



## **America's WETLAND Foundation Comments on the Preliminary Gulf of Mexico Regional Ecosystem Restoration Strategy Report**

The America's WETLAND Foundation is pleased to provide comments and respond to the Preliminary Gulf of Mexico Regional Ecosystem Restoration Strategy Report. These comments represent findings gathered by the Foundation in hearings across the Gulf Coast and most recently through a series of ten grassroots stakeholder leadership forums held in the five U.S. Gulf of Mexico States entitled "BLUE RIBBON RESILIENT COMMUNITIES: *Envisioning the Future of America's Energy Coast.*" We hope that serious consideration will be given to these recommendations, as they represent the unique challenges and opportunities we face in the wake of a recovery economy brought about by natural and man-made disasters. Our comments also reflect research in Gulf coastal communities that resulted in establishing resiliency evaluations, which identify community vulnerabilities and deficiencies that require action toward a resilient future. We are also submitting a copy of "*Building a Resilient Energy Gulf Coast*", a Foundation report co-sponsored by Entergy Corporation, which highlights vulnerabilities and adaptation measures recommended to avoid an economic downturn in the Gulf Coast region due to sea level rise and the effects of climate change.

We commend the Task Force for the amount of time they spent in Louisiana and the Gulf Coast, which is an indication of this Administration's commitment to getting it right by addressing key restoration needs. The preliminary report is a great start. For the first time we have a comprehensive look at our coast as an ecosystem and see this as a promising sign of commitment from the Administration.

It may be difficult for the Task Force to understand that the level of frustration in the Gulf region lies in the severity of our problem and a business-as-usual attitude that has resulted in a lack of meaningful action. There is no consolation in our having raised warnings for decades about the impact on the nation if America's WETLAND and the gulf coast continue to deteriorate and we are proven right. That is the basis for our anxiety, as we witness daily the deterioration of a national asset that is directly linked to energy and economic security for the entire nation. Our job is to make sure that the many good findings from this report turn immediately into action. Further, we need to determine mechanisms to ensure continuity of funding, so that plans can be followed by immediate and continuing actions. There are perhaps no better jobs to promote in our region than those of coastal restoration, where we can build a new attitude of environmental stewardship, develop innovative, internationally applicable technologies while sustaining valuable estuaries, critical habitats and historic cultures and communities.

Dramatic land loss threatens a working coast that supports our nation's economy, energy security, maritime and fisheries trades, animal and marine habitat and communities representing over 7 million people.

We are on the brink of a disaster, as coastal land loss takes the equivalent of a football field of land every hour and with it, an environmental and economic asset and hedge against more substantial storm and tidal events with increased sea level rise. We cannot afford to lose this region and all that it provides the nation.

There has been unprecedented cooperation along the entire Gulf Coast in addressing restoration issue issues in a comprehensive, regional way. Numerous coalitions, plans, and commissions have risen with the scope of the problem, all providing the federal government with a continuum of information and a consensus of recommendations.

We are pleased to present these findings and recommendations that can hasten coastal restoration and we appreciate the opportunity to share them with you.

It is critical to realize that the health of the entire Mississippi River system is tied to the Mississippi Delta and the ecosystem it supports. Concerted efforts to unite the interests of the 31 states who are a part of this system must occur and succeed. The River and Delta are the economic life line for maritime, energy, fisheries, agriculture, chemical, import and export interests and the life blood for migratory waterfowl, rare and endangered species and the people who are bound by one of this nation's most vitally important natural resources.

