

110TH CONGRESS
2D SESSION

H. R. 6779

To provide for secure rural schools and counties, and State enhanced authority for coastal and ocean resources, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 1, 2008

Mr. WALDEN of Oregon (for himself, Mr. BISHOP of Utah, Mrs. MYRICK, Mrs. DRAKE, Mr. PETERSON of Pennsylvania, Mr. BONNER, Mr. BOOZMAN, Mr. BROWN of South Carolina, Mrs. CUBIN, Mr. DOOLITTLE, Mrs. EMERSON, Ms. FALLIN, Mr. FORTUÑO, Mr. GOHMERT, Mr. HASTINGS of Washington, Mr. HELLER of Nevada, Mr. HERGER, Mr. LAMBORN, Mr. DANIEL E. LUNGREN of California, Mr. NUNES, Mr. PICKERING, Mr. RADANOVICH, Mr. REHBERG, Mrs. McMORRIS RODGERS, Mr. ROGERS of Alabama, Mr. SALLI, Mr. SESSIONS, Mr. SIMPSON, Mr. TANCREDO, Mr. WAMP, Mrs. WILSON of New Mexico, Mr. WITTMAN of Virginia, Mr. PEARCE, Mr. YOUNG of Alaska, and Mr. RENZI) introduced the following bill; which was referred to the Committee on Natural Resources, and in addition to the Committees on Energy and Commerce, Agriculture, the Judiciary, Education and Labor, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide for secure rural schools and counties, and State enhanced authority for coastal and ocean resources, and for other purposes.

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

1 **SECTION 1. SHORT TITLE.**

2 (a) SHORT TITLE.—This Act may be cited as the
 3 “Security and Energy for America Act of 2008”, or the
 4 “SEA Act of 2008”.

5 (b) TABLE OF CONTENTS.—The table of contents for
 6 this Act is as follows:

Sec. 1. Short title.

TITLE I—SECURE RURAL SCHOOLS AND COUNTIES

Sec. 101. Short title.

Sec. 102. Funding for payments in lieu of taxes.

Sec. 103. Transitional payments to States and counties previously entitled to
 payments under Secure Rural Schools and Community Self-Determination Act of 2000.

Sec. 104. Special requirements regarding transition payments to certain States.

Sec. 105. Sense of Congress on distribution of secure rural schools transition
 payments to eligible counties.

TITLE II—STATE ENHANCED AUTHORITY FOR COASTAL AND
 OCEAN RESOURCES

Sec. 201. Short title.

Sec. 202. Findings.

Sec. 203. Definitions under the Submerged Lands Act.

Sec. 204. Seaward boundaries of States.

Sec. 205. Exceptions from confirmation and establishment of States’ title,
 power, and rights.

Sec. 206. Definitions under the Outer Continental Shelf Lands Act.

Sec. 207. Determination of Adjacent Zones and Planning Areas.

Sec. 208. Administration of leasing.

Sec. 209. Grant of leases by Secretary.

Sec. 210. Disposition of receipts.

Sec. 211. Review of outer Continental Shelf exploration plans.

Sec. 212. Reservation of lands and rights.

Sec. 213. Outer Continental Shelf leasing program.

Sec. 214. Coordination with Adjacent States.

Sec. 215. Environmental studies.

Sec. 216. Review of outer Continental Shelf development and production plans.

Sec. 217. Federal Energy Natural Resources Enhancement Fund Act of 2008.

Sec. 218. Termination of effect of laws prohibiting the spending of appro-
 priated funds for certain purposes.

Sec. 219. Outer Continental Shelf incompatible use.

Sec. 220. Repurchase of certain leases.

Sec. 221. Offsite environmental mitigation.

Sec. 222. Regulation of onshore surface-disturbing activities.

Sec. 223. Renaming of Minerals Management Service.

- Sec. 224. Authority to use decommissioned offshore oil and gas platforms and other facilities for artificial reef, scientific research, or other uses.
- Sec. 225. Mining and petroleum schools.
- Sec. 226. OCS regional headquarters.
- Sec. 227. Freedom Fuels Act.
- Sec. 228. Coastal impact assistance.
- Sec. 229. Oil shale and tar sands amendments.
- Sec. 230. Buy and build American.
- Sec. 231. Repeal of the Gulf of Mexico Energy Security Act of 2006.
- Sec. 232. Royalty-in-kind.
- Sec. 233. Mandatory issuance of regulations promoting production of natural gas from gas hydrates.
- Sec. 234. Mandatory issuance of regulations promoting enhanced oil and natural gas production through carbon dioxide injection.
- Sec. 235. Conservation of resources fee for future onshore nonproducing oil and gas leases.
- Sec. 236. Outer Continental Shelf conservation of living and nonliving resources fee on liquid fuels.
- Sec. 237. Outer Continental Shelf discharges and emissions.
- Sec. 238. OCS joint permitting offices.
- Sec. 239. Application of section 307 of the Coastal Zone Management Act of 1972.
- Sec. 240. Oil spill response plans.
- Sec. 241. Clean Air Act and Clean Water Act.
- Sec. 242. Resource assessments.

1 **TITLE I—SECURE RURAL**
 2 **SCHOOLS AND COUNTIES**

3 **SEC. 101. SHORT TITLE.**

4 This title may be cited as the “Secure Rural Schools
 5 and Counties Act of 2008”.

6 **SEC. 102. FUNDING FOR PAYMENTS IN LIEU OF TAXES.**

7 (a) IN GENERAL.—Section 6906 of title 31, United
 8 States Code, is amended to read as follows:

9 **“§ 6906. Funding**

10 “(a) GENERAL RULE.—Necessary amounts may be
 11 appropriated to the Secretary of the Interior to carry out
 12 this chapter. Except as provided in subsection (b) and sec-

1 tion 6908 of this title, amounts are available only as pro-
2 vided in appropriation laws.

3 “(b) TRANSITION TO FULL FUNDING.—Amounts
4 necessary to carry out under this chapter shall be made
5 available to the Secretary of the Interior, out of any funds
6 in the Treasury not otherwise appropriated and without
7 further appropriation, for obligation or expenditure in ac-
8 cordance with this chapter as follows:

9 “(1) For fiscal year 2009, 90 percent of the au-
10 thorized payment amounts calculated for that fiscal
11 year under the payment formulas contained in sec-
12 tions 6903, 6904, and 6905 of this title.

13 “(2) For fiscal year 2010, 90 percent of the au-
14 thorized payment amounts calculated for that fiscal
15 year under the payment formulas contained in such
16 sections.

17 “(3) For fiscal years 2011, 2012, and 2013,
18 100 percent of the authorized payment amounts cal-
19 culated for the applicable fiscal year under the pay-
20 ment formulas contained in such sections.

