

109TH CONGRESS  
1ST SESSION

# S. 1810

To amend the Outer Continental Shelf Lands Act to allow certain coastal States to share in qualified outer Continental Shelf revenues.

---

IN THE SENATE OF THE UNITED STATES

OCTOBER 3, 2005

Mr. WARNER introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

---

## A BILL

To amend the Outer Continental Shelf Lands Act to allow certain coastal States to share in qualified outer Continental Shelf revenues.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Outer Continental  
5 Shelf Revenue Sharing Act of 2005”.

6       **SEC. 2. OUTER CONTINENTAL SHELF REVENUE SHARING.**

7       Section 31 of the Outer Continental Shelf Lands Act  
8 (43 U.S.C. 1356a) is amended—

9               (1) in subsection (a)—

10                       (A) by striking paragraph (7);

1 (B) by redesignating paragraphs (8), (9),  
 2 and (10) as paragraphs (7), (8), and (9), re-  
 3 spectively;

4 (C) in paragraph (8) (as redesignated by  
 5 subparagraph (B)), by striking subparagraph  
 6 (B) and inserting the following:

7 “(B) INCLUSION.—The term ‘producing  
 8 State’ includes any State that begins production  
 9 on a leased tract on or after the date of enact-  
 10 ment of the Outer Continental Shelf Revenue  
 11 Sharing Act of 2005, regardless of whether the  
 12 leased tract was on any date subject to a leas-  
 13 ing moratorium.”; and

14 (D) in paragraph (9) (as redesignated by  
 15 subparagraph (B)), by striking subparagraph  
 16 (C); and

17 (2) in subsection (b)(4), by striking subpara-  
 18 graph (E).

19 **SEC. 3. ESTABLISHMENT OF SEAWARD LATERAL BOUND-**  
 20 **ARIES FOR COASTAL STATES.**

21 Section 4(a)(2)(A) of the Outer Continental Shelf  
 22 Lands Act (43 U.S.C. 1333(a)(2)(A)) is amended—

23 (1) by inserting “(i)” after “(A)”;

24 (2) in the first sentence—

1 (A) by striking “President shall” and in-  
2 serting “Secretary shall by regulation”; and

3 (B) by inserting before the period at the  
4 end the following: “not later than 180 days  
5 after the date of enactment of the Outer Conti-  
6 nental Shelf Revenue Sharing Act of 2005”;  
7 and

8 (3) by adding at the end the following:

9 “(ii)(I) For purposes of this Act (including deter-  
10 mining boundaries to authorize leasing and preleasing ac-  
11 tivities and any attributing revenues under this Act and  
12 calculating payments to producing States and coastal po-  
13 litical subdivisions under section 31), the Secretary shall  
14 delineate the lateral boundaries between coastal States in  
15 areas of the Outer Continental shelf under exclusive Fed-  
16 eral jurisdiction, to the extent of the exclusive economic  
17 zone of the United States, in accordance with article 15  
18 of the United Nations Convention on the Law of the Sea  
19 of December 10, 1982.

20 “(II) This clause shall not affect any right or title  
21 to Federal submerged land on the outer Continental  
22 Shelf.”.

1 **SEC. 4. OPTION TO PETITION FOR LEASING WITHIN CER-**  
2 **TAIN AREAS ON THE OUTER CONTINENTAL**  
3 **SHELF.**

4 Section 12 of the Outer Continental Shelf Lands Act  
5 (43 U.S.C. 1341) is amended by adding at the end the  
6 following:

7 “(g) LEASING WITHIN THE SEAWARD LATERAL  
8 BOUNDARIES OF COASTAL STATES.—

9 “(1) DEFINITION OF AFFECTED AREA.—In this  
10 subsection, the term ‘affected area’ means any area  
11 located—

12 “(A) in the areas of northern, central, and  
13 southern California and the areas of Oregon  
14 and Washington;

15 “(B) in the north, middle, or south plan-  
16 ning area of the Atlantic Ocean;

17 “(C) in the eastern Gulf of Mexico plan-  
18 ning area and lying—

19 “(i) south of 26 degrees north lati-  
20 tude; and

21 “(ii) east of 86 degrees west lon-  
22 gitude; or

23 “(D) in the Straits of Florida.

24 “(2) RESTRICTIONS ON LEASING.—The Sec-  
25 retary shall not offer for offshore leasing, preleasing,  
26 or any related activity—

1           “(A) any area located on the outer Conti-  
2           nental Shelf that, as of the date of enactment  
3           of this subsection, is designated as a marine  
4           sanctuary under the Marine Protection, Re-  
5           search, and Sanctuaries Act of 1972 (33 U.S.C.  
6           1401 et seq.); or

7           “(B) except as provided in paragraphs (3)  
8           and (4), during the period beginning on the  
9           date of enactment of this subsection and ending  
10          on June 30, 2012, any affected area.

11          “(3) RESOURCE ASSESSMENTS.—

12           “(A) IN GENERAL.—Beginning on the date  
13           on which the Secretary delineates seaward lat-  
14           eral boundaries under section 4(a)(2)(A)(ii), a  
15           Governor of a State in which an affected area  
16           is located, with the consent of the legislature of  
17           the State, may submit to the Secretary a peti-  
18           tion requesting a resource assessment of any  
19           area within the seaward lateral boundary of the  
20           State.

