

Coastal Impact Assistance Program

Appropriations Language

Of the unobligated balances made available by Section 31 of the Outer Continental Shelf Lands Act, as amended (43 U.S.C. 1356a), \$200,000,000 are hereby permanently cancelled.

Justification of Language Changes

The Service proposes to permanently cancel \$200,000,000 of unobligated balances of this mandatory program.

Authorizing Statutes

Energy Policy Act of 2005 (Public Law 109-58), Section 384, establishes the Coastal Impact Assistance Program (CIAP), which authorizes \$250 million for each of the fiscal years 2007 through 2010 to be distributed to Outer Continental Shelf (OCS) oil and gas producing states and coastal political subdivisions (CPSs) for the conservation, protection and preservation of coastal areas, including wetlands. This money will be shared among Alabama, Alaska, California, Louisiana, Mississippi, and Texas and will be allocated upon allocation formulas prescribed by the Act.

Outer Continental Shelf Lands Act, as amended (43 U.S.C. 1456a), in fiscal year 2010, authorized retention of up to 4 percent of the amounts which are disbursed under section 31(b)(1), with amount to remain available until expended.

Activity: Coastal Impact Assistance Program

	2011 Actual	2012 Enacted	2013			Change from 2012 Enacted (+/-)
			Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	**Budget Request	
Coastal Impact Assistance Program (\$000)	0	0	0	0	0	0
TOTAL, Coastal Impact Assistance Program (\$000)	0	0	0	0	-200,000	0
FTE	0	15	0	0	15	0

** This program received appropriated funding in FY 2007-FY 2010. In FY 2012, unobligated balances were transferred from the Bureau of Ocean Energy Management, Regulation, and Enforcement (BOEMRE) to the Fish & Wildlife Service. **In FY 2013, \$200,000,000 of the remaining unobligated balance is requested to be permanently cancelled.** The FTE amounts presented differ from the Budget Appendix due to subsequent changes to estimates.

Summary of 2013 Program Changes for Coastal Impact Assistance Program Grants

Request Component	(\$000)	FTE
▪ Coastal Impact Assistance Program Grants	-200,000	0
Program Changes	-200,000	0

Justification of 2013 Program Changes

The Service requests that \$200,000,000 of the remaining unobligated balances in FY 2013 for the Coastal Impact Assistance Program be permanently cancelled. Though language in The Energy Policy Act of 2005 provides a broad definition of what constitutes a restoration project, funding has been slow to be obligated, resulting in approximately \$565 million remaining in unobligated balances. In a period of severe fiscal restraint, leaving these unobligated funds in an account where they are not being deployed is no longer defensible.

Program Overview

The Energy Policy Act of 2005 (Public Law 109-58) was signed into law by President Bush on August 8, 2005. Section 384 of the Act establishes the Coastal Impact Assistance Program (CIAP) which authorizes funds to be distributed to Outer Continental Shelf (OCS) oil and gas producing states for the conservation, protection and preservation of coastal areas, including wetlands.

Under the CIAP, the Secretary of the Interior is authorized to distribute to producing states and coastal political subdivisions (CPSs) \$250 million for each of the fiscal years 2007 through 2010. This money will be shared among Alabama, Alaska, California, Louisiana, Mississippi, and Texas and will be allocated to each producing state and eligible CPS based upon allocation formulas prescribed by the Act.

From the inception of the program, the Bureau of Ocean Energy Management, Regulation, and Enforcement (BOEMRE), formally the Minerals Management Service (MMS), was designated to implement and oversee the program. However, in FY 2012, the Coastal Impact Assistance Program has been transferred to the Fish & Wildlife Service as the purpose of the CIAP aligns more directly with the mission of the



Service. The transfer will allow BOEMRE to better focus on programs directly aligned with their regulatory and enforcement mission.

