

# Committee on Resources

## Full Committee

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### Witness Statement

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**TESTIMONY OF RANDY LANCTOT, EXECUTIVE DIRECTOR OF THE LOUISIANA WILDLIFE FEDERATION TO THE RESOURCES COMMITTEE OF THE U. S. HOUSE OF REPRESENTATIVES CONCERNING THE "*CONSERVATION AND REINVESTMENT ACT OF 1999*" (H.R.701) AND THE "*PERMANENT PROTECTION FOR AMERICA'S RESOURCES ACT*" (H.R. 798), MAY 3, 1999 IN NEW ORLEANS, LOUISIANA**

My name is Randy Lanctot. I have served as executive director of the Louisiana Wildlife Federation since 1980. The Federation is 60 years old, with a long and proud tradition of defending habitat and winning advances for conservation and the environment. It represents a broad constituency of hunters, fishers, campers, birders, boaters and others that enjoy the Great Outdoors in the Bayou State, and includes over 14,000 members and 35 local affiliated clubs. LWF was a founding member of the Coalition to Restore Coastal Louisiana, and we are the Louisiana affiliate of the National Wildlife Federation.

Thank you Mr. Chairman and members of the committee for coming to Louisiana, and for inviting us to appear before you to testify on legislation that we believe are the most significant proposals ever for conservation funding. This is a "big one" that we can't let get away.

As I'm sure you have heard in testimony to the committee by others, there is a great need and strong support throughout the nation for investing in the conservation of renewable natural resources. Although a few discordant voices have been raised with regard to the effects these proposals may have on private property rights, we feel those concerns are adequately met with provisions in the bills that restrict acquisitions to willing seller-only agreements and agency policies that are already in place to ensure public input to federal land acquisition proposals.

Particularly in Louisiana, the need to restore our coastal habitats for both people and wildlife is urgent. Our coast is sustaining a loss of more than 30 square miles a year. The concept of using revenue from the depletion of non-renewable public trust natural resources to secure, sustain and restore renewable natural resources for the benefit of present and future generations, as embodied in H.R.s 701 and 798, and the companion bills introduced in the Senate, is fundamentally sound and infinitely wise, and we urge conservationists from throughout America to join us in commending the bills' authors, sponsors and supporters.

By now you have learned at least a little about Louisiana's vast, productive, and rapidly disappearing coastal wetlands. They are important Gulfwide as nursery for living marine resources, and internationally as habitat for migratory birds. In addition, to us here at "ground zero", they are essential to keep the sea at bay, and they are the fiber from which so much of our unique and colorful culture is knit.

The environmental costs of providing shoreside support for mineral development on the Outer Continental Shelf (OCS) have been immense, and have been described to you by Mark Davis of the Coalition to Restore Coastal Louisiana and others. We hope that all of you and your other colleagues in Congress will accept and

embrace the concept of sharing OCS revenue to restore coastal environments and ensure their future sustainability, in Louisiana and elsewhere. They are among the most valuable, productive, and challenged ecosystems in the world. For the record I have included copies of resolutions adopted by the Louisiana Wildlife Federation which clearly state our feelings with respect to the need for and worthiness of OCS revenue sharing for coastal energy impact assistance.

Of course, H.R.s 701 and 798 propose to do much more than provide funds for coastal restoration and the conservation of marine resources. And as an organization with a diverse membership and a broad interest in all aspects of conservation, the Louisiana Wildlife Federation has a lot to say about these two bills. I will take H.R. 701 first. As I've already mentioned, we believe in sharing OCS revenue with coastal states that bear the impacts of offshore mineral development, and that in any fund distribution scenario, those "producing" states should have a greater "claim" on those dollars than other coastal states. However, like many of our colleagues in the national environmental community, we feel that the revenue sharing formula that is ultimately adopted and the realm of allowable uses of the funds should not be an incentive to more offshore drilling. What motivates OCS mineral activity now is the economics of discovery and production, pure and simple; things like the availability of a lease with a promising formation, the technology to get to it and produce it, the feasibility of operating within the regulatory climate which is likely to get more rigorous in the future, and the market price of a barrel or mcf. These factors far outweigh any stimulus that might be associated with the OCS Impact Assistance title of H.R. 701. But as a precaution, and to allay the concerns of many, it would be reasonable to incorporate a few safeguards in addition to the provision of the bill, Sec 103(a)(2), honoring leasing moratoria. One safeguard would be to base the production-based part of the allocation formula on production previous to enactment, or on a fair "snapshot" of past production. Another would be to, as H.R. 798 does, apply the leasing moratoria provision to all titles of the bill, and another would be to more clearly restrict the realm of purposes for which the funds can be used so that the funds promote sustainability of coastal regions and avoid further degradation.

