

CONCLUSION: While the Mississippi Department of Environmental Quality (MDEQ) has developed plans for coastal resiliency and restoration efforts under its jurisdiction, the state does not have an overarching coastal restoration and resiliency master plan that addresses how best to optimize all funding sources. The system could be better served by the development of a formalized, overarching plan identifying what the state is attempting to accomplish through its coastal resiliency and restoration efforts, and post-implementation monitoring and assessment of the effectiveness of projects.



BACKGROUND

Background

PEER conducted a review of Mississippi's coastal restoration and resiliency efforts. Mississippi utilizes a three-agency structure (Mississippi Department of Marine Resources [MDMR], Mississippi Development Authority [MDA], and Mississippi Department of Environmental Quality [MDEQ]) to identify and implement coastal resiliency and restoration projects funded by Gulf of Mexico Energy Security Act (GOMESA) and Deepwater Horizon oil spill settlement funds.

Mississippi was awarded nearly \$2.165 billion in compensation under the Deepwater Horizon settlement agreements.

The Deepwater Horizon settlement funding payments are scheduled to end in 2031 with implementation into the future. GOMESA funding will end in FY 2056, per the GOMESA Act.

GOMESA Disbursements to Mississippi and its Coastal Counties

Mississippi and its three coastal counties each directly receive a share of oil lease revenue. GOMESA Phase 2 expanded the territory covered by GOMESA to cover oil leases in the Gulf south of Mississippi, Louisiana, and Texas. MDMR administers state GOMESA funding. The Governor and the Legislature ultimately determine which projects to fund with the state's share of GOMESA funds. Each county is solely responsible for its GOMESA funding. **End Date - FY 2056 per GOMESA Act.**

	Phase I		Phase II			
	2009-2017 (\$)	2018 (\$)	2019 (\$)	2020 (\$)	2021 (\$)	2022 (\$)
MDMR	8,136,827	22,203,639	25,379,085	41,531,181	29,216,818	29,417,448
Hancock	367,979	1,059,052	1,188,863	1,971,125	1,388,585	1,398,765
Harrison	792,558	2,157,883	2,470,050	4,035,776	2,840,169	2,898,940
Jackson	873,685	2,333,975	2,685,858	4,375,894	3,075,450	3,056,657
Total	10,171,049	27,754,549	31,723,856	51,913,976	36,521,022	36,771,810

How are RESTORE Buckets 1 & 3 projects awarded?

RESTORE Buckets 1 & 3

Project ideas submitted through the MDEQ project portal are forwarded to the Governor's Gulf Coast Advisory Committee for review. Potential RESTORE Bucket 1 and Bucket 3 projects must go through three key steps prior to award:

- be recommended by the Committee to the Governor for funding;
- be chosen by the Governor for funding; and,
- be approved by the U.S. Treasury (Bucket 1) or RESTORE Council (Bucket 3).

RESTORE Bucket 5

Mississippi receives 0.5% of RESTORE funding plus 5% of the interest generated from the fund to establish a center of excellence: a nongovernmental entity dedicated to science, technology, and general monitoring in the Gulf Coast region.

How are Gulf Environmental Benefit Fund projects awarded?

MDEQ is invited to submit project proposals that are then considered for approval by the National Fish and Wildlife (NFWF) Board of Directors, in consultation with the state.

- Gulf Environmental Benefit Fund (GEBF) dollars may be used only to support projects that remedy harm and eliminate or reduce the risk of future harm to Gulf Coast natural resources where there has been injury to, destruction of, or loss of the use of those resources resulting from the oil spill.

NFWF has sole authority to make final project decisions.

- Through 2022, NFWF had awarded GEBF funding for 34 projects in Mississippi with a total current value of more than \$207 million.

How are Natural Resource Damage Assessment projects awarded?

Under Natural Resource Damage Assessment (NRDA), the Mississippi Trustee Implementation Group (TIG), which is comprised of MDEQ & four federal agencies, is responsible for restoration project identification, planning, and implementation in the Mississippi Restoration Area.

- The Mississippi TIG must solicit projects ideas from the public and publish for public comment.
- MDEQ identifies which projects to submit to the Mississippi TIG as its preferred restoration alternatives.
- To proceed with a project, all five members of the TIG must approve to disburse funding for the project.
- At least one member of the Mississippi TIG must serve as the implementing agency.

Mississippi will receive \$296M in NRDA funding, but funding is restricted by restoration type (e.g., \$27.5M must be spent on water quality projects and \$140.5M must be spent on efforts to restore and conserve habitat).

How are Gulf Coast Restoration Fund projects awarded?

- The Gulf Coast Restoration Fund (GCRF) was established by the Legislature in 2018 as the mechanism for allocating funding the state received as compensation for economic damages related to the Deepwater Horizon oil spill.
 - Mississippi received \$157 million through March 31, 2023, and is expected to receive \$30 million per year through 2033.
- GCRF supports a grant program administered by MDA to stimulate growth and economic development in Pearl River, Stone, George, Jackson, Harrison, and Hancock counties.
 - The program requires at least a 20% match of funds. (The match amount is set by MDA.)
- MDA reviews and scores each project, and the GCRF Advisory Board casts a formal vote on projects; these actions generally only serve as a recommendation to the Legislature and are not binding.
- Ultimately, GCRF projects are chosen by the Legislature through the appropriation process.
 - A project must have its funding reappropriated each year, as applicable.

Comparison of Fellow Gulf States

No state utilizes the same method to administer its coastal restoration and resiliency funds.

1. Mississippi and Texas assigned the management of its GOMESA and Deepwater Horizon funds to multiple agencies.
2. Louisiana centralized the management of its GOMESA and Deepwater Horizon funds under one agency: the Louisiana Coastal Protection and Restoration Authority (CPRA).
3. Alabama centralizes administering of GOMESA and Deepwater Horizon funds under one agency, but a separate board has authority for decision-making regarding RESTORE funds.
4. In Florida and Louisiana, a portion of RESTORE funding goes directly to counties.

What effort have states made to develop a state coastal restoration and resiliency plan across funding streams?

1. Mississippi has no state plan.
2. Louisiana has a 50-year master plan that is funded on an annual basis and must be updated every 6 years.
3. The Texas General Land Office identifies Tier 1, 2, and 3 projects as part of its state plan; however, the plan has no dedicated funding source.
4. Florida (as well as Virginia, North Carolina, and New Jersey) has developed coastal resiliency plans that focus on preparing its coast for rising sea levels. These plans incorporate some restoration tools.



SUMMARY OF RECOMMENDATIONS

Option A – The Legislature should consider establishing a formal coastal resiliency and restoration coordinating committee to establish a state coastal resiliency and restoration master plan and monitor the impact and effectiveness of the state’s coastal resiliency and restoration efforts.

Option B – The Legislature should require MDMR, MDEQ, and MDA to coordinate to develop a state coastal resiliency and restoration master plan and submit the plan to the Speaker of the House, Lieutenant Governor, and the PEER Committee by December 15, 2024.