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Interior Disburses \$353 Million in GOMESA FY 2019 Revenues; Funds Support Coastal Conservation and Hurricane Protection Projects

\$138 million increase in payments demonstrates energy agenda success

WASHINGTON – Today, U.S. Department of the Interior Secretary David Bernhardt announced that the Department disbursed almost \$353 million in FY 2019 energy revenues to the four Gulf oil and gas producing states – Alabama, Louisiana, Mississippi and Texas, and their coastal political subdivisions (CPS) – an increase of 64.2 percent (\$138 million) over the prior year. The funds will be used to support coastal conservation and restoration projects; hurricane protection programs; and activities to implement marine, coastal or conservation management plans.

"Because of policies put forth by President Trump, increasing energy revenues have generated more money for Gulf states to implement critical conservation, sustainability and infrastructure projects," said Secretary Bernhardt.

Some examples of state projects previously funded with GOMESA dollars include:

Alabama

Alabama projects funded with GOMESA dollars include \$4 million set aside for Gulf State Park recreational access enhancements, and \$1.5 million for a coastal Alabama watershed enhancement project.

Louisiana

Louisiana projects funded with GOMESA dollars include \$50 million for a permanent gate structure that will prevent flooding to portions of six parishes on Bayou Chene. Once complete, the project will feature a 40-foot barge gate to provide protection against storm surge up to 10 feet, along with a series of flood-walls and levees to support additional protection.

In Ascension Parish, GOMESA will fund \$65 million for a project that includes a pump station to be constructed on the Mississippi River at Donaldsonville with a minimum pumping capacity of 1,000 cubic feet per second alongside the existing 500 cfs station, tripling the capacity for fresh water entering Bayou Lafourche to combat saltwater intrusion and provide fresh drinking water to over 300,000 residents in Assumption, Ascension, Lafourche and Terrebonne Parishes.

Mississippi

Mississippi projects funded with GOMESA dollars include \$5 million to replace or remove seven beach outfall pipes in Harrison County, and \$2 million to put down approximately 60 million oysters on shell or crushed concrete into the Mississippi Sound.

Texas

Texas projects funded with GOMESA dollars include \$4.5 million in funds committed by the Texas General Land office to construct 6.7 miles of living shoreline at Anahuac Natural Wildlife Refuge. The project is being completed by Ducks Unlimited and will protect the coastal marsh from further erosion. The Land office also committed \$1.1 million in GOMESA funds to complete the Texas Coastal Resiliency Master Plan. The plan provides a framework for community, socio-economic, ecologic and infrastructure protection from coastal hazards, including short-term direct impact and long-term gradual impacts.

The following amounts were shared with the states and subdivisions:

State of Alabama and Coastal Political Subdivisions (CPS)

State of Alabama	\$40,037,409.45
Baldwin County	\$4,558,744.98
Mobile County	\$5,450,607.38
TOTAL	\$50,046,761.81

State of Louisiana and CPS

State of Louisiana	\$124,574,775.95
Assumption Parish	\$1,034,102.95
Calcasieu Parish	\$1,638,988.85
Cameron Parish	\$2,092,861.04
Iberia Parish	\$1,636,190.83
Jefferson Parish	\$2,583,808.57
Lafourche Parish	\$1,619,484.54
Livingston Parish	\$1,295,216.14
Orleans Parish	\$2,141,904.60

TOTAL	\$155,718,469.97
Vermilion Parish	\$1,618,586.88
Terrebonne Parish	\$2,377,136.75
Tangipahoa Parish	\$1,246,809.43
St. Tammany Parish	\$1,702,328.50
St. Mary Parish	\$1,364,113.38
St. Martin Parish	\$1,160,080.96
St. John the Baptist Parish	\$1,042,877.63
St. James Parish	\$964,994.69
St. Charles Parish	\$1,105,909.81
St. Bernard Parish	\$1,468,661.50
Plaquemines Parish	\$3,049,636.97