Pursuant to the Act, a producing state or CPS shall use all amounts received under this section for one or more of the following purposes:

- Projects and activities for the conservation, protection, or restoration of coastal areas, including wetland;
- Mitigation of damage to fish, wildlife, or natural resources;
- Planning assistance and the administrative costs of complying with this section;
- Implementation of a federally-approved marine, coastal, or comprehensive conservation management plan; and
- Mitigation of the impact of OCS activities through funding of onshore infrastructure projects and public service needs.

Each eligible state will be allocated its share based on the state's Qualified Outer Continental Shelf Revenue (QOCSR) generated off of its coast in proportion to the total QOCSR generated off the coasts of all eligible states.

States were required to submit a CIAP State Plan (Plan), developed in consultation with eligible CPSs, to be eligible to receive CIAP funds. All six states now have an approved State Plan (see Table below). Funds not addressed in the approved Plan will be eligible to a state with the submission and approval of an Amendment to a State Plan.

State	Approval Date	Years of Funds In Plan
Louisiana	November 2007	FY 2007-2010
Alaska	September 2008	FY 2007-2010
Texas	January 2009	FY 2007
Mississippi	February 2009	FY 2007-2010
Alabama	April 2009	FY 2007-2008
California	July 2009	FY 2007-2010

Administration of the Program

In the February 16, 2007 Continuing Resolution, Congress approved a 3-percent appropriation of the CIAP funds to administer the CIAP program for FY 2007 through FY 2009. In October 2009, Congress approved an additional 1 percent appropriation from the FY 2010 funds. While appropriation of new funds has ended, plan reviews, grant awards, administration, and monitoring will continue for several years.

It is important to note that the CIAP grant management and monitoring functions will extend far beyond the 2007-2010 disbursement period. Grant guidelines require oversight throughout completion of a project. It is projected that the installments of retained funds will be needed to fund the grants management and oversight through FY 2018. The ongoing workload now consists of amendments to

state Plans, grant project submittals, amendments or modifications of ongoing projects, monitoring of projects as well as auditing and other financial maintenance. Some grant closeouts have already occurred already. All versions of the multiple Plans and grants require additional technical review and a number of specialized staff to manage the CIAP grant process. Among them are Regional Project Officers, Grant Officers, and Fiscal Administrators.

Standard Form 300			
DEPARTMENT OF THE INTERIOR FISH AND WILDLIFE SERVICE COASTAL IMPACT ASSISTANCE			
Program and Financing (in thousands of dollars) Identification code 14-5579-0-306	FY 2011 Actual	FY 2012 Estimate	FY 2013 Estimate
Obligations by program activity:			
Direct program:			
0001 Administration		4	4
0002 Grants to States		124	124
0899 Total new obligations		128	128
Budgetary Resources:			
Unobligated Balance:			
1000 Unobligated balance brought forward, Oct 1		0	456
1011 Unobligated balance transferred from other accounts		584	0
1050 Unobligated balance (total)		584	456
Budget Authority (Discretionary):			
1131 Unobligated balance permanently reduced			-200
1930 Total budgetary resources available for obligation		584	256
Change in obligated balances:			
Unpaid obligations, start of year:			
3000 Unpaid obligations, brought forward, Oct 1			246
3030 Total new obligations		128	128
3040 Total outlays, gross (-)		-62	-92
3061 Unpaid obligations transferred from other accounts		180	0
Obligated balance, end of year (net)			
3090 Unpaid obligations, end of year (gross)		246	282
Budget Authority and Outlays, gross:			
Discretionary:			
4000 Budget Authority (gross)			-200
Mandatory:			
4101 Outlays from mandatory balances (gross)		62	92
Net Budget Authority and Outlays:			
4180 Budget authority, net (total)		0	-200
4190 Outlays, net (total)		62	92
Object Classification			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent		3	3
25.2 Other services from non-federal sources		1	1
41.0 Grant, subsidies, and contributions		124	124
99.9 Total new obligations		128	128
Employment Summary			
1001 Direct Civilian full-time equivalent employment		15	15

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