21 “(c) RELATION TO SECURE RURAL SCHOOLS TRAN-
22 SITION PAYMENTS.—In this section, the term ‘chapter’
23 does not include section 6908 of this title. Subsection (g)
24 of such section provides for the funding of secure rural
25 schools transition payments under such section.”.

1 (b) CONFORMING AMENDMENT.—The table of sec-
 2 tions for chapter 69 of title 31, United States Code, is
 3 amended by striking the item relating to section 6906 and
 4 inserting the following new item:

“6906. Funding.”.

5 **SEC. 103. TRANSITIONAL PAYMENTS TO STATES AND COUN-**
 6 **TIES PREVIOUSLY ENTITLED TO PAYMENTS**
 7 **UNDER SECURE RURAL SCHOOLS AND COM-**
 8 **MUNITY SELF-DETERMINATION ACT OF 2000.**

9 (a) TRANSITIONAL PAYMENTS.—Chapter 69 of title
 10 31, United States Code, is amended by adding at the end
 11 the following new section:

12 **“SEC. 6908. SECURE RURAL SCHOOLS TRANSITION PAY-**
 13 **MENTS.**

14 “(a) DEFINITIONS.—In this section:

15 “(1) ADJUSTED SHARE.—The term ‘adjusted
 16 share’ means the number equal to the quotient ob-
 17 tained by dividing—

18 “(A) the number equal to the quotient ob-
 19 tained by dividing—

20 “(i) the base share for the eligible
 21 county; by

22 “(ii) the income adjustment for the el-
 23 igible county; by

1 “(B) the number equal to the sum of the
2 quotients obtained under subparagraph (A) and
3 paragraph (8)(A) for all eligible counties.

4 “(2) BASE SHARE.—The term ‘base share’
5 means the number equal to the average of—

6 “(A) the quotient obtained by dividing—

7 “(i) the number of acres of Federal
8 land described in paragraph (7)(A) in each
9 eligible county; by

10 “(ii) the total number acres of Fed-
11 eral land in all eligible counties in all eligi-
12 ble States; and

13 “(B) the quotient obtained by dividing—

14 “(i) the amount equal to the average
15 of the 3 highest 25-percent payments and
16 safety net payments made to each eligible
17 State for each eligible county during the
18 eligibility period; by

19 “(ii) the amount equal to the sum of
20 the amounts calculated under clause (i)
21 and paragraph (9)(B)(i) for all eligible
22 counties in all eligible States during the
23 eligibility period.

1 “(3) COUNTY PAYMENT.—The term ‘county
2 payment’ means the payment for an eligible county
3 calculated under subsection (c).

4 “(4) ELIGIBLE COUNTY.—The term ‘eligible
5 county’ means any county that—

6 “(A) contains Federal land; and

7 “(B) elects to receive a share of the State
8 payment or the county payment under sub-
9 section (f).

10 “(5) ELIGIBILITY PERIOD.—The term ‘eligi-
11 bility period’ means fiscal year 1986 through fiscal
12 year 1999.

13 “(6) ELIGIBLE STATE.—The term ‘eligible
14 State’ means a State or territory of the United
15 States that received a 25-percent payment for 1 or
16 more fiscal years of the eligibility period.

17 “(7) FEDERAL LAND.—The term ‘Federal land’
18 means—

19 “(A) land within the National Forest Sys-
20 tem, as defined in section 11(a) of the Forest
21 and Rangeland Renewable Resources Planning
22 Act of 1974 (16 U.S.C. 1609(a)) exclusive of
23 the National Grasslands and land utilization
24 projects designated as National Grasslands ad-

1 ministered pursuant to the Act of July 22,
2 1937 (7 U.S.C. 1010–1012); and

3 “(B) such portions of the revested Oregon
4 and California Railroad and reconveyed Coos
5 Bay Wagon Road grant land as are or may
6 hereafter come under the jurisdiction of the De-
7 partment of the Interior, which have heretofore
8 or may hereafter be classified as timberlands,
9 and power-site land valuable for timber, that
10 shall be managed, except as provided in the
11 former section 3 of the Act of August 28, 1937
12 (50 Stat. 875; 43 U.S.C. 1181c), for permanent
13 forest production.

14 “(8) 50-PERCENT ADJUSTED SHARE.—The
15 term ‘50-percent adjusted share’ means the number
16 equal to the quotient obtained by dividing—

17 “(A) the number equal to the quotient ob-
18 tained by dividing—

19 “(i) the 50-percent base share for the
20 eligible county; by

21 “(ii) the income adjustment for the el-
22 igible county; by

23 “(B) the number equal to the sum of the
24 quotients obtained under subparagraph (A) and
25 paragraph (1)(A) for all eligible counties.

1 “(9) 50-PERCENT BASE SHARE.—The term ‘50-
2 percent base share’ means the number equal to the
3 average of—

4 “(A) the quotient obtained by dividing—

5 “(i) the number of acres of Federal
6 land described in paragraph (7)(B) in each
7 eligible county; by

8 “(ii) the total number acres of Fed-
9 eral land in all eligible counties in all eligi-
10 ble States; and

11 “(B) the quotient obtained by dividing—

12 “(i) the amount equal to the average
13 of the 3 highest 50-percent payments made
14 to each eligible county during the eligibility
15 period; by

16 “(ii) the amount equal to the sum of
17 the amounts calculated under clause (i)
18 and paragraph (2)(B)(i) for all eligible
19 counties in all eligible States during the
20 eligibility period.

21 “(10) 50-PERCENT PAYMENT.—The term ‘50-
22 percent payment’ means the payment that is the
23 sum of the 50-percent share otherwise paid to a
24 county pursuant to title II of the Act of August 28,
25 1937 (chapter 876; 50 Stat. 875; 43 U.S.C. 1181f),

1 and the payment made to a county pursuant to the
2 Act of May 24, 1939 (chapter 144; 53 Stat. 753; 43
3 U.S.C. 1181f–1 et seq.).

4 “(11) FULL FUNDING AMOUNT.—The term ‘full
5 funding amount’ means—

6 “(A) \$520,000,000 for fiscal year 2008;

7 and

8 “(B) for fiscal years 2009, 2010, 2011,
9 and 2012, the amount that is equal to 90 per-
10 cent of the full funding amount for the pre-
11 ceding fiscal year.

12 “(12) INCOME ADJUSTMENT.—The term ‘in-
13 come adjustment’ means the square of the quotient
14 obtained by dividing—

15 “(A) the per capita personal income for
16 each eligible county; by

17 “(B) the median per capita personal in-
18 come of all eligible counties.