21           “(B) ELIGIBLE RESOURCES.—A petition  
22           for a resource assessment under subparagraph  
23           (A) may be for—

24                   “(i) oil and gas leasing;

25                   “(ii) gas-only leasing; or

1                   “(iii) any other energy source leasing,  
2                   including renewable energy leasing.

3                   “(C) ACTION BY SECRETARY.—Not later  
4                   than 90 days after receipt of a petition under  
5                   subparagraph (A), the Secretary shall approve  
6                   the petition, unless the Secretary determines  
7                   that a resource assessment of the area would  
8                   create an unreasonable risk of harm to the ma-  
9                   rine, human, or coastal environment of the  
10                  State.

11                  “(D) FAILURE TO ACT.—If the Secretary  
12                  fails to approve or deny a petition in accordance  
13                  with subparagraph (C)—

14                         “(i) the petition shall be considered to  
15                         be approved; and

16                         “(ii) a resource assessment of any ap-  
17                         propriate area shall be carried out as soon  
18                         as practicable.

19                  “(E) SUBMISSION TO STATE.—As soon as  
20                  practicable after the date on which a petition is  
21                  approved under subparagraph (C) or (D), the  
22                  Secretary shall—

23                         “(i) complete the resource assessment  
24                         for the area; and

1                   “(ii) submit the completed resource  
2                   assessment to the State.

3                   “(4) PETITION FOR LEASING.—

4                   “(A) IN GENERAL.—On receipt of a re-  
5                   source assessment under paragraph (3)(E)(ii),  
6                   the Governor of a State in which an affected  
7                   area is located, with the consent of the legisla-  
8                   ture of the State, may submit to the Secretary  
9                   a petition requesting that the Secretary make  
10                  available any land that is within the seaward  
11                  lateral boundaries of the State (as established  
12                  under section 4(a)(2)(A)(ii)) and that is greater  
13                  than 20 miles from the coastline of the State  
14                  for the conduct of offshore leasing, pre-leasing,  
15                  or related activities with respect to—

16                           “(i) oil and gas leasing;

17                           “(ii) gas-only leasing; or

18                           “(iii) any other energy source leasing,  
19                           including renewable energy leasing.

20                   “(B) ACTION BY SECRETARY.—Not later  
21                   than 90 days after receipt of a petition under  
22                   subparagraph (A), the Secretary shall approve  
23                   the petition, unless the Secretary determines  
24                   that leasing the area would create an unreason-

1           able risk of harm to the marine, human, or  
2           coastal environment of the State.

3           “(C) FAILURE TO ACT.—If the Secretary  
4           fails to approve or deny a petition in accordance  
5           with subparagraph (B)—

6                   “(i) the petition shall be considered to  
7                   be approved; and

8                   “(ii) any appropriate area shall be  
9                   made available for oil and gas leasing, gas-  
10                  only leasing, or any other energy source  
11                  leasing, including renewable energy leasing.

12          “(5) REVENUE SHARING.—

13                  “(A) IN GENERAL.—Beginning on the date  
14                  on which production begins in an area under  
15                  this subsection, the State shall, without further  
16                  appropriation, share in any qualified outer Con-  
17                  tinental Shelf revenues of the production under  
18                  section 31.

19                  “(B) APPLICABLE LAW.—

20                          “(i) IN GENERAL.—Except as pro-  
21                          vided in clause (ii), a State shall not be re-  
22                          quired to comply with subsections (c) and  
23                          (d) of section 31 to share in qualified outer  
24                          Continental Shelf revenues under subpara-  
25                          graph (A).



1                   “(ii) EXCEPTION.—Of any qualified  
2                   outer Continental Shelf revenues received  
3                   by a State (including a political subdivision  
4                   of a State) under subparagraph (A), at  
5                   least 25 percent shall be used for 1 or  
6                   more of the purposes described in section  
7                   31(d)(1).

8                   “(6) EFFECT.—Nothing in this subsection af-  
9                   fects any right relating to an area described in para-  
10                  graph (1) or (2) under a lease that was in existence  
11                  on the day before the date of enactment of this sub-  
12                  section.”.

13 **SEC. 5. REGULATIONS.**

14                  (a) IN GENERAL.—The Secretary of the Interior shall  
15                  issue such regulations as are necessary to carry out this  
16                  Act and the amendments made by this Act, including reg-  
17                  ulations establishing procedures for entering into gas-only  
18                  leases.

19                  (b) GAS-ONLY LEASES.—In issuing regulations es-  
20                  tablishing procedures for entering into gas-only leases, the  
21                  Secretary shall—

22                         (1) ensure that gas-only leases under the Outer  
23                         Continental Shelf Lands Act (43 U.S.C. 1331 et  
24                         seq.) are not available in a State that (as of the day  
25                         before the date of enactment of this Act) did not

1 contain an affected area (as defined in section  
2 12(g)(1) of that Act (as added by section 4)); and  
3 (2) define “natural gas” as—  
4 (A) unmixed natural gas; or  
5 (B) any mixture of natural or artificial gas  
6 (including compressed or liquefied petroleum  
7 gas) and condensate recovered from natural  
8 gas.

○