These recommendations represent the ideas of hundreds of leaders from local, state and national arenas drawn from diverse leaders of environment & conservation, industry, science, academia, civic, and culture. The comments fall under several broad categories:

- **Funding for Coastal Restoration**
- **Policy Changes at the Federal Level**
- **Property Insurance Reform**
- **Beneficial Use of Dredged Materials for Coastal Restoration Projects**
- **Emergency Rule to Expedite Permits for Coastal Restoration Projects**
- **Changes to Environmental Mitigation Polices for Restoration Projects**
- **No Net Loss of Culture**

#### **Funding for Coastal Restoration**

- Immediately establish a Federal Trust Fund for Gulf of Mexico Coastal Restoration. Such a fund will be initially financed through federal penalties, initiated by 80% of penalty monies resulting from the Deepwater Horizon oil spill as called for in legislation, including the proposed U.S. Senate and House RESTORE Acts.
- Aggressively fund restoration and protection projects already authorized by Congress in time to build on the existing landscape and to restore areas of the coast being lost.
- Develop financial incentives, such as tax credits to individuals, landowners, jurisdictions or private companies who undertake coastal restoration projects in keeping with approved federal and state plans.
- Assess and revise the valuation and ranking of oil and gas ports by U.S. Army Corps of Engineers by tonnage, which impacts federal funding to those ports.
- Review and change policy interpretations or statutory barriers that prevent existing restoration funding streams to be used for non-federal cost-share requirements.

- Expedite the schedule for Gulf of Mexico Energy Security Act (GOMESA) revenues so that those can be utilized for restoration before 2017.
- Extend the Gulf Opportunity Zones Act (GO Zone) which sunsets on December 31, 2011, to allow for the legislation's benefits to be used along the Gulf Coast to help recover from the Deepwater Horizon disaster.
- Promote regional collaboration in marketing efforts for sectors common to all Gulf Coast states (ex: tourism and seafood).
- Stipulate that a percentage of the annual allocation of budgets of federal agencies whose missions include coastal restoration be spent in the Gulf region, to avoid piece-meal funding received through project-specific appropriations.
- Consider incentive-based funding mechanisms across the region that will provide a continuum of funding to support a trust fund for coastal restoration, allowing industries and communities to participate in a reasonable process for raising funds. Some suggestions include:
  - Consider funding methods, such as a visitors' voluntary "Sustainability Contribution" on hotel rooms along the Gulf Coast, pending respective state dedication of such funds.
  - Create a viable CO2 market with incentives and investments in carbon sequestration and reuse through policy and public/private partnerships. Policy initiatives should be advanced to create new market mechanisms and to establish protocols for wetland use in carbon sequestration.
  - Ensure an equitable share of offshore revenues that go into the federal Treasury be shared with states that host oil and gas production; set up incentives for innovative energy development in the region as a transition from fossil fuels.
  - Create federal tax credits or incentives for companies and individuals to contribute to funding of coastal restoration in keeping with approved state and federal plans.

### **Policy Changes at the Federal Level**

- Address jurisdictional and cross-mission issues among federal agencies, which often run counter to water resource and restoration priorities.
- Review and reconcile conflicting and contradictory federal policies that impede coastal restoration and delay efforts of the states.
- Ensure for a process that is orderly, efficient and eliminates cost overruns in order to meet urgent needs as business-as-usual practices can delay projects sometimes up to 30 years.
- Cut red tape preventing distribution of Coastal Impact Assistance Program (CIAP) funds for projects in coastal states.
- Create a mechanism or agency structure through executive order or statute to plan and manage implementation of projects to restore and protect the Gulf Coast region. The federal government needs to move away from an agency-by-agency and statute-by-statute decision-making process and develop a comprehensive approach.
- Amend U.S. Army Corps of Engineers' Principles and Guidelines to include restoration and create three equal priorities - navigation, flood protection and coastal restoration to allow for "multiple lines of offense" in the region.

- Increase the length of the Corps District leadership's term to a minimum of 4-years. The revolving door associated with the U.S. Army's policy of two-year terms is extremely detrimental to achieving continuity for coastal sustainability.
- Immediately finalize the on-going effort to develop guidelines related to the Mississippi River ecosystem services valuation.
- Resolve conflicts between National Flood Insurance Program, Federal Emergency Management Administration, U.S. Corps of Engineers, and Housing and Urban Development Agency regarding relocation/"buy out" policies.
- Build public confidence by moving from study to action on projects and demonstrate trust by timely achievement of budgets and minimizing of cost overruns; there is enormous anxiety that time is running out for workable solutions. The states have identified and advanced several early coastal restoration projects for implementation to promote recovery and resiliency from natural and manmade disasters. The process for letting these projects needs to be shortened immediately.
- Design adaptive strategies to reduce risk for climate impacts, such as sea level rise and intensified storm events.