State of Mississippi and CPS

State of Mississippi	\$41,531,180.60
Hancock County	\$1,971,125.52
Harrison County	\$4,375,893.97
Jackson County	\$4,035,775.65
TOTAL	\$51,913,975.74

State of Texas and CPS

State of Texas	\$76,227,145.73
Aransas County	\$772,632.69
Brazoria County	\$1,267,015.77
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Calhoun County	\$1,034,675.74
Cameron County	\$1,111,917.29
Chambers County	\$652,884.63
Galveston County	\$1,662,925.78
Harris County	\$3,706,345.68
Jackson County	\$496,817.57
Jefferson County	\$1,281,692.80
Kenedy County	\$1,065,791.46
Kleberg County	\$769,772.18
Matagorda County	\$1,473,898.11
Nueces County	\$1,018,807.82
Orange County	\$630,584.03
Refugio County	\$476,238.54
San Patricio County	\$500,448.31
Victoria County	\$515,446.15
Willacy County	\$618,891.86
TOTAL	\$95,283,932.14

GOMESA TOTAL \$352,963,139.66

Today's action represents the third annual disbursement under Phase II of the Gulf of Mexico Energy Security Act of 2006 (GOMESA). Disbursements are subject to sequestration requirements under the Budget Control Act of 2011.

GOMESA funds are derived from qualified oil and gas leasing revenues on the Outer Continental Shelf and disbursed in accordance with the revenue-sharing provisions of the GOMESA legislation. During FY 2019, Interior's Office of Natural Resources Revenue (ONRR) disbursed approximately \$125 million to the Land and Water Conservation Fund (LWCF) and \$549 million to the U.S. Treasury from bonuses, rentals and royalties paid for GOMESA leases. As required by the legislation, disbursements to the LWCF and Treasury are made in the same year of receipt while disbursements to the states and CPS are made the year following receipt.

Interior's Office of Natural Resources Revenue manages and ensures full payment of revenues owed for the development of the nation's energy and natural resources on the Outer Continental Shelf and onshore Federal and Indian lands. In performing this important fiduciary role, ONRR collects an average of over \$10 billion dollars in annual revenue, one of the Federal government's largest sources of non-tax revenue.

Revenue-sharing allocations and disbursement details for the FY 2019 receipts are available on the Department's website at: <u>https://revenuedata.doi.gov/how-itworks/gomesa.</u>

What They Are Saying

"Hitting the full GOMESA cap is tremendously important to Louisiana, allowing us to build more projects vital to our coastal communities," **said Louisiana Governor John Bel Edwards**. "The state Coastal Protection and Restoration Authority is applying the additional GOMESA funds to levee improvements, ecosystem restoration projects and fisheries sustainability efforts, bringing Louisiana's total GOMESA-funded budget to \$143.97 million, advancing 31 projects and programs in our coming fiscal year."

"We are grateful for the Trump Administration's leadership and the Department of Interior's commitment to supporting our coastal energy resources," **said Mississippi Governor Tate Reeves**. "We must work together to advance and ensure American energy security so we can establish energy independence for our people. These energy revenues will enable our state to continue developing our energy resources for Mississippi and our country as a whole."

"The U.S. is the world's energy leader, and the revenue from our offshore oil and gas production is vital to our coastal communities," **said Texas Governor Greg Abbott**. "The GOMESA funds will strengthen conservation and restoration projects along the Texas coast and will assist in our hurricane preparedness efforts. I thank the Trump Administration for its continued commitment to America's energy security and for its support of Texas' coastal communities."

"Even as we deal with COVID-19, we must continue to address issues that are important over the long term. This funding will go toward preserving our coastline," **said U.S. Senator Bill Cassidy**. "In the long term, this is equally important to Louisiana. I will continue to fight for further funding."

"Responsible offshore energy production serves many good functions, among them earning Mississippi a share of federal royalty revenues for conservation and coastal restoration. I hope our state can enjoy greater benefits from the GOMESA program in the near future," **said U.S. Senator Cindy Hyde-Smith**, who serves on the Senate appropriations subcommittee with jurisdiction over the Interior Department.

