

Coastal Impact Assistance Federal Program (CIAP)**FY2008 Request: \$3,000,000****Reference No: 41648****AP/AL:** Appropriation**Category:** Natural Resources**Location:** Statewide**House District:** Statewide**Estimated Project Dates:** 07/01/2007 - 12/31/2011**Project Type:** Planning**Contact:** Nico Bus**Contact Phone:** (907)465-2406**Brief Summary and Statement of Need:**

The Office of Project Management & Permitting (OPMP) has been assigned the lead state agency to administer the approximately \$3 million annually in Coastal Impact Assistance Program (CIAP) funding disbursed by the Dept. of Interior under the Energy Policy Act of 2005 (R.R. 6). As required by law, 35% of these funds will be paid to the coastal districts of the state, and the remaining 65% will be allocated as identified in the approved program.

Funding:	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	Total
Fed Rcpts	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$18,000,000
Total:	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$18,000,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Additional Information / Prior Funding History:

\$3,000.0 - SLA06/CH82

\$4,500.0 - SLA02/CH1/Sec42(c) - RPL 01-2-8022

\$3,335.7 - SLA02/CH1/Sec42(d)t

Project Description/Justification:

The Energy Policy Act of 2005 (Act) amends the Outer Continental Shelf Lands Act to provide for the disbursement of \$250,000,000 each year between 2007 and 2010 to producing states and coastal political subdivisions. A producing state is a coastal state with "a coastal seaward boundary within 200 nautical miles of the geographic center of a leased tract within any area of the outer Continental Shelf." Interestingly, the Act excludes from the definition of "producing state" any coastal state where the majority of the coastline is subject to a leasing moratorium, unless production was occurring on January 1, 2005 from a lease within 10 nautical miles of the state's coastline. Coastal political subdivisions are any political subdivisions of a coastal state within the coastal zone (as defined under the Coastal Zone Management Act) on the date of the enactment of the Energy Policy Act and not more than 200 nautical miles from the geographic center of any leased tract.

To receive its share of the \$250,000,000, a producing state must have an approved Coastal Impact Assistance Plan by July 1, 2008 which describes how the states and the coastal political subdivisions will use the funds. CIAP funds can only be used for one or more of the following purposes: projects and activities for the conservation, protection, or restoration of coastal areas; 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; mitigation of the impact of outer Continental Shelf activities through funding of onshore infrastructure projects and public service needs.

Funds will be allocated to producing states based on the ratio of the amount of qualified revenues generated off the state's coastline to the total revenues generated. For cases where more than one state is located within 200 miles of the lease

State of Alaska Capital Project Summary

FY2008 Governor

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Department of Natural Resources

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tract, allocations will be "inversely proportional to the distance between the nearest point on the coastline of the producing state and the geographic center of the leased tract." All producing states will receive a minimum of one percent of the total funds available for disbursement. Thirty-five percent of each producing state's allocation is to be paid to the coastal political subdivisions in each state.

Why is this Project Needed Now:

CIAP puts federal funding in local economies, and promotes responsible development of coastal uses and resources for economic investment and diversity within the coastal districts. This balancing of resource management and development benefits local communities and the State.

Specific Spending Detail:Line Item Expenditures:

Personal Services (Line 100) - \$504,000.0

Travel (Line 200) - \$87,000.0

Services (Line 300) - \$1,341,000.0

Supplies (Line 400) - \$18,000.0

Grants (Line 700) - \$1,050,000.0

Line Item Description:

Federal funds will be used to fund OPMP, state agencies, and coastal districts. Funding will pay for section's costs for administering the grant.

Project Support:

Broad support is anticipated from the state agencies and coastal districts.

Project Opposition:

No opposition is anticipated for this CIP.