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Secretary Salazar: \$25 Million for Gulf States and Counties from 2007-08 Bonus Bids and Rents on OCS Energy Leases

WASHINGTON, D.C. – More than \$25 million will be paid to Gulf of Mexico coastal states and communities this week as their share of bonuses and rents on energy leases in federal waters off their coasts, Secretary of the Interior Ken Salazar announced today.

“These funds will provide an important boost to communities at a moment when they need it most,” Secretary Salazar said. “I was pleased to participate in last week's lease sale, to visit New Orleans, and to examine how these investments will help communities embark on a wide range of projects, including the conservation and restoration of coastal areas.”

The revenues include \$6,179,076.25 to the state of Alabama; \$6,347,321.13 to Louisiana; \$5,506,235.80 to Mississippi; and \$2,159,399.65 to Texas. Forty-two eligible political subdivisions will receive \$5,048,008.21. Those include \$1,544,769.06 to eligible Alabama counties; \$1,586,830.28 to Louisiana parishes; \$1,376,558.95 to political subdivisions in Mississippi; and \$539,849.92 to counties in Texas. A complete list of the disbursements and eligible political subdivisions receiving funds will be online at www.mrm.mms.gov

These are the first payments under the 2006 Gulf of Mexico Energy Security Act (GOMESA) which provides that these states and counties receive 37.5 percent of the oil and gas qualified leasing revenues from certain Outer Continental Shelf areas. Most of the \$25.2 million to be disbursed was received from Lease Sales 224 and 206, held on March 19, 2008. Lease Sale 205, held on Oct. 3, 2007, contributed a small percentage of the revenues that were shared with this disbursement.

In total, those lease sales generated about \$67.3 million in bonus bids and first-year rentals that qualify for revenue sharing. Under GOMESA, 12.5 percent of qualified revenues are disbursed to the Land and Water Conservation Fund, which provides funds and matching grants for various land and water projects. The remaining receipts are disbursed to the U.S. Treasury.

The 2006 legislation mandates that eligible U.S. jurisdictions on the Gulf Coast within 200 miles of certain Outer Continental Shelf parcels leased in Sales 224, 206 and 205 receive these 37.5 percent share payments. The law directs that the funds be used for coastal protection, including mitigating damage to fish, wildlife or natural resources; carrying out a federally-approved marine, coastal, or comprehensive conservation management plan; mitigating the impact of Outer Continental Shelf activities through the funding of onshore infrastructure projects; as well as planning assistance and administrative costs in complying with the law.

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