We strongly concur with the requirement of Section 105 to have a state plan, developed with public participation, for use of the funds. We recommend that this section also require that all pertinent state natural resource management and protection agencies participate in plan development, and that all pertinent Federal natural resource management and protection agencies provide input to the plan. Further, every project within a plan should have a clearly described objective and outcome, and be monitored by the applicant.

Full funding of the Land and Water Conservation Fund has long been a priority within the conservation community, including the Louisiana Wildlife Federation. Our members are users of public lands here and throughout the country and we have advocated public acquisition, from willing sellers, of lands for wildlife habitat conservation and public recreation at every opportunity. Particularly with respect to LWCF state side funding, this bill is timely considering Governor Foster's commitment to expanding and enhancing Louisiana's state park system - one of the smallest in the nation.

Section 205 establishes the Habitat Reserve Program, a concept LWF supports. We are interested in learning more details of the mechanics of the program, and particularly the funding source and allocation formula which is not clear in the version of the bill we downloaded from the "Thomas" web site.

The Wildlife Conservation and Restoration title of H.R. 701 has our enthusiastic support. We are pleased that it appears to provide funding for a diversity of species and uses, that it appears to maintain the integrity of the original Federal Aid in Wildlife Restoration Program, that it contains the all-important prohibition against diversions, that it prohibits replacement of state funding from wildlife restoration and sportfish

restoration accounts, that it equitably distributes the available funds to the states, and that it requires the development of eligible projects and programs with public participation. Short of micromanagement, additional language may be prudent to make sure the wildlife conservation funds provided for in this title are equitably apportioned among all state wildlife agency programs and responsibilities directly related to fish and wildlife conservation and education. For example, a census of swallow-tailed kites should be able to compete with these funds on equal footing with an urban wildlife educational outreach program, which should receive no less consideration than a coastal fisheries enforcement patrol, development of a canoe trail or the conduct of a deer browse survey. Just to make sure the often competing wildlife research and management, and law enforcement functions of conservation are clearly balanced, you may wish to add "wildlife research and management" to Sec. 302(2), and "wildlife law enforcement" after "wildlife damage management" in Sec. 303(d).

Now what about federal budget limits and other potential constraints on this magnanimous revenue sharing for conservation proposal? We will have to pass on that one, except to put our faith in your hands to make sure this truly "big one" does not get away.

Now on to H.R. 798, another good bill.

## **A RESOLUTION**

**SUBJECT: CONSERVATION FUNDING FROM FEDERAL OUTER CONTINENTAL SHELF MINERAL REVENUES - THE CONSERVATION AND REINVESTMENT ACT OF 1999**

WHEREAS, nearly 3 years ago, Louisiana conservation leaders including the Louisiana Wildlife Federation began to advance the concept of allocating a share of federal outer continental shelf (OCS) mineral revenues to states suffering adverse environmental impacts from coastal and offshore energy development for the purposes of mitigating those impacts and restoring/managing coastal habitats that have been reduced and degraded by erosion, subsidence, altered hydrology and other activities of human society (Fair Share Campaign), and

WHEREAS, the rationale behind this initiative was based on several factors: the apparent relationship between the loss of coastal wetlands and barrier islands and the exploration for and production of oil and natural gas resources in Louisiana's coastal and offshore waters, the existing federal policy of sharing 50 percent of the income from the production of minerals on federal lands with communities in the states where that occurs, the apparent inequity between the benefits that accrue nationwide from energy production and the related environmental risks and damages incurred by the habitats and citizens in those states that provide the onshore support for offshore energy development, and the knowledge that existing funding sources and levels for coastal restoration in Louisiana are insufficient to underwrite the huge costs of projects and programs necessary to restore sustainable coastal ecosystems and sustain the communities that depend on them, and

WHEREAS, the recent "Coast 2050" report which sets forth concepts, proposals, and cost estimates for meaningful coastal restoration corroborates the need for securing substantially more financial support than is now available by projecting a \$14 billion (\$14,000,000,000) price tag for restoring Louisiana's coast, and

