

1 HB113  
2 115975-1  
3 By Representative Collier  
4 RFD: Government Appropriations  
5 First Read: 12-JAN-10  
6 PFD: 01/06/2010

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8 SYNOPSIS: Under existing state law, there is no  
9 specific fund established in the State Treasury to  
10 receive payments from the federal Gulf of Mexico  
11 Energy Security Act to provide monetary assistance  
12 to those areas of this state negatively impacted by  
13 offshore oil production and to protect coastal  
14 areas from damage and erosion.

15 This bill would establish the Coastal  
16 Protection and Restoration Fund to receive such  
17 federal payments to provide monetary assistance to  
18 those areas of this state negatively impacted by  
19 offshore oil production and to protect coastal  
20 areas. This bill would provide the method of  
21 allocation from the fund.

22  
23 A BILL  
24 TO BE ENTITLED  
25 AN ACT  
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1           To establish the Coastal Protection and Restoration  
2 Fund to receive and distribute payments made to the state and  
3 coastal political subdivision of the state to provide monetary  
4 assistance to those areas of this state negatively impacted by  
5 offshore oil production and to provide for other conservation  
6 and restoration projects for coastal protection; and to  
7 provide the method of allocation from the fund.

8 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

9           Section 1. The Legislature hereby declares that the  
10 purpose of this act is:

11           (1) To ensure that coastal political subdivisions  
12 have the ability to protect their coastlines from the effects  
13 of off shore oil production and coastal erosion concerns.

14           (2) To allow the state to continue to administer  
15 funds received pursuant to the federal Gulf of Mexico Energy  
16 Security Act in accordance with the provisions established in  
17 the Coastal Impact Assistance Plan and Gulf of Mexico Energy  
18 Security Act while ensuring that each established coastal  
19 political subdivision is guaranteed funds from the Gulf of  
20 Mexico Energy Security Act in order to protect coastline  
21 resources.

22           Section 2. For the purposes of this act, the  
23 following terms shall have the following meanings:

24           (1) COASTLINE. The line of ordinary low water along  
25 that portion of the coast which is in direct contact with the  
26 open sea and the line marking the seaward limit of inland  
27 waters.

1                   (2) COASTAL POLITICAL SUBDIVISION. A political  
2 subdivision of a coastal state in which any part of the  
3 political subdivision is within the coastal zone, as defined  
4 in Section 304 of the Coastal Zone Management Act of 1972 (16  
5 U.S.C. § 1453), of the coastal state as of the date of  
6 enactment of the Energy Policy Act of 2005 and not more than  
7 200 nautical miles from the geographic center of any leased  
8 tract.

9                   (3) FUND. The Coastal Protection and Restoration  
10 Fund Created pursuant to this act.

11                   (4) POLITICAL SUBDIVISION. The local political  
12 jurisdiction immediately below the level of state government,  
13 including, but not limited to, municipalities and counties.

14                   Section 3. (a) There is established in the State  
15 Treasury a fund entitled the Coastal Protection and  
16 Restoration Fund whose purpose is to receive payments made  
17 pursuant to the federal Gulf of Mexico Energy Security Act in  
18 or to provide a dedicated, recurring source of revenues for  
19 the development and implementation of a program to protect and  
20 restore the coastal areas of Alabama. The fund shall have two  
21 accounts: The Established Coastal Political Subdivisions  
22 Account and the State Conservation and Natural Resources  
23 Department Account.

24                   (b) (1) Twenty percent of the proceeds payable from  
25 the allocation of revenues from the Gulf of Mexico Energy  
26 Security Act shall be deposited into the Established Coastal

1 Political Subdivision Account and shall be distributed to  
2 established coastal political subdivisions as follows:

3 a. Twenty-five percent shall be allocated to each  
4 coastal political subdivision in the proportion that the  
5 coastal population of the coastal political subdivision bears  
6 to the coastal population of all coastal political  
7 subdivisions in the state.

8 b. Twenty-five percent shall be allocated to each  
9 coastal political subdivision in the proportion that the  
10 number of miles of coastline of the coastal political  
11 subdivision bears to the number of miles of coastline of all  
12 coastal political subdivisions in the state.

13 c. Fifty percent shall be allocated in amounts that  
14 are inversely proportional to the respective distances between  
15 the points in each coastal political subdivision that are  
16 closest to the geographic center of each leased tract, as  
17 determined by the Secretary of the Interior.

18 (2) Of the amounts awarded to established political  
19 subdivisions, the political subdivision shall distribute to  
20 established municipalities 50 percent of the funds based on  
21 the amount of coastline each established municipality  
22 represents.

23 (3) In each political subdivision that is not in an  
24 established municipality, the allocation will be assigned to  
25 the county commission district in which the coastline property  
26 resides for direct benefit to the area.

1           (c) Eighty percent of the proceeds payable from the  
2 federal Gulf of Mexico Energy Security Act shall be deposited  
3 into the State Conservation and Natural Resources Department  
4 Account of the fund to be administered by the Department of  
5 Conservation and Natural Resources and shall be distributed as  
6 follows:

7           (1) Twenty percent of the 80 percent shall be  
8 distributed to the Department of Conservation and Natural  
9 Resources in accordance with the guidelines established by the  
10 Gulf of Mexico Energy Security Act for appropriation to  
11 projects submitted by local municipalities and county  
12 governments reviewed for merit and justified uses as set forth  
13 by the Gulf of Mexico Energy Security Act.

14           (2) Eighty percent of the 80 percent shall be  
15 distributed to established municipalities based on the amount  
16 of coastline of each established municipality.

17           (d) Political subdivisions receiving funds shall  
18 comply with the established justified uses for funds as  
19 established in the Gulf of Mexico Energy Security Act  
20 authorized uses.

21           (e) The state and each coastal political subdivision  
22 shall dedicate the use of all amounts received under this act  
23 to uses consistent with this act in accordance with all  
24 applicable federal and state law for one or more of the  
25 following purposes:

26           A. Projects and activities for the purposes of  
27 coastal protection, including conservation, coastal

1 restoration, hurricane protection, and infrastructure directly  
2 affected by wetland losses.

3 B. Mitigation of damage to fish, wildlife, or  
4 natural resources.

5 C. Implementation of a federally approved marine,  
6 coastal, or comprehensive conservation management plan.

7 D. Mitigation of the impact of Outer Continental  
8 Shelf activities through the funding of onshore infrastructure  
9 projects.

10 E. Planning assistance and administrative costs of  
11 complying with this section.

12 Section 4. This act shall become effective on the  
13 first day of the third month following its passage and  
14 approval by the Governor, or its otherwise becoming law.