### **Property Insurance Reform**

- Develop legislation allowing for regional pooling of Gulf Coast property insurance risks.
- States and local governments should require transparency for potential purchasers in property sales documents relating to flood zones and elevation risks.
- Require audit of National Flood Insurance Program to reduce fraud and abuse.

### **Beneficial Use of Dredged Materials for Coastal Restoration Projects**

- Immediately utilize monies held in the Harbor Maintenance Trust Fund (HMTF) as prescribed by Congress for beneficial use of dredge material in the Gulf Coast region and in particular to sustain the Federal navigation system. Billions of dollars in the Fund go unspent annually while the need is critical. Using dredge materials will build land and reduce waterway widening occurring as a result of deteriorating banks that are not currently maintained. These funds should be prioritized for uses based on need and in coordination with approved restoration plans.
- Require an additional 15% be budgeted and set aside for U.S. Army Corps of Engineers projects in the Gulf region to transport and distribute dredged material beneficially for purpose of coastal restoration.
- Provide revenues from the Harbor Maintenance Trust Fund at the onset of each annual Congressional budget cycle to the U.S. Army Corps of Engineers for intended purposes.
- Prioritize the assignment of necessary equipment to areas of most critical need by the Corps, along with beneficial use of dredged materials, when fulfilling HMTF mandates.
- Determine the best method for beneficial and optimum retrieval of Mississippi River sediments and reuse during high water periods.
- Current U.S. dredging technology and capacity lags behind international counterparts. In order to address the urgent restoration needs of the Gulf coastal region, increase cost efficiency, and shorten timelines, the components of the Jones Act that prevent international dredging companies from competitively bidding on environmental restoration projects should be waived.

### **Emergency Rules or Other Mechanisms to Expedite Implementation of Coastal Restoration Projects**

- Support regional restoration through cooperative efforts that address the Gulf Coast as a comprehensive system without geo-political subdivisions.
- Develop a general emergency rule or other mechanisms so that permits or other requirements for restoration projects that are part of or consistent with approved plans can be fast-tracked, preventing further environmental degradation caused by unnecessary, lengthy delays and potential cost overruns.

### **Changes to Environmental Mitigation Policies for Restoration Projects**

- Review mitigation policies and assess need and appropriateness for required mitigation for environmental restoration projects.
- Ensure that mitigation funds are used where projects are implemented so there is an opportunity to achieve more comprehensive restoration.
- Provide incentives for private landowners to restore their land in accordance with approved state and federal plans, through mechanisms such as private landowner mitigation credits. Review and address, as necessary, related policies to ensure that private restoration efforts are not penalized.
- Design programs for carbon sequestration, beneficial use of carbon, and common carriers of carbon to encourage land building, and increase private revenues through carbon credits that could be dedicated to coastal restoration.
- Determine mechanism for ecosystem valuation and apply cost-benefit accounting for the economic loss caused by coastal land loss and erosion.

### **No Net Loss of Culture**

- Recognize at all levels of government that indigenous cultures along the Gulf are at risk of being lost. Commitments must be made to ensure that community plans, national and state policies, and regulations that are developed to address land loss and reduce risk, , incorporate a principle of “no net loss of culture”.
- Establish resiliency plans for communities that avoid unintended consequences of rule making, insurance underwriting, and federally funded projects that can cause severe negative impact to communities
- Ensure that all regional outreach efforts include translation/training programs for non-English speaking communities.

Thank you for the opportunity to present these ideas for your consideration during this comment period and the America’s WETLAND Foundation stands ready to provide further information or clarification of these recommendations.