"We have an obligation to steward our energy resources, and this year's increase in funds shows that we've been doing just that. But we also have a pressing duty to help the people of Louisiana, whose families depend on revenues from the oil they produce by the sweat of their brow. Conservation efforts across America can thank our state for crucial funding, even as Louisianians are suffering under artificially low barrel prices," **said U.S. Senator John Kennedy**. "I'm glad to see more funds flow back to Louisiana, where they can help keep people and property safe from natural disasters and restore our coastline. I also hope we can take commonsense steps to ensure that oil producers there see more of the fruits of their labor."

"This significant increase in revenues is excellent news for Mississippi and our Gulf Coast communities," **said U.S. Senator Roger Wicker**. "As a strong contributor to our nation's energy independence, our state will reinvest these funds into conservation and restoration programs that will enhance our state's natural resources and protect the beauty of our Coast for generations to come."

"Revenue sharing under GOMESA allows Louisiana to get much more out of the oil and gas production off our coast," **said U.S. Congressman Ralph Abraham**. "This money is used to protect our communities from coastal erosion, and helps Louisiana continue to provide energy and other critical resources to the entire country."

"Alabama's beautiful Gulf Coast contains invaluable resources and is a powerful economic generator for the entire state," **said U.S. Congressman Bradley Byrne**. "GOMESA funds are critical for protecting these precious assets through coastal restoration and hurricane preparedness, and I thank the Trump Administration for its continued support of GOMESA and the communities along the Gulf Coast."

"Energy producing states along the Gulf Coast have waited a long time to start seeing these GOMESA Phase II bumps in offshore energy revenues, especially in Louisiana – where the Gulf has eroded over 2,000 square miles of our coast. These reinvestments are critical, and we're going to continue working toward full energy revenue parity for offshore and onshore producing states", **said Louisiana Congressman Garret Graves**. "Every single penny of this funding will be invested in urgent coastal restoration and hurricane protection efforts to protect Louisiana lives, communities, culture and a nationally-important economic engine responsible for 80 to 90 percent of all offshore energy production in federal waters in the United States."

"This is a major investment, which greatly increases support for coastal projects in Louisiana. GOMESA provides critical funding for mitigation and restoration efforts along Louisiana's coast," **said U.S. Congressman Clay Higgins**. "We support this endeavor and will continue working with President Trump's Administration to expand and preserve these important revenue-sharing provisions."

"This latest round of GOMESA funding will provide a much-needed injection of resources for critical coastal restoration projects in Louisiana. This year's substantial increase in revenue for the state illustrates the positive impacts of the Trump administration's pro-energy policies," **said U.S. Congressman Mike Johnson**. "We will continue to work to support the offshore oil and gas activities that generate these funds and provide long-term stability to our coastline."

"This GOMESA funding is great news for Louisiana's coast, and I applaud the Trump Administration for their ongoing support for offshore energy exploration and production and revenue sharing with the Gulf states. In Louisiana, these funds are dedicated to coastal restoration and hurricane protection, and we know our coastline is the first line of defense from powerful Gulf storms, making today's announcement excellent news for Southeast Louisiana families and communities. While this is welcome news, it's also a reminder that Gulf states still lag behind the interior states who get 50% of revenues from all energy leases, compared to Gulf states who receive 37.5% of only certain leases. I'll continue fighting to increase Gulf states' revenue share to finally provide parity with the interior states," **said U.S. Congressman Steve Scalise**. "I applaud the Trump Administration for recognizing the urgency and necessary investments needed to protect Louisiana's coastline, and for their continued support of American energy dominance in the Gulf of Mexico, which allows us to restore our coast and protect families and small businesses from future storms, as well as protecting the vital infrastructure important to our entire nation."

"I'm proud to support the Trump Administration in their efforts to cement America's energy dominance, and I am glad to at last see our district receiving a more equitable greater share of the revenue raised from the resources off our coast," **said U.S. Congressman Randy Weber**. "However, Congress has more work to do to provide equitable revenue sharing for onshore drilling and offshore drilling, and I will continue to work with my colleagues to bring this about."

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