

**Minerals Management Service
Interim Policy Document**

Effective Date: November 17, 2007

IPD No. 08-02

Program: Offshore Minerals Management

Title: Coastal Impact Assistance Program (CIAP)

Originating Office: Environmental Division, Offshore Minerals Management

1. Purpose. This Interim Policy Document (IPD) establishes policy and responsibilities for the Minerals Management Service's (MMS) Coastal Impact Assistance Program (CIAP). It sets overall national policy and establishes headquarters' and regional responsibility for program implementation and management.

2. Objectives. CIAP will implement a noncompetitive grants program to disburse congressionally approved funds to eligible producing States and Coastal Political Subdivisions (CPS's) for one or more of the authorized uses.

The MMS is authorized to disburse \$250 million annually for fiscal years 2007 through 2010 to 6 coastal States (Alabama, Alaska, California, Louisiana, Mississippi, and Texas) and 67 eligible CPS's (counties, parishes, boroughs) within those States. To receive CIAP funds, States are required to submit a CIAP Plan that MMS must approve prior to disbursing any funds. States must submit Plans no later than July 1, 2008. After a Plan has been approved by MMS, eligible recipients within the State may submit grant applications for projects identified in the Plan.

3. Authority. Section 384 of the Energy Policy Act of 2005 (Public Law 109-58) created the CIAP by amending Section 31 of the Outer Continental Shelf Lands Act (43 U.S.C. § 1356a; Appendix A). Under the provisions of the Energy Policy Act, the authority and responsibility for the management of CIAP is vested in the Secretary of the Department of the Interior (Secretary). The Secretary has delegated this authority and responsibility to MMS.

4. References.

A. Department and Office of Management and Budget Grant Requirements

- 43 CFR Part 12 Administrative and Audit Requirements and Cost Principles for Assistance Programs
- 2 CFR Part 225 Cost Principles for State, Local, and Indian Tribal Governments
- OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*

B. Department Hearings and Appeals Procedures (43 CFR Part 4)

5. Definitions.

A. Coastal Impact Assistance Program (CIAP) is the program authorized by Section 384 of the Energy Policy Act of 2005 (Public Law 109-58) that shall disburse \$250 million for each fiscal year 2007 through 2010 to eligible producing States and their eligible CPS's.

B. CIAP Allocations to producing States are based on the proportion of qualified Outer Continental Shelf (OCS) revenues generated offshore the individual State to the total qualified OCS revenues from all States. The Act requires a minimum of 1 percent to each State and 35 percent of each State's share shall be allocated directly to its CPS's.

C. Producing State (State) is a coastal State eligible to receive CIAP allocations. States eligible to receive allocations are Alabama, Alaska, California, Louisiana, Mississippi, and Texas.

D. Coastal Political Subdivision (CPS) is a county, borough, parish, immediately below the level of State government, within the State's coastal zone, that is eligible to receive CIAP allocations.

E. Authorized Uses are the five purposes under the Act on which CIAP allotments may be expended:

- Projects and activities for the conservation, protection, or restoration of coastal areas, including wetland;
- Mitigation of damage to fish, wildlife, or natural resources;
- Planning assistance and the administrative costs of complying with Section 384;
- Implementation of a federally-approved marine, coastal, or comprehensive conservation management plan; and
- Mitigation of the impact of OCS activities through funding or onshore infrastructure projects and public service needs.

F. Coastal Impact Assistance State Plan (Plan) is the document required of a producing State to describe how the State and its CPS's intend to expend their CIAP allocations. The State is to develop its Plan in concert with its CPS's and submit the Plan to MMS.

G. Grant means an award of financial assistance by the Federal Government to an eligible grantee.

H. Grant Application is the instrument used by the States and CPS's to apply for approval of specific expenditure of funds and to receive access to the allotted funds.

6. Policy. It is the policy of MMS, as administrator of the CIAP, that:

A. CIAP funds are disbursed to States and CPS's in accordance with the procedures and requirements of Section 384 of the Energy Policy Act and MMS guidelines.

B. Plans and plan amendments are reviewed to ensure they meet the requirements of the Energy Policy Act, including being consistent with authorized uses under that Act.

C. CIAP projects are eligible for final funding approval by MMS after they are submitted as grant applications and have gone through the grant approval process.

