## Office of the Governor State of Louisiana

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The Honorable Barack Obama President The White House 1600 Pennsylvania Avenue NW Washington, DC 20500

## Dear President Obama:

In the face of the largest loss of coastal wetlands in United States history, a crisis that carries dramatic human, economic, and environmental consequences, Louisiana has led the nation in developing and implementing a science-based plan to provide increased flood protection for all its communities and ensure a sustainable and resilient coastal landscape for generations to come. In your recently released FY 2017 budget, you supported these types of efforts calling for "accelerating the pace of innovation to tackle climate change," seeking to, "assist communities in planning and preparing for future risks; and support risk-reduction and adaptation projects on the ground." Despite these declarations, your proposal to eliminate the revenue sharing arrangements established by the Gulf of Mexico Energy and Security Act of 2006 (GOMESA) will deprive Louisiana's coastal program of its only consistent source of federal funds.

Through funding from one-time grants, disaster response, or temporary programs, Louisiana has been steadily fortifying its coast through an integrated program of ecosystem restoration and structural and nonstructural protection. The Gulf of Mexico Energy and Security Act of 2006 was supposed to be the foundation of that program--finally providing a reliable, recurring revenue stream to support Louisiana's coastal restoration and protection work. In 2006, Louisiana's citizens voted overwhelmingly to constitutionally dedicate the revenues received through GOMESA for its coastal protection and restoration program.

In 2007, Louisiana completed its *Comprehensive Master Plan for a Sustainable Coast* (Coastal Master Plan) which set the standard for climate mitigation and adaptation planning. Updated in 2012 and soon again in 2017, the Coastal Master Plan meets the challenges of a vanishing coast and changing climate with a world-class science and engineering effort and extensive public outreach. The Coastal Master Plan lays out a prioritized, resource-constrained list of large-scale restoration and protection projects and policies best suited to achieve lasting results. Qualified revenue from oil and gas activity in the Gulf of Mexico shared with Louisiana through GOMESA are scheduled to provide

as much as \$176 million per year to Louisiana's Coastal Protection and Restoration Authority and its coastal political subdivisions to be used exclusively for coastal projects.

Although phase II of GOMESA has yet to begin, Louisiana has done extensive work to make its coastal communities safer and more resilient. Under the framework of the Coastal Master Plan, Louisiana has implemented more than \$2 billion of projects to restore and rebuild its barrier islands, marsh, ridges, shoreline, oyster reefs, and repair hydrologic flows. Another \$2.4 billion has been spent directly on protection efforts building levees, pump stations, and other structures to fortify the communities that are at greater risk due to wetland loss.

These efforts are, first and foremost, aimed at the preservation of Louisiana's coastal ecosystems, communities, culture, and economy. While it is true that Louisiana substantially depends on its working coast, what is not often appreciated is the dependency the rest of the nation also shares with "America's Wetlands."

Louisiana and the Outer Continental Shelf waters just off its shore are the second largest producer of crude oil and the second largest producer of natural gas in the nation. Louisiana's coast is also home to nearly 125,000 miles of pipelines which carried \$30.9 billion of crude oil to the rest of the nation in 2012. This pipeline network provides a crucial link between energy supplies and the refineries and petrochemical facilities across the Gulf Coast. Together with Texas, Louisiana's Gulf coast refineries hold nearly half of the refining capacity in the entire United States.

Coastal Louisiana is also home to the nation's #1, #7, #8, #11, and #12 largest ports which connected \$21 billion in agricultural products and \$44 billion of fuel products from the rest of the United States to domestic and international markets.

This resource richness provides economic benefits to the people and economy of Louisiana and the United States, but not without cost. Since the completion of the Mississippi River levee system the state has lost 25% of its 1932 land area. Sediment deprivation and the cessation of fresh water flows to the wetlands due to the engineering of the Mississippi River have starved our marshes. The extensive mining of our natural resources from cypress forests and salt to oil and natural gas; and the cutting of access and navigation channels through the wetlands has accelerated their demise. Rising seas and the changing climate are worsening coastal Louisiana's plight. In the next fifty years, Louisiana is predicted to lose another 1,750 square miles of coastline if nothing is done.

A recent joint study by Louisiana State University and the RAND Corporation examined the economic consequences that could result from the continuing land loss crisis in Louisiana if the 2012 Coastal Master Plan is not implemented. Estimates from that study indicate that a future hurricane hitting a degraded coast could produce in an increase in storm damages of \$133 billion to fixed assets and a disruption of economic activity causing \$51 billion in additional losses. These storm damages would overwhelm the \$14 billion federal investment in the Greater New Orleans Hurricane Risk Reduction System and affect 320,000 employees at 26,000 establishments. These economic interruptions would be felt throughout the U.S. including \$2.3-\$2.6 billion in losses due to gasoline supply disruptions.

Prudently, Louisiana is not just throwing money against the rising seas and incoming hurricanes. It has a science-based plan to meet these challenges that include massive public investments in the restoration of America's largest river delta, structural protection where necessary, and an extensive program to flood-proof, elevate, and voluntarily acquire homes and businesses at greatest risk of flooding. Under this plan, Louisiana aims to pioneer the engineered replication of natural processes such as the construction of sediment diversions off of the Mississippi River, and develop other expertise that can be exported around the globe to other cities, states, and countries adapting to climate change. Mr. President, if you are interested in promoting nationally significant investments in the natural economy, supporting innovative measures to adapt to climate change, and promoting the "climate-smart economy of the future" you can do no better than to maintain GOMESA and support Louisiana and its *Comprehensive Master Plan for a Sustainable Coast*.

I respectfully request your consideration of this request.

Sincerely,

John Bel Edwards

Covernor

State of Louisiana