19 “(13) PER CAPITA PERSONAL INCOME.—The
20 term ‘per capita personal income’ means the most
21 recent per capita personal income data, as deter-
22 mined by the Bureau of Economic Analysis.

23 “(14) SAFETY NET PAYMENTS.—The term
24 ‘safety net payments’ means the special payment
25 amounts paid to States and counties required by

1 section 13982 or 13983 of the Omnibus Budget
2 Reconciliation Act of 1993 (Public Law 103–66; 16
3 U.S.C. 500 note; 43 U.S.C. 1181f note).

4 “(15) SECRETARY CONCERNED.—The term
5 ‘Secretary concerned’ means—

6 “(A) the Secretary of Agriculture or the
7 designee of the Secretary of Agriculture with
8 respect to the Federal land described in para-
9 graph (7)(A); and

10 “(B) the Secretary of the Interior or the
11 designee of the Secretary of the Interior with
12 respect to the Federal land described in para-
13 graph (7)(B).

14 “(16) STATE PAYMENT.—The term ‘State pay-
15 ment’ means the payment for an eligible State cal-
16 culated under subsection (b).

17 “(17) 25-PERCENT PAYMENT.—The term ‘25-
18 percent payment’ means the payment to States re-
19 quired by the sixth paragraph under the heading of
20 ‘forest service’ in the Act of May 23, 1908 (35 Stat.
21 260; 16 U.S.C. 500), and section 13 of the Act of
22 March 1, 1911 (36 Stat. 963; 16 U.S.C. 500).

23 “(b) CALCULATION OF STATE PAYMENT AMOUNT.—
24 For each of fiscal years 2008 through 2012, the Secretary
25 of Agriculture shall calculate for each eligible State an

1 amount equal to the sum of the products obtained by mul-
2 tiplying—

3 “(1) the adjusted share for each eligible county
4 within the eligible State; by

5 “(2) the full funding amount for the fiscal year.

6 “(c) CALCULATION OF COUNTY PAYMENT
7 AMOUNT.—For each of fiscal years 2008 through 2012,
8 the Secretary of the Interior shall calculate for each eligi-
9 ble county that received a 50-percent payment during the
10 eligibility period an amount equal to the product obtained
11 by multiplying—

12 “(1) the 50-percent adjusted share for the eligi-
13 ble county; by

14 “(2) the full funding amount for the fiscal year.

15 “(d) PAYMENT AMOUNTS FOR ELIGIBLE STATES.—
16 From funds made available under subsection (g), the Sec-
17 retary of the Treasury shall pay to each eligible State an
18 amount equal to the sum of the amounts elected under
19 subsection (f) by each county within the eligible State
20 for—

21 “(1) if the county is eligible for the 25-percent
22 payment, the share of the 25-percent payment; or

23 “(2) the share of the State payment of the eli-
24 gible county.

1 “(e) PAYMENT AMOUNTS FOR ELIGIBLE COUN-
2 TIES.—From funds made available under subsection (g),
3 the Secretary of the Treasury shall pay to each eligible
4 county an amount equal to the amount elected under sub-
5 section (f) by the county for—

6 “(1) if the county is eligible for the 50-percent
7 payment, the 50-percent payment; or

8 “(2) the county payment for the eligible county.

9 “(f) ELECTION TO RECEIVE PAYMENT AMOUNT.—

10 “(1) ELECTION; SUBMISSION OF RESULTS.—

11 “(A) IN GENERAL.—The election to receive
12 a share of the State payment, the county pay-
13 ment, a share of the State payment and the
14 county payment, a share of the 25-percent pay-
15 ment, the 50-percent payment, or a share of the
16 25-percent payment and the 50-percent pay-
17 ment, as applicable, shall be made at the discre-
18 tion of each affected county by August 1, 2008,
19 and thereafter in accordance with paragraph
20 (2)(A), and transmitted to the Secretary con-
21 cerned by the Governor of each eligible State.

22 “(B) FAILURE TO TRANSMIT.—If an elec-
23 tion for an affected county is not transmitted to
24 the Secretary concerned by the date specified
25 under subparagraph (A), the affected county

1 shall be considered to have elected to receive a
2 share of the State payment, the county pay-
3 ment, or a share of the State payment and the
4 county payment, as applicable.

5 “(2) DURATION OF ELECTIONS.—A county elec-
6 tion to receive a share of the 25-percent payment or
7 the 50-percent payment, as applicable, shall be effec-
8 tive for 2 fiscal years. A county election to receive
9 a share of the State payment or a county payment
10 or a transition payment pursuant to section 104 of
11 the Secure Rural Schools and Counties Act of 2008
12 for a fiscal year before fiscal year 2011 shall be ef-
13 fective through fiscal year 2010.

14 “(g) SOURCE OF PAYMENT AMOUNTS.—The pay-
15 ment to an eligible State or eligible county under this sec-
16 tion for a fiscal year shall be derived, without further ap-
17 propriation, from—

18 “(1) any revenues, fees, penalties, or miscella-
19 neous receipts, exclusive of deposits to any relevant
20 trust fund, special account, or permanent operating
21 funds, received by the Federal Government from ac-
22 tivities by the Bureau of Land Management or the
23 Forest Service on the applicable Federal land; and

24 “(2) to the extent of any shortfall in the
25 amounts described in paragraph (1), out of any

1 amounts in the Treasury of the United States not
2 otherwise appropriated.

3 “(h) DISTRIBUTION AND EXPENDITURE OF PAY-
4 MENTS.—

5 “(1) DISTRIBUTION METHOD.—A State that re-
6 ceives a payment under this section shall distribute
7 the appropriate payment amount among the appro-
8 priate counties in the State in accordance with—

9 “(A) the Act of May 23, 1908 (16 U.S.C.
10 500); and

11 “(B) section 13 of the Act of March 1,
12 1911 (36 Stat. 963; 16 U.S.C. 500).

13 “(2) EXPENDITURE PURPOSES.—Subject to
14 paragraph (3), payments received by a State under
15 this section and distributed to counties in accord-
16 ance with paragraph (1), and payments received di-
17 rectly by an eligible county under this section, shall
18 be expended in the same manner in which 25-per-
19 cent payments or 50-percent payments, as applica-
20 ble, are required to be expended.

21 “(3) RESERVATION OF PORTION OF PAY-
22 MENTS.—Each eligible county receiving a payment
23 under this section or a portion of a State’s payment
24 under this section shall reserve not less than 15 per-
25 cent of the amount received for expenditure in ac-

1 cordance with titles II and III of the Secure Rural
2 Schools and Community Self-Determination Act of
3 2000 (16 U.S.C. 500 note; Public Law 106–393).

4 “(i) TIME FOR PAYMENT.—The payments required
5 under this section for a fiscal year shall be made as soon
6 as practicable after the end of that fiscal year.”.