WHEREAS, after a slow start the prospect of OCS revenue sharing for conservation uses not only has become realistic with the burgeoning federal budget surplus but extremely popular as conservation

advocates around the country are seizing the opportunity to promote full funding of the Land and Water Conservation Fund (\$900 million annually for acquisition and development of local, state and national parks and other lands for conservation and public recreation) and funding for state wildlife conservation programs, as well as coastal restoration, from these OCS funds, and

WHEREAS, U.S. Senator Mary Landrieu, with the support of other members of Louisiana's Congressional Delegation has introduced the "Conservation and Reinvestment Act of 1999" (S.25) in the United States Senate which proposes to allocate up to 27 percent of federal OCS revenues to the states for coastal energy impact assistance, provide full funding for the Land and Water Conservation Fund, and share 7 percent of federal OCS revenue with fish and wildlife agencies to support state wildlife conservation programs, and

WHEREAS, S.25 gives priority to longstanding unfunded or underfunded conservation needs including the acquisition of habitat and greenspace, requires public participation in determining the projects and programs the funds can be used for, requires accountability for use of the funds, and emphasizes wildlife conservation education, wildlife-associated recreation and projects which meet the needs of a diverse array of wildlife species, and

WHEREAS, the Louisiana Wildlife Federation has often advocated funding for habitat acquisition, parks and greenspace, nonconsumptive use-associated wildlife programs, coastal restoration and other purposes which S.25 provides for, and

WHEREAS, the Louisiana Wildlife Federation finds the Conservation and Reinvestment Act of 1999 consistent with the purposes for which it was organized over 60 years ago.

THEREFORE BE IT RESOLVED that the Louisiana Wildlife Federation supports the Conservation and Reinvestment Act of 1999 as introduced by Senator Mary Landrieu and thanks her for all the good work she and her staff have devoted to putting the proposal together.

BE IT FURTHER RESOLVED that in recognition that the provisions of S.25 will continue to evolve in the legislature process, LWF will strive to monitor its progress and provide timely and appropriate input to assure its consistency with fairness, environmental protection and conservation/restoration of sustainable ecosystems.

Adopted by the Louisiana Wildlife Federation in convention assembled, 21 February 1999 in Lafayette, Louisiana.

## **A RESOLUTION**

SUBJECT: LOUISIANA'S FAIR SHARE OF OFFSHORE OIL AND GAS

WHEREAS, the state of Louisiana offshore federal lands are the principle source of federal revenues on offshore oil and gas production (96% of all offshore oil and gas production in federal waters comes from Louisiana), and

WHEREAS, the negative impacts of this activity are numerous and expensive to correct or compensate for, and

WHEREAS, parish and state governments contribute millions in annual tax funds to support offshore oil

operations, mainly through their ports, and

WHEREAS, commercial and sport fisheries are negatively impacted due to the thousands of miles of pipelines crossing sensitive wetlands needed to carry the product to refineries and markets (80% moves this way), and

WHEREAS, the impacts of navigational channels in causing marsh land loss are well documented, and

WHEREAS, the discharge of produced waters and cuttings from thousands of drill holes contaminate the Gulf's sensitive water bottoms with toxins, and

WHEREAS, the land disposal of so called non-toxic drilling waste has polluted ground and surface waters and land areas all over South Louisiana, and

WHEREAS, Western states receive 50% of oil and gas royalties produced on federal lands in their states, and Alaska receives 90% while Louisiana receives nothing, and

WHEREAS, an enormous new reserve has been discovered in deep offshore waters, and

WHEREAS, the benefits to Louisiana are way over due, should be available to help in all areas of the state, and would be a positive influence in pulling the people up from the poverty levels that we are plagued with.

THEREFORE BE IT RESOLVED that the Louisiana Wildlife Federation supports allocating a fair share of the revenue the Federal Government receives from energy development in the Gulf of Mexico, offshore Louisiana, to the State of Louisiana, consistent with the policy for compensating other states for mineral development on public lands and waters within and adjacent to those states.

BE IT FURTHER RESOLVED that LWF supports dedication of the use of such funds for the long term future benefit of the state including: education, economic diversification and development of nonpolluting industry, state debt retirement, coastal restoration and habitat acquisition, among others; and that all parishes of the state receive a fair share of these benefits.

Adopted by the Louisiana Wildlife Federation in convention assembled 16 Feb. 1997, in Gretna, LA.

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