 House members have signed on (25 D and 6 R).