7 (b) CLERICAL AMENDMENT.—The table of sections
8 at the beginning of chapter 69 of title 31, United States
9 Code, is amended by adding at the end the following new
10 item:

“Sec. 6908. Secure rural schools transition payments.”.

11 (c) EXTENSION OF TITLES II AND III OF SECURE
12 RURAL SCHOOLS AND COMMUNITY SELF-DETERMINA-
13 TION ACT OF 2000.—

14 (1) EXTENSION.—The Secure Rural Schools
15 and Community Self-Determination Act of 2000 (16
16 U.S.C. 500 note; Public Law 106–393) is amend-
17 ed—

18 (A) in sections 203(a), 207(a), 208, and
19 303 by striking “2007” and inserting “2012”;

20 (B) in section 204(e)(3)(B)(vi), by striking
21 “fiscal year 2007” and inserting “fiscal years
22 2007 through 2012”; and

23 (C) in sections 208 and 303, by striking
24 “2008” and inserting “2013”.

1 (2) DEFINITION OF PARTICIPATING COUNTY.—
2 The Secure Rural Schools and Community Self-De-
3 termination Act of 2000 is amended—

4 (A) in section 201(1), by inserting before
5 the period the following: “or that is required to
6 reserve funds under section 6908(h)(3) of title
7 31, United States Code, or section 104(e) of
8 the Secure Rural Schools and Counties Act of
9 2008”; and

10 (B) in section 301(1), by inserting before
11 the period the following: “or that is required to
12 reserve funds under section 6908(h)(3) of title
13 31, United States Code, or section 104(e) of
14 the Secure Rural Schools and Counties Act of
15 2008”.

16 (3) DEFINITION OF PROJECT FUNDS.—The Se-
17 cure Rural Schools and Community Self-Determina-
18 tion Act of 2000 is amended—

19 (A) in section 201(2), by inserting before
20 the period the following: “or reserves under sec-
21 tion 6908(h)(3) of title 31, United States Code,
22 or section 104(e) of the Secure Rural Schools
23 and Counties Act of 2008 for expenditure in ac-
24 cordance with this title”; and

1 (B) in section 301(2), by inserting before
2 the period the following: “or reserves under sec-
3 tion 6908(h)(3) of title 31, United States Code,
4 or section 104(e) of the Secure Rural Schools
5 and Counties Act of 2008 for expenditure in ac-
6 cordance with this title”.

7 **SEC. 104. SPECIAL REQUIREMENTS REGARDING TRANSI-**
8 **TION PAYMENTS TO CERTAIN STATES.**

9 (a) DEFINITIONS.—In this section:

10 (1) ADJUSTED AMOUNT.—The term “adjusted
11 amount” means, with respect to a covered State—

12 (A) for fiscal year 2008—

13 (i) the sum of the amounts paid for
14 fiscal year 2006 under section 102(a)(2) of
15 the Secure Rural Schools and Community
16 Self-Determination Act of 2000 (16 U.S.C.
17 500 note; Public Law 106–393), as in ef-
18 fect on September 29, 2006, for the eligi-
19 ble counties in the covered State that have
20 elected under section 6908 of title 31,
21 United States Code, as added by section
22 103 of this Act, to receive a share of the
23 State payment for fiscal year 2008; and

24 (ii) the sum of the amounts paid for
25 fiscal year 2006 under section 103(a)(2)

1 Secure Rural Schools and Community Self-
2 Determination Act of 2000 (16 U.S.C. 500
3 note; Public Law 106–393), as in effect on
4 September 29, 2006, for the eligible coun-
5 ties in the State of Oregon that have elect-
6 ed under section 6908 of title 31, United
7 States Code, as added by section 103 of
8 this Act, to receive the county payment for
9 fiscal year 2008;

10 (B) for fiscal year 2009, 90 percent of—

11 (i) the sum of the amounts paid for
12 fiscal year 2006 under such section
13 102(a)(2) for the eligible counties in the
14 covered State that have elected under such
15 section 6908 to receive a share of the
16 State payment for fiscal year 2009; and

17 (ii) the sum of the amounts paid for
18 fiscal year 2006 under such section
19 103(a)(2) for the eligible counties in the
20 State of Oregon that have elected under
21 such section 6908 to receive the county
22 payment for fiscal year 2009;

23 (C) for fiscal year 2010, 81 percent of—

24 (i) the sum of the amounts paid for
25 fiscal year 2006 under such section

1 102(a)(2) for the eligible counties in the
2 covered State that have elected under such
3 section 6908 to receive a share of the
4 State payment for fiscal year 2010; and

5 (ii) the sum of the amounts paid for
6 fiscal year 2006 under such section
7 103(a)(2) for the eligible counties in the
8 State of Oregon that have elected under
9 such section 6908 to receive the county
10 payment for fiscal year 2010; and

11 (D) for each of fiscal years 2011 and
12 2012, 73 percent of—

13 (i) the sum of the amounts paid for
14 fiscal year 2006 under such section
15 102(a)(2) for the eligible counties in the
16 covered State that have elected under such
17 section 6908 to receive a share of the
18 State payment for fiscal year 2011 or
19 2012; and

20 (ii) the sum of the amounts paid for
21 fiscal year 2006 under such section
22 103(a)(2) for the eligible counties in the
23 State of Oregon that have elected under
24 such section 6908 to receive the county
25 payment for fiscal year 2011 or 2012.

1 (2) COVERED STATE.—The term “covered
2 State” means each of the States of California, Lou-
3 isiana, Oregon, Pennsylvania, South Carolina, South
4 Dakota, Texas, and Washington.

5 (3) ELIGIBLE COUNTY.—The term “eligible
6 county” has the meaning given that term in section
7 6908 of title 31, United States Code, as added by
8 section 103 of this Act.

9 (b) TRANSITION PAYMENTS.—At the election of each
10 covered State and eligible counties within the covered
11 State, for each of fiscal years 2008 through 2012, in lieu
12 of the payment amounts that otherwise would have been
13 made under section 6908 of title 31, United States Code,
14 as added by section 103 of this Act, the Secretary of the
15 Treasury, using amounts made available under subsection
16 (g) of such section 6908, shall pay the adjusted amount
17 to each covered State and the eligible counties within the
18 covered State, as applicable.

19 (c) DISTRIBUTION OF PAYMENTS IN CALIFORNIA.—
20 The following payments shall be distributed among the eli-
21 gible counties in the State of California in the same pro-
22 portion that payments under section 102(a)(2) of the Se-
23 cure Rural Schools and Community Self-Determination
24 Act of 2000 (16 U.S.C. 500 note; Public Law 106–393),

1 as in effect on September 29, 2006, were distributed to
2 those eligible counties for fiscal year 2006:

3 (1) Payments to the State of California under
4 subsection (b).

