Ms. Colleen S. Benner MMS National CIAP Coordinator Minerals Management Service 381 Elden Street, MS 4040 Herndon, Virginia 20170

RE: Comments on CIAP Draft Guidelines

Dear Ms. Benner:

The State of Mississippi submits the following comments on the Coastal Impact Assistance Program Draft Guidelines March 2006.

The comments address specific Chapters in the guidance.

4.1 Authorized Uses of Funds

A listing of sample projects that would likely be eligible for funding by CIAP for each authorized use should be included in this Chapter. This would be helpful for the designated state agency before the Request for Proposals process is initiated.

4.4 Incurring Costs Before Plan Approval

We do not find this Chapter consistent with Section 31(b)(2) of the Act. To be consistent the Act, the first sentence of this Chapter should be rewritten as follows:

The MMS shall not disburse any CIAP funds to a State or CPS until MMS has approved the State's Plan.

4.5 Escrow Account

We do not find this Chapter consistent with Section 31(b)(2) of the Act. To be consistent with the Act, the second sentence of this Chapter should be rewritten as follows:

Funds disbursement will be contingent upon Plan approval.

6. Coastal Impact Assistance Plan Review and Approval

We would suggest that paragraph two of this Chapter be rewritten as follows:

The MMS's approval of a Plan should not be construed as final funding approval of the individual State and CPS projects incorporated in that Plan. As part of the Plan approval process, MMS will review those projects identified in a Plan for overall consistency with the requirements set forth in Section 31(d)(1) of the Act, *Authorized Uses* (Chapter 4.1). Individual CIAP projects will be given final funding approval by MMS independently of Plans through the grant application and approval process (Chapter 4). However, for those state plans that do include APPENDIX F., plan approval does constitute final funding approval. States should be aware that MMS, as the Federal funding agency, is also responsible for verifying compliance with all Federal, State, and local authorities (Chapter 8) prior to disbursement of funds.

7. Performance and Finance Reports (43 CFR Part 12)

As the designated state agency, our preference would be for annual formal performance reports to MMS with the option that the individual states may require additional semi-annual performance reports from grantees when deemed necessary.

Thank you for the opportunity to comment.

Sincerely,

William W. Walker, Ph.D. Executive Director