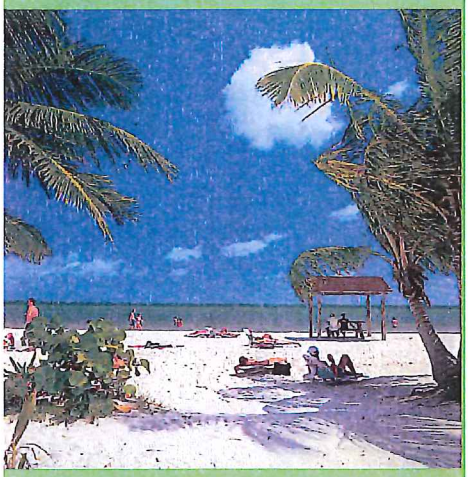
Gulf Coast Ecosystem Restoration Council

Progress Report

August 2013-August 2014



Background

In July 2012, The Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act (RESTORE Act) established the Gulf Coast Restoration Trust Fund (Trust Fund) and the Gulf Coast Ecosystem Restoration Council (Council). The Council is comprised of the Governors from the five affected Gulf Coast states, the Secretaries from the U.S. Departments of the Interior, Commerce, Agriculture, and Homeland Security as well as the Secretary of the Army and the Administrator of the U.S. Environmental Protection Agency. The Gulf States recommended and President Obama appointed the Secretary of Commerce as the Council's Chairperson.

The RESTORE Act dedicates eighty percent of any civil and administrative penalties paid under the Clean Water Act, after July 6, 2012, by responsible parties in connection with the Deepwater Horizon oil spill to the Trust Fund for ecosystem restoration, economic recovery, and tourism promotion in the Gulf Coast region.

The RESTORE Act divides the funds into five components and sets parameters for how these funds will be spent. The Council has oversight over the expenditure of sixty percent of the funds made available from the Trust Fund. Thirty percent will be administered for restoration and protection according to a Comprehensive Plan developed by the Council. The other thirty percent will be allocated to the States according to a formula set forth in the RESTORE Act and under the formula established by the Council by regulation and spent according to individual State Expenditure Plans (SEP) on projects that contribute to the overall economic and ecological recovery of the Gulf.

In the two years since the passage of the RESTORE Act, the Council has worked to develop the foundational steps necessary to stand up and administer an independent federal entity. The Council is responsible for selecting and funding restoration projects under a Comprehensive Plan to restore the ecosystem and economy of the Gulf Coast region. The Council believes that its work over the past two years to stand up an efficient, responsible, and successful organization has been time well spent.

Council-Selected Restoration Component

One of the Council's primary responsibilities is to develop a Comprehensive Plan to restore the ecosystem and economy of the Gulf Coast region. The Council approved an Initial Comprehensive Plan (Plan) in August 2013 that outlines five overarching goals for restoring and protecting the natural resources of the Gulf, and the jobs, communities, and economies those resources support.

To develop the Initial Plan, the Council carefully reviewed the findings and recommendations of the *Gulf Coast Ecosystem Restoration Task Force Strategy*. The Council also reviewed numerous existing local, regional, state, and federal plans to inform the development of the Plan. The Council initiated a robust public engagement process to receive initial input from diverse voices from across the region, hosting fourteen public meetings with over 2,300 attendees. The Council received over 41,000 public comments on the Draft Initial Comprehensive Plan.

The Initial Plan provides a framework to implement a coordinated Gulf region-wide restoration effort that restores, protects, and revitalizes the Gulf Coast. In addition to outlining restoration goals and objectives for the Gulf, the Plan describes how the Council will solicit, evaluate, and select ecosystem restoration projects and programs, and describes the process for the approval of SEPs that will fund ecosystem restoration and economic development. Read the full Plan at www.restorethegulf.gov.

The law requires creation of a "Funded Priorities List" or "FPL" that indicates which projects the Council intends to fund under the Council-Selected Restoration Component. In July 2014, the Council approved a proposal submission and evaluation process to select projects for inclusion on the draft FPL, which will be included as an addendum to the Plan. This first FPL addendum will contain projects and programs that will be funded with available Transocean Deepwater Inc. funds. Future amendments to this FPL and the process by which projects are selected for inclusion will evolve over time as new information becomes available, adaptive management activities occur, and as funding uncertainties are resolved. The Council anticipates that once the full amount ultimately to be paid into the Trust Fund is known, future amendments to the FPL will include significantly larger projects and project lists that reflect the full amount available to be spent for restoration activities.