5 (2) The shares of the eligible counties of the
6 State payment for California under section 6908 of
7 title 31, United States Code, as added by section
8 103 of this Act, for fiscal year 2012.

9 (d) TREATMENT OF PAYMENTS.—Any payment made
10 under subsection (b) shall be considered to be a payment
11 made under section 6908 of title 31, United States Code,
12 as added by section 103 of this Act, except that each eligi-
13 ble county receiving a payment under such subsection or
14 a portion of such payment under subsection (c) or (d) shall
15 reserve not less than 15 percent of the amount received
16 for expenditure in accordance with titles II and III of the
17 Secure Rural Schools and Community Self-Determination
18 Act of 2000 (16 U.S.C. 500 note; Public Law 106–393),
19 as required by subsection (h)(3) of such section 6908.

20 **SEC. 105. SENSE OF CONGRESS ON DISTRIBUTION OF SE-**
21 **CURE RURAL SCHOOLS TRANSITION PAY-**
22 **MENTS TO ELIGIBLE COUNTIES.**

23 It is the sense of Congress that amounts made avail-
24 able by a State to an eligible county under section 6908
25 of title 31, United States Code, as added by section 103

1 of this Act, or under section 104 of this Act to support
2 public schools in that county should be in addition to, and
3 not in lieu of, general funds of the State made available
4 to support public schools in that county, and that the
5 State should not adjust education funding allocations to
6 reflect the receipt of amounts under such section 6908 or
7 section 104.

8 **TITLE II—STATE ENHANCED AU-**
9 **THORITY FOR COASTAL AND**
10 **OCEAN RESOURCES**

11 **SEC. 201. SHORT TITLE.**

12 This title may be cited as the “State Enhanced Au-
13 thority for Coastal and Ocean Resources Act of 2008”,
14 or “SEACOR”.

15 **SEC. 202. FINDINGS.**

16 The Congress finds that—

17 (1) the United States is blessed with abundant
18 energy resources on the outer Continental Shelf and
19 has developed a comprehensive framework of envi-
20 ronmental laws and regulations and fostered the de-
21 velopment of state-of-the-art technology that allows
22 for the responsible development of these resources
23 for the benefit of its citizenry;

24 (2) adjacent States are required by the cir-
25 cumstances to commit significant resources in sup-

1 port of exploration, development, and production ac-
2 tivities for mineral resources on the outer Conti-
3 nental Shelf, and it is fair and proper for a portion
4 of the receipts from such activities to be shared with
5 Adjacent States and their local coastal governments;

6 (3) the existing laws governing the leasing and
7 production of the mineral resources of the outer
8 Continental Shelf have reduced the production of
9 mineral resources, have preempted Adjacent States
10 from being sufficiently involved in the decisions re-
11 garding the allowance of mineral resource develop-
12 ment, and have been harmful to the national inter-
13 est;

14 (4) the national interest is served by granting
15 the Adjacent States more options related to whether
16 or not mineral leasing should occur in the outer
17 Continental Shelf within their Adjacent Zones;

18 (5) it is not reasonably foreseeable that explo-
19 ration of a leased tract located more than 25 miles
20 seaward of the coastline, development and produc-
21 tion of a natural gas discovery located more than 25
22 miles seaward of the coastline, or development and
23 production of an oil discovery located more than 50
24 miles seaward of the coastline will adversely affect
25 resources near the coastline;

1 (6) transportation of oil from a leased tract
2 might reasonably be foreseen, under limited cir-
3 cumstances, to have the potential to adversely affect
4 resources near the coastline if the oil is within 50
5 miles of the coastline, but such potential to adversely
6 affect such resources is likely no greater, and prob-
7 ably less, than the potential impacts from tanker
8 transportation because tanker spills usually involve
9 large releases of oil over a brief period of time; and

10 (7) among other bodies of inland waters, the
11 Great Lakes, Long Island Sound, Delaware Bay,
12 Chesapeake Bay, Albemarle Sound, San Francisco
13 Bay, and Puget Sound are not part of the outer
14 Continental Shelf, and are not subject to leasing by
15 the Federal Government for the exploration, develop-
16 ment, and production of any mineral resources that
17 might lie beneath them.

18 **SEC. 203. DEFINITIONS UNDER THE SUBMERGED LANDS**

19 **ACT.**

20 Section 2 of the Submerged Lands Act (43 U.S.C.
21 1301) is amended—

22 (1) in subparagraph (2) of paragraph (a) by
23 striking all after “seaward to a line” and inserting
24 “twelve nautical miles distant from the coast line;”;

1 (2) by striking paragraph (b) and redesignating
2 the subsequent paragraphs in order as paragraphs
3 (b) through (g);

4 (3) by striking the semicolon at the end of each
5 paragraph and inserting a period; and

6 (4) by adding at the end the following:

7 “(i) The term ‘Secretary’ means the Secretary of the
8 Interior.

9 “(j) The term ‘State’ has the meaning that term has
10 in section 2(r) of the Outer Continental Shelf Lands Act
11 (43 U.S.C. 1331(r)).”.

12 **SEC. 204. SEAWARD BOUNDARIES OF STATES.**

13 Section 4 of the Submerged Lands Act (43 U.S.C.
14 1312) is amended—

15 (1) in the first sentence—

16 (A) by striking “original”; and

17 (B) by striking “three geographical” and
18 inserting “twelve nautical”; and

19 (2) by striking all after the first sentence and
20 inserting the following: “Extension and delineation
21 of lateral offshore State boundaries under this Act
22 shall follow the lines used to determine the Adjacent
23 Zones of coastal States under the Outer Continental
24 Shelf Lands Act to the extent such lines extend

1 twelve nautical miles seaward from the nearest
2 coastline.”.

3 **SEC. 205. EXCEPTIONS FROM CONFIRMATION AND ESTAB-**
4 **LISHMENT OF STATES’ TITLE, POWER, AND**
5 **RIGHTS.**

6 Section 5 of the Submerged Lands Act (43 U.S.C.
7 1313) is amended—

8 (1) by redesignating paragraphs (a) through (c)
9 in order as paragraphs (1) through (3);

10 (2) by inserting “(a)” before “There is ex-
11 cepted”; and

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

13 “(b) EXCEPTION OF OIL AND GAS MINERAL
14 RIGHTS.—There is excepted from the operation of section
15 3 all of the oil and gas mineral rights for lands beneath
16 the navigable waters that are located within the extended
17 offshore State seaward boundaries established under the
18 second sentence of section 4. These oil and gas mineral
19 rights shall remain Federal property and shall be consid-
20 ered to be part of the Federal outer Continental Shelf for
21 purposes of the Outer Continental Shelf Lands Act (43
22 U.S.C. 1331 et seq.) and subject to leasing under the au-
23 thority of that Act and to laws applicable to the leasing
24 of the oil and gas resources of the Federal outer Conti-
25 nental Shelf. All Federal oil and gas leases that are in

1 effect as of the date of the extension of offshore State sea-
2 ward boundaries under the second sentence of section 4
3 shall continue unchanged by the provisions of this Act, ex-
4 cept as otherwise provided in SEACOR. However, a State
5 may exercise all of its sovereign powers of taxation within
6 the entire extent of its seaward State boundaries.”.

