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Interior Disburses \$50 Million to Alabama from 2019 Energy Revenues

Increase of \$19.5 million in payments demonstrates energy agenda success; GOMESA funds important for coastal conservation, restoration and hurricane protection projects

WASHINGTON – U.S. Department of the Interior Secretary David Bernhardt announced today that the Department disbursed more than \$50 million to Alabama and its coastal political subdivisions (CPS). This represents an increase of nearly \$19.5 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.**

Interior 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% (\$138 million) over the prior year.

In FY 2019, revenues surpassed \$1 billion from GOMESA leases, which triggered the annual cap. The GOMESA legislation specifies the annual cap to be applied to the amounts disbursed to the Gulf producing states and their CPS each year. ONRR will disburse to the states and their CPS each fiscal year following the year of receipt: up to \$375 million for FY 2017 through FY 2019 receipts; up to \$487.5 million for FY 2020 and FY 2021 receipts; and up to \$375 million for FY 2022 through FY 2055 receipts. The cap is lifted beginning in FY 2056. The cap does not

apply to qualified revenues generated in those areas associated with Phase I of the GOMESA program.

“Alabama’s beautiful Gulf Coast contains invaluable resources and is a powerful economic generator for the entire state,” **said Alabama 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.”

Examples of 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.

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; disbursements to the states and CPS are made the year following the year of receipt.

The following amounts will be shared with Alabama and its subdivisions:

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

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: <https://revenue.data.doi.gov/how-itworks/gomesa>.