The RESTORE Act outlines several requirements the Council must consider when selecting projects to fund, including that projects utilize best available science, and that projects that meet one or more of the four priority criteria outlined in the Act receive priority.

RESTORE Act Priority Criteria

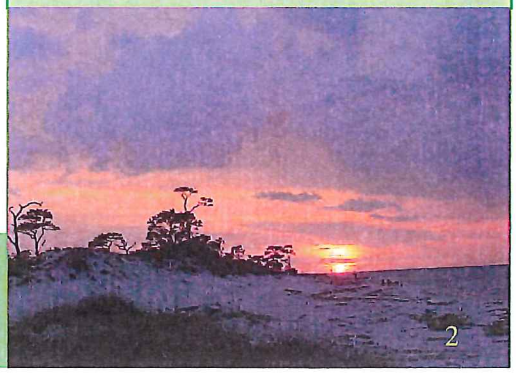
The RESTORE Act directs the Council to give highest priority to ecosystem projects and programs that meet one or more of the following priority criteria:

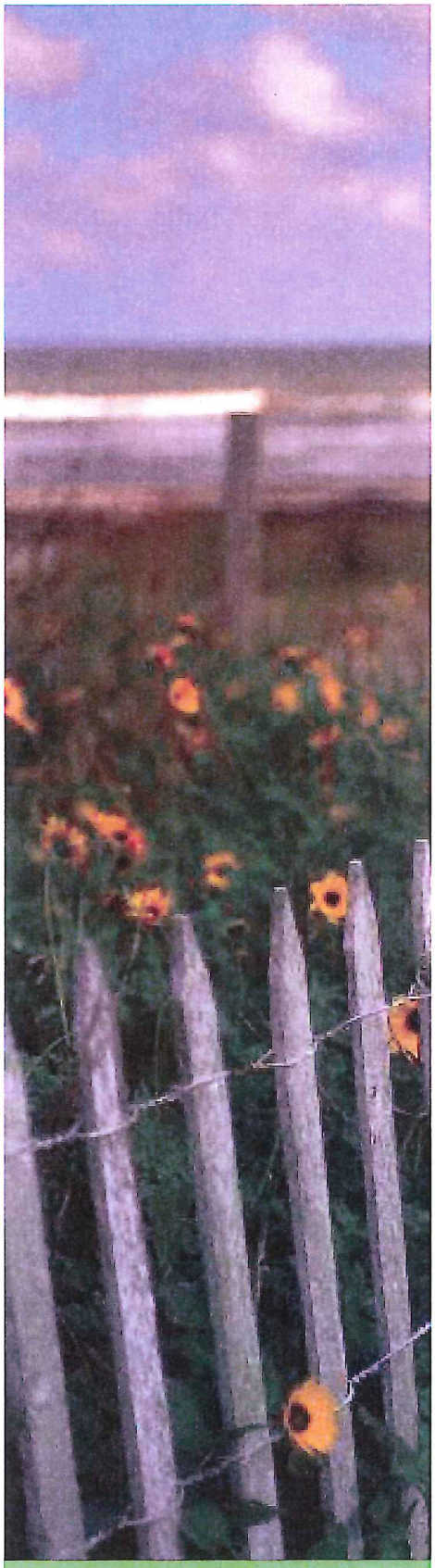
1. Projects that are projected to make the greatest contribution to restoring and protecting the natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches, and coastal wetlands of the Gulf Coast region, without regard to geographic location within the Gulf Coast region.

2. Large-scale projects and programs that are projected to substantially contribute to restoring and protecting the natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches and coastal wetlands of the Gulf Coast ecosystem.

3. Projects contained in existing Gulf State comprehensive plans for the restoration and protection of natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches and coastal wetlands of the Gulf Coast ecosystem.

4. Projects that restore long-term resiliency of the natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches and coastal wetlands most impacted by the *Deepwater Horizon* oil spill.





Given statutory requirements and current funding constraints, the Council determined that a consistent and objective process is the most responsible way to operationalize the requirements of the RESTORE Act and to fund those projects which benefit the natural resources of the Gulf region and the communities who rely on them.