7 **SEC. 206. DEFINITIONS UNDER THE OUTER CONTINENTAL**
8 **SHELF LANDS ACT.**

9 Section 2 of the Outer Continental Shelf Lands Act
10 (43 U.S.C. 1331) is amended—

11 (1) by amending paragraph (f) to read as fol-
12 lows:

13 “(f) The term ‘affected State’ means the Adjacent
14 State.”;

15 (2) by striking the semicolon at the end of each
16 of paragraphs (a) through (o) and inserting a pe-
17 riod;

18 (3) by striking “; and” at the end of paragraph
19 (p) and inserting a period;

20 (4) by adding at the end the following:

21 “(r) The term ‘Adjacent State’ means, with respect
22 to any program, plan, lease sale, leased tract or other ac-
23 tivity, proposed, conducted, or approved pursuant to the
24 provisions of this Act, any State the laws of which are
25 declared, pursuant to section 4(a)(2), to be the law of the

1 United States for the portion of the outer Continental
2 Shelf on which such program, plan, lease sale, leased tract
3 or activity appertains or is, or is proposed to be, con-
4 ducted.

5 “(s) The term ‘State’ includes all States having a
6 coastline contiguous to the Arctic, Atlantic, or Pacific
7 Oceans, or the Gulf of Mexico, the Commonwealth of
8 Puerto Rico, the Commonwealth of the Northern Mariana
9 Islands, the Virgin Islands, American Samoa, Guam, the
10 other territories of the United States, and the District of
11 Columbia.

12 “(t) The term ‘Adjacent Zone’ means, with respect
13 to any program, plan, lease sale, leased tract, or other ac-
14 tivity, proposed, conducted, or approved pursuant to the
15 provisions of this Act, the portion of the outer Continental
16 Shelf for which the laws of a particular Adjacent State
17 are declared, pursuant to section 4(a)(2), to be the law
18 of the United States.

19 “(u) The term ‘miles’ means statute miles.

20 “(v) The term ‘coastline’ has the same meaning as
21 the term ‘coast line’ as defined in section 2(c) of the Sub-
22 merged Lands Act (43 U.S.C. 1301(c)).

23 “(w) The term ‘Neighboring State’ means a coastal
24 State having a common boundary at the coastline with the
25 Adjacent State.”; and

1 (5) in paragraph (a), by inserting after “con-
2 trol” the following: “or lying within the United
3 States’ Exclusive Economic Zone and outer Conti-
4 nental Shelf adjacent to the Commonwealth of Puer-
5 to Rico, the Commonwealth of the Northern Mar-
6 iana Islands, the Virgin Islands, American Samoa,
7 Guam, or any other territory of the United States”.

8 **SEC. 207. DETERMINATION OF ADJACENT ZONES AND**
9 **PLANNING AREAS.**

10 Section 4(a)(2)(A) of the Outer Continental Shelf
11 Lands Act (43 U.S.C. 1333(a)(2)(A)) is amended in the
12 first sentence by striking “, and the President” and all
13 that follows through the end of the sentence and inserting
14 the following: “. The lines extending seaward and defining
15 each State’s Adjacent Zone, and each OCS Planning Area,
16 are as indicated on the maps for each outer Continental
17 Shelf region entitled ‘Alaska OCS Region State Adjacent
18 Zone and OCS Planning Areas’, ‘Pacific OCS Region
19 State Adjacent Zones and OCS Planning Areas’, ‘Gulf of
20 Mexico OCS Region State Adjacent Zones and OCS Plan-
21 ning Areas’, and ‘Atlantic OCS Region State Adjacent
22 Zones and OCS Planning Areas’, all of which are dated
23 September 2005 and on file in the Office of the Director,
24 Minerals Management Service. The Secretary shall des-
25 ignate the Adjacent Zones of States, and additional OCS

1 Planning Areas, for parts of the United States' Exclusive
2 Economic Zone and outer Continental Shelf not covered
3 by those maps.”.

4 **SEC. 208. ADMINISTRATION OF LEASING.**

5 Section 5 of the Outer Continental Shelf Lands Act
6 (43 U.S.C. 1334) is amended by adding at the end the
7 following:

8 “(k) VOLUNTARY PARTIAL RELINQUISHMENT OF A
9 LEASE.—Any lessee of a producing lease may relinquish
10 to the Secretary any portion of a lease that the lessee has
11 no interest in producing and that the Secretary finds is
12 geologically prospective. In return for any such relinquish-
13 ment, the Secretary shall provide to the lessee a royalty
14 incentive for the portion of the lease retained by the lessee,
15 in accordance with regulations promulgated by the Sec-
16 retary to carry out this subsection. The Secretary shall
17 publish final regulations implementing this subsection
18 within 365 days after the date of the enactment of the
19 State Enhanced Authority for Coastal and Ocean Re-
20 sources Act of 2008.

21 “(l) NATURAL GAS LEASE REGULATIONS.—Not later
22 than July 1, 2009, the Secretary shall publish a final regu-
23 lation that shall—

24 “(1) establish procedures for entering into nat-
25 ural gas leases;

1 “(2) ensure that natural gas leases are only
2 available for tracts on the outer Continental Shelf
3 that are wholly within 75 miles of the coastline with-
4 in an area withdrawn from disposition by leasing on
5 the day after the date of enactment of the State En-
6 hanced Authority for Coastal and Ocean Resources
7 Act of 2008;

8 “(3) provide that natural gas leases shall con-
9 tain the same rights and obligations established for
10 oil and gas leases, except as otherwise provided in
11 the State Enhanced Authority for Coastal and
12 Ocean Resources Act of 2008;

13 “(4) provide that, in reviewing the adequacy of
14 bids for natural gas leases, the value of any crude
15 oil estimated to be contained within any tract shall
16 be excluded;

17 “(5) provide that any crude oil produced from
18 a well and reinjected into the leased tract shall not
19 be subject to payment of royalty, and that the Sec-
20 retary shall consider, in setting the royalty rates for
21 a natural gas lease, the additional cost to the lessee
22 of not producing any crude oil; and

