News Release

Office of Public Affairs

For Immediate Release Monday, January 12, 2009

News Media Contact:

Eileen Angelico, (504) 736-2595 Caryl Fagot, (504) 736-2590

MMS Approves Texas Coastal Impact Assistance Program Plan

Federal grants will help Texas restore and protect its shoreline environments

WASHINGTON, D.C. – Minerals Management Service Director Randall Luthi today signed the Texas Coastal Impact Assistance Program (CIAP) Plan, making available more than \$48 million through Federal grants to the State and 18 counties to restore and protect their shoreline environments.

"The Minerals Management Service welcomes the opportunity to fund these vital projects for the State of Texas and 18 of its coastal counties," Luthi said. "Restoring and protecting natural coastal resources is fundamental to the CIAP mission."

Luthi joined Texas General Land Office Deputy Commissioner Jody Henneke in a signing ceremony at the Port of Corpus Christi, ten miles southwest of Pelican Island, a project site included in the plan. The state is now eligible to submit grant proposals for CIAP projects involving conservation, restoration, and protection of natural coastal resources.

Created by the Energy Policy Act of 2005, CIAP disburses \$250 million annually for four years, 2007 – 2010, to six eligible Outer Continental Shelf oil and gas producing states – Texas, Louisiana, Mississippi, Alabama, Alaska, and California. The first phase allocated \$48.6 million for each of the fiscal years 2007 and 2008, to Texas and 18 Coastal Political Subdivisions (counties). The plan submitted by Texas detailed projects that would be completed using the FY 2007 allocation.

CIAP funds are allocated to each producing state and eligible counties based upon allocation formulas prescribed by the Act. Each eligible State is allocated its share based on the State's Qualified Outer Continental Shelf Revenue (QOCSR) generated off its coast in proportion to total QOCSR generated off the coasts of all eligible States. Allocation for the first two years of the program was completed in April 2007; the second allocation for fiscal years 2009 and 2010 will be calculated in Spring 2009. The states and counties are eligible to receive the funds from the previous years as long as they have an approved CIAP plan.

Texas became the third state to receive approval from MMS for its CIAP plan. Louisiana and Alaska both have approved plans.

MMS will post Texas' Grant Program Announcement on www.grants.gov today. The announcement provides instructions and guidance on the submittal process for CIAP grant applications. Funding is made available to the State and counties when the grants are awarded. Texas' plan contains 136 projects covering the first year of the program. Each project must comply with one of five authorized CIAP uses: 1) the conservation, protection, or restoration of coastal areas, including wetlands; 2) mitigation of damage to fish, wildlife, or natural resources; 3) planning assistance and the administrative costs of complying with CIAP legislation; 4) implementation of a federally-approved marine, coastal, or comprehensive conservation management plan; or 5) mitigation of the potential impact of offshore oil and gas activities through funding of onshore infrastructure and public service needs.

"We are confident these projects meet the requirements of the program to further the State's efforts to restore, enhance and protect its natural coastal resources," said Luthi.

The allocation of the \$48.6 million will be divided with 65 percent of the funding, \$31.6 million, going to the State of Texas and 35 percent, \$17 million, being split among the 18 coastal counties. See the table below for county distribution.

Texas Coastal Political Subdivisions CIAP Fiscal Year 2007 and Fiscal Year 2008 Allocations

Coastal Political Subdivisions (C	(PS) Percent of Allocation	Total Allocation
Aransas	3.73%	\$ 634,820.87
Brazoria	6.52%	\$1,108,432.29
Calhoun	5.15%	\$ 875,420.50
Cameron	5.41%	\$ 919,400.98
Chambers	4.06%	\$ 690,649.95
Galveston	9.20%	\$1,564,825.01
Harris	19.42%	\$3,302,941.42
Jackson	2.55%	\$ 433,034.07
Jefferson	7.98%	\$1,357,323.43
Kenedy	5.13%	\$ 871,961.35
Kleberg	3.66%	\$ 622,563.42
Matagorda	7.50%	\$1,274,996.58
Nueces	5.08%	\$ 863,247.03
Orange	4.33%	\$ 737,196.04
Refugio	2.32%	\$ 395,340.19
San Patricio	2.42%	\$ 411,011.32
Victoria	2.68%	\$ 455,275.71
Willacy	2.87%	\$ 488,480.56
Total Texas	100.00%	\$17,006,920.73