The Council anticipates opening the project submission window for Council members in August of 2014 with a draft FPL published in 2015. For information about how to have project ideas considered by Council members, visit www.restorethegulf.gov

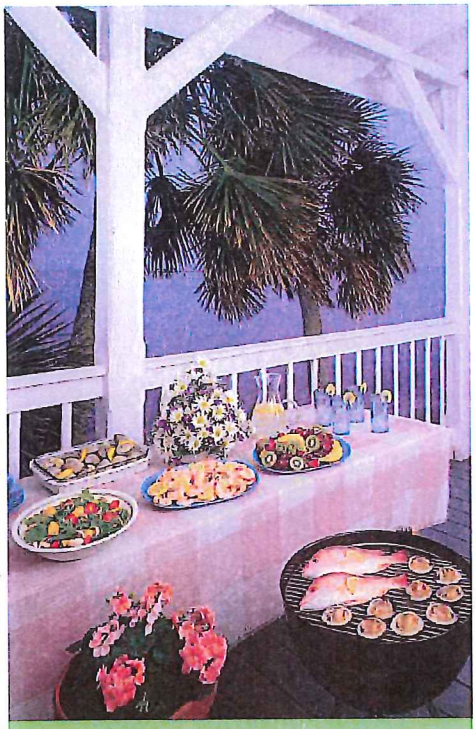
The Council intends to seek broad participation from the diverse stakeholders in the Gulf Coast region. The Council will seek input from the public to help decision-makers understand public views of restoration prior to the development of a draft FPL. Additionally, the Council compiled and summarized public input received to date from the Gulf Coast Ecosystem Restoration Task Force, as well as public comments received by the Council to ensure that previous public input is incorporated. All projects submitted to the Council for funding consideration will be posted online. Once the draft FPL is published, a formal comment period will allow the public the opportunity to comment on proposed projects and programs prior to funding and implementation.

Spill Impact Component

The RESTORE Act allocates 30% of the Trust Fund to the Gulf Coast States under a formula described in the RESTORE Act and spent according to individual State Expenditure Plans (SEP). Each Gulf Coast State will develop an SEP describing how it will disburse the amounts allocated under the Spill Impact Component. These projects, programs, and activities will be implemented in a manner that is consistent with the requirements of the RESTORE Act as well as the goals and objectives of the Comprehensive Plan.

In recognition of the need to obtain funding for planning and development of SEPs, the Council plans to publish an Interim Final Rule this summer that will allow states the ability to access funds for planning purposes. The Council will also move forward with publishing a draft regulation that addresses the additional requirements for the Spill Impact Component, including the impact allocation formula.

Environmental Compliance and Effectiveness



Projects and programs funded by the Council must comply with a range of existing legal, regulatory, and policy requirements. Depending on the type of activity to be funded, the Council and its members may need to address laws such as the National Environmental Policy Act (NEPA), Clean Water Act, and Endangered Species Act. The Council is currently developing policies and procedures to efficiently and effectively address these regulatory requirements.

Pursuant to Council on Environmental Quality regulations, the Gulf Restoration Council is required to establish procedures for addressing NEPA. The Council is currently developing these NEPA procedures in a collaborative process, involving input from all federal and state members. One of the overarching goals of the Council's procedures will be to ensure that NEPA and other potentially applicable regulatory requirements are addressed as expeditiously as possible. Among other efficiency practices, the Council's NEPA procedures will encourage robust interagency coordination and collaboration. The Council's NEPA procedures will also seek to avoid potential redundancy and inefficiency by encouraging concurrent and unified processes when addressing a range of regulatory requirements. The Council intends to publish its draft NEPA procedures for public review in 2014.

The Council fully recognizes the public interest in expeditious implementation of Gulf ecosystem restoration projects and programs. Being comprised of state and federal agencies, including those with jurisdiction over major environmental laws and regulations, the Council is in a unique and advantageous position with respect to interagency coordination and collaboration. The Council intends to leverage this broad membership with the goal of becoming a model of efficiency and interagency coordination on regulatory matters.

Standing Up a New Federal Entity

The RESTORE Act establishes the Council as a new and independent Federal entity. In addition to the efforts described above, the Council has also been working on the required tasks of standing up this new entity. To that end, the Council is currently engaged in a myriad of actions including finding office space, hiring a small staff, setting up financial controls, and much more. The goal is to develop the administrative and human infrastructure needed to efficiently and effectively administer the RESTORE Act, while minimizing overhead costs and leveraging the considerable skills and expertise of the Council members.

Conclusion

The Council is poised to chart a new future for the natural resources, economy and communities of the Gulf Coast region. The Council is committed to the success of this effort in the long-term; more than process, more than any individual project, this effort is about ensuring that the people and wildlife who call the Gulf home can continue to do so for generations to come. The Council will continue to share updates on progress as project selection and implementation moves forward.

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U. S. Fish and Wildlife Service

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