23 “(6) provide that any Federal law that applies
24 to an oil and gas lease on the outer Continental

1 Shelf shall apply to a natural gas lease unless other-
2 wise clearly inapplicable.”.

3 **SEC. 209. GRANT OF LEASES BY SECRETARY.**

4 Section 8 of the Outer Continental Shelf Lands Act
5 (43 U.S.C. 1337) is amended—

6 (1) in subsection (a)(1) by inserting after the
7 first sentence the following: “Further, the Secretary
8 may grant natural gas leases in a manner similar to
9 the granting of oil and gas leases and under the var-
10 ious bidding systems available for oil and gas
11 leases.”;

12 (2) by adding at the end of subsection (b) the
13 following:

14 “The Secretary may issue more than one lease for a given
15 tract if each lease applies to a separate and distinct range
16 of vertical depths, horizontal surface area, or a combina-
17 tion of the two. The Secretary may issue regulations that
18 the Secretary determines are necessary to manage such
19 leases consistent with the purposes of this Act.”;

20 (3) by amending subsection (p)(2)(B) to read
21 as follows:

22 “(B) The Secretary shall provide for the
23 payment to coastal States, and their local coast-
24 al governments, of 50 percent of Federal re-
25 ceipts from projects authorized under this sec-

1 tion located within the area extending seaward
2 of State submerged lands. Payments shall be
3 based on a formula established by the Secretary
4 by rulemaking no later than 180 days after the
5 date of the enactment of the State Enhanced
6 Authority for Coastal and Ocean Resources Act
7 of 2008 that provides for equitable distribution
8 among coastal States that have a coastline that
9 is located within 200 miles of the geographic
10 center of the project.”;

11 (4) by adding at the end the following:

12 “(q) NATURAL GAS LEASES.—

13 “(1) RIGHT TO PRODUCE NATURAL GAS.—A
14 lessee of a natural gas lease shall have the right to
15 produce the natural gas from a field on a natural
16 gas leased tract if the Secretary estimates that the
17 discovered field has at least 40 percent of the tech-
18 nically recoverable Btu content of the field contained
19 within natural gas.

20 “(2) CRUDE OIL.—A lessee of a natural gas
21 lease may produce crude oil from the lease unless
22 the Governor and the legislature of the Adjacent
23 State object to such production within 180 days
24 after written notice from the lessee of intent to
25 produce crude oil from the lease. If the leased tract

1 is located within 50 miles of the nearest point on the
2 coastline of a Neighboring State, the Governor and
3 legislature of the Neighboring State shall also re-
4 ceive such notice and have the right to object to
5 such production within 180 days after receipt of
6 such notice.

7 “(3) ESTIMATES OF BTU CONTENT.—The Sec-
8 retary shall make estimates of the natural gas Btu
9 content of discovered fields on a natural gas lease
10 only after the completion of at least one exploration
11 well, the data from which has been tied to the re-
12 sults of a three-dimensional seismic survey of the
13 field. The Secretary may not require the lessee to
14 further delineate any discovered field prior to mak-
15 ing such estimates.

16 “(4) TRANSPORTATION OF CRUDE OIL.—If an
17 Adjacent State or any applicable Neighboring State
18 does not object to production of crude oil from a
19 natural gas lease tract, the lessee shall be permitted
20 to transport the crude oil from the leased tract
21 through the Adjacent State’s waters, and the Neigh-
22 boring State’s waters if applicable, to facilities lo-
23 cated onshore in the Adjacent State, and Neigh-
24 boring State if applicable, unless the lessee agreed to

1 other arrangements with the Adjacent State or
2 Neighboring State, or both.

3 “(5) REPURCHASE OF CERTAIN NATURAL GAS
4 LEASES.—Upon request of the lessee and certifi-
5 cation by the Secretary of the Interior that a natural
6 gas lease tract contains all or part of a commercial
7 oil and gas discovery that is not allowed to be pro-
8 duced because it does not meet the standard set in
9 paragraph (1), the Secretary of the Treasury shall
10 repurchase the lease by issuance of a check or elec-
11 tronic payment from OCS Receipts to the lessee in
12 full compensation for the repurchase. The Secretary
13 shall recoup from the State and local governments
14 any funds previously shared with them that were de-
15 rived from the repurchased lease. Such recoupment
16 shall only be from the State and local governments’
17 shares of OCS receipts that are payable after the
18 date of repurchase.

19 “(6) AMOUNT OF COMPENSATION.—Repurchase
20 compensation for each lease repurchased under the
21 authority of this section shall be in the amount of
22 the lesser of the original bonus bid paid for the lease
23 or, if the lessee is not the original lessee, the com-
24 pensation paid by the current lessee to obtain its in-
25 terest in the lease. In addition, the lessee shall be

1 compensated for any expenses directly attributable
2 to the lease that the lessee incurs after acquisition
3 of its interest in the lease to be repurchased, includ-
4 ing rentals, seismic acquisition costs, drilling costs,
5 and other reasonable expenses under the lease, in-
6 cluding expenses incurred in the repurchase process,
7 to the extent that the lessee has not previously been
8 compensated by the United States for such expenses.
9 The lessee shall not be compensated for general
10 overhead expenses or employee salaries.

11 “(7) PRIORITY RIGHT TO OBTAIN FUTURE OIL
12 AND GAS LEASE.—The lessee, or a designee of the
13 lessee, of a repurchased natural gas leased tract
14 shall have the right to repurchase such lease as an
15 oil and gas lease, on a noncompetitive basis, by re-
16 paying the amount received by the lessee if the
17 leased tract is made available for lease under an oil
18 and gas lease within 30 years after the repurchase.

19 “(8) DEFINITION OF NATURAL GAS.—For pur-
20 poses of a natural gas lease, the term ‘natural gas’
21 means natural gas and all substances produced in
22 association with gas, including, but not limited to,
23 hydrocarbon liquids (other than crude oil) that are
24 obtained by the condensation of hydrocarbon vapors

1 and that separate out in liquid form from the pro-
2 duced gas stream.

3 “(r) REMOVAL OF RESTRICTIONS ON JOINT BIDDING
4 IN CERTAIN AREAS OF THE OUTER CONTINENTAL
5 SHELF.—Restrictions on joint bidders shall no longer
6 apply to tracts determined to be ‘frontier tracts’ or other-
7 wise ‘high cost tracts’ under final regulations that shall
8 be published by the Secretary by not later than 365 days
9 after the date of the enactment of the State Enhanced
10 Authority for Coastal and Ocean Resources Act of 2008.