D. Grant applications and grant amendments are reviewed to ensure they comply with applicable Federal assistance statutes, regulations and policies.

E. Performance and Financial Status Reports for approved CIAP projects shall be required at least annually, and not more frequently than quarterly, in accordance with 43 CFR § 12.80-12.81.

7. Responsibilities.

A. Director of Minerals Management Service is responsible for approving or disapproving State Plans.

B. Associate Director, Administration and Budget (A&B) is responsible for coordinating with the Associate Director, Offshore Minerals Management, to ensure that appropriate resources are made available and actions are taken within the office to meet the objectives of the CIAP.

C. Chief, Procurement Division, A&B is responsible for the proper award and administration of the CIAP grants process, ensuring that the appropriate resources are available to award and administer the grants in a timely manner, and for appointing a Lead Contracting Officer.

D. Lead Contracting Officer, A&B is assigned as the Procurement Division CIAP Team Lead and is responsible for overseeing the proper award and administration of the CIAP grants by a team of Contracting Officers, and for performing Grant Officer duties in the FBMS (Federal Business Management System) eGrants system. The Lead Contracting Officer is supervised by the Chief, Procurement Operations Branch.

E. Chief, Finance Division, A&B is responsible for ensuring the transfer of CIAP funds from the U.S. Treasury to the MMS CIAP account.

F. Associate Director, Offshore Minerals Management (OMM) is responsible for coordinating with the Associate Director, Administration and Budget, to ensure that appropriate resources are made available and actions are taken within the office to meet the objectives of the CIAP.

G. Budget Analyst, OMM is responsible for the annual gathering of funding needs, requesting the appropriate allocation from the Budget Division, and entering financial plans into FBMS (Federal Business Management System) .

H. Chief, Environmental Division, OMM is responsible for providing management guidance and direction to the CIAP team to ensure that the program requirements of the CIAP are met; advocating the interests of the CIAP before bureau management; coordinating with headquarters and regional management to ensure MMS policies are carried out; and appointing and supervising the CIAP National Coordinator.

I. CIAP National Coordinator, OMM is responsible for leading the development and implementation of the CIAP; coordinating with the Chief, Environmental Division, and the CIAP team to ensure proper administration of the CIAP; keeping Headquarters management and the Regions informed of policies, procedures, and issues that may affect the CIAP; alerting management and seeking timely resolution of problems and issues that may arise at headquarters or in the Regions; and appointing and supervising the CIAP Budget Analyst.

J. CIAP Budget Analyst, OMM is responsible for performing a full complement of budgetary functions and duties associated with all phases of the budget process (e.g., formulation, justification, presentation, and execution).

K. Chief, Economics Division, OMM is responsible for the calculation of the amount to be allocated to each producing State and eligible CPS based upon allocation formulas prescribed by the Energy Policy Act.

L. Regional Director/Manager, OMM is responsible for ensuring that the implementation of the CIAP in their respective Region is consistent with the objectives of the Program and MMS policies and for appointing the Regional Supervisor/Program Office Chief responsible for administering the CIAP.

M. Regional Supervisor/Program Office Chief, OMM is responsible for ensuring that proper administration of the CIAP in their respective Region; ensuring that proper priority and emphasis are placed on the various elements of the program to meet the objectives of the program; and appointing the Regional CIAP Representative, after obtaining concurrence from his/her immediate supervisor.

N. Regional CIAP Representatives, OMM are responsible for working with the CIAP National Coordinator to develop and implement the appropriate technical guidelines and policies necessary to implement the CIAP; ensuring that the implementation of the CIAP in their respective Region is consistent with the objectives of the program and MMS policies, guidelines and standard operating procedures; and ensuring that Project Officer efforts are consistent with the implementation of the CIAP.

O. Project Officer, OMM is responsible for coordinating with the Regional CIAP Representative in the development and implementation of the CIAP and ensuring that the implementation of the CIAP in their respective Region is consistent with the technical objectives of the program and MMS policies, guidelines, and standard operating procedures.

8. Procedures. The operational controls, guidelines, and standard operating procedures will be contained in a Guidebook, available from the Office of Offshore Minerals Management, Coastal Impact Assistance Program. The Guidebook is currently under development.

9. Cancellation. This IPD will remain in effect until incorporated into the MMS Manual, cancelled, or superseded by another IPD.

Director