11 “(s) ROYALTY SUSPENSION PROVISIONS.—The Sec-
12 retary shall agree to a request by any lessee to amend
13 any lease issued for Central and Western Gulf of Mexico
14 tracts during the period of December 1, 1995, through
15 December 31, 2000, to incorporate price thresholds appli-
16 cable to royalty suspension provisions, or amend existing
17 price thresholds, in the amount of \$34.73 per barrel (Jan-
18 uary 1, 2005, dollars) for oil and for natural gas of \$4.34
19 per million Btu (January 1, 2005, dollars). Any royalties
20 paid because of such new or revised price thresholds shall
21 be treated as offsetting receipts. Any royalties paid under
22 lease price thresholds agreed to after the date of enact-
23 ment of the State Enhanced Authority for Coastal and
24 Ocean Resources Act of 2008 shall be subject to imme-
25 diate receipts sharing under section 9(b)(3).

1 “(t) MANDATORY PRICE THRESHOLDS FOR ROYALTY
2 SUSPENSION VOLUMES.—Price thresholds shall apply to
3 any royalty suspension volumes granted by the Secretary
4 after the date of the enactment of the State Enhanced
5 Authority for Coastal and Ocean Resources Act of 2008.
6 Unless otherwise set by the Secretary by regulation or for
7 a particular lease sale within the final notice of sale, the
8 price thresholds shall be \$34.73 per barrel of oil (January
9 1, 2005, dollars) and \$4.34 per million Btu of natural gas
10 (January 1, 2005, dollars).

11 “(u) CONSERVATION OF RESOURCES FEES.—The
12 Secretary shall establish a conservation of resources fee
13 for nonproducing leases that will apply to all new leases
14 issued after the date of enactment of the State Enhanced
15 Authority for Coastal and Ocean Resources Act of 2008.
16 The fee shall be initially set at \$1.00 per acre per year
17 for the first year of a lease and shall increase by \$1 per
18 acre per year until the fee reaches \$5.00 per acre per year
19 and shall be paid each year until the lease enters produc-
20 tion in paying quantities. The fee shall be treated as off-
21 setting receipts. The sums generated by the fee shall not
22 be subject to receipts sharing under section 9 and shall
23 be transferred by the Secretary of the Interior to the
24 Treasury with one-third allocated to the account estab-
25 lished by section 217 of the State Enhanced Authority for

1 Coastal and Ocean Resources Act of 2008, one-third allo-
2 cated to the account established by section 225 of the
3 State Enhanced Authority for Coastal and Ocean Re-
4 sources Act of 2008, and one-third allocated to the ac-
5 count established by section 227 of the State Enhanced
6 Authority for Coastal and Ocean Resources Act of 2008.

7 “(v) VOLUNTARY PRODUCING LEASE CONSERVATION
8 OF RESOURCES FEES.—Not later than one year after the
9 date of the enactment of SEACOR, the Secretary by regu-
10 lation shall establish a voluntary conservation of resources
11 fee for producing leases that will apply to Central and
12 Western Gulf of Mexico leases issued for tracts during the
13 period of December 1, 1995, through December 31, 2000,
14 that are located in more than 200 meters of water and
15 for which royalties are not due under the lease when prices
16 exceed \$34.73 per barrel for oil and \$4.34 per million Btu
17 for natural gas (January 1, 2005, dollars). The fee shall
18 be set at \$9 per barrel for oil and \$1.25 per million Btu
19 for gas. If the lessee agrees to pay the fee, it shall apply
20 to production from and after October 1, 2008, for all such
21 leases owned by the lessee and shall be treated as offset-
22 ting receipts. Once the lessee agrees to pay the fee, it shall
23 become a binding part of the lease and may not be re-
24 scinded and shall only apply to any production volumes
25 for which royalty does not apply. Any fees paid under this

1 clause shall be subject to immediate receipts sharing under
2 section 9(b)(3).”;

3 (5) in subsection (a)(3) by striking subpara-
4 graph (A) and redesignating the subsequent sub-
5 paragraphs as subparagraphs (A) and (B), respec-
6 tively;

7 (6) in subsection (a)(3)(A) (as so redesignated)
8 by striking “In the Western” and all that follows
9 through “the Secretary” the first place it appears
10 and inserting “The Secretary”;

11 (7) effective October 1, 2008, in subsection
12 (g)—

13 (A) by striking all after “(g)”, except para-
14 graph (3);

15 (B) by striking the last sentence of para-
16 graph (3); and

17 (C) by striking “(3)”; and

18 (8) by striking subsection (m).

19 **SEC. 210. DISPOSITION OF RECEIPTS.**

20 Section 9 of the Outer Continental Shelf Lands Act
21 (43 U.S.C. 1338) is amended—

22 (1) by designating the existing text as sub-
23 section (a);

1 (2) in subsection (a) (as so designated) by in-
2 serting “, if not paid as otherwise provided in this
3 title” after “receipts”; and

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

5 “(b) TREATMENT OF OCS RECEIPTS.—

6 “(1) DEPOSIT.—The Secretary shall deposit
7 into a separate account in the Treasury the portion
8 of OCS Receipts for each fiscal year that will be
9 shared under paragraphs (2), (3), and (4).

10 “(2) PHASED-IN RECEIPTS SHARING.—

11 “(A) Beginning October 1, 2008, the Sec-
12 retary shall share OCS Receipts derived from
13 lease tracts located completely beyond 4 marine
14 leagues from any coastline in the following
15 areas:

16 “(i) On portions of the Gulf of Mexico
17 OCS Region that were available for leasing
18 under the 2002 through 2007 5-Year OCS
19 Oil and Gas Leasing Program.

20 “(ii) Lease tracts in production prior
21 to October 1, 2008, located on portions of
22 the OCS that were not available for leasing
23 under the 2002 through 2007 5-Year OCS
24 Oil and Gas Leasing Program.

1 “(iii) Lease tracts for which leases are
2 issued prior to October 1, 2008, located in
3 the Alaska OCS Region completely beyond
4 4 marine leagues from any coastline.

5 “(B) The Secretary shall share the fol-
6 lowing percentages of OCS Receipts from the
7 lease tracts described in subparagraph (A) de-
8 rived during the fiscal year indicated:

9 “(i) For fiscal year 2009, 4 percent.

10 “(ii) For fiscal year 2010, 5 percent.

11 “(iii) For fiscal year 2011, 6 percent.

12 “(iv) For fiscal year 2012, 7 percent.

13 “(v) For fiscal year 2013, 8 percent.

14 “(vi) For fiscal year 2014, 9 percent.

15 “(vii) For fiscal year 2015, 10 per-
16 cent.

17 “(viii) For fiscal year 2016, 11 per-
18 cent.

19 “(ix) For fiscal year 2017, 12 percent.

20 “(x) For fiscal year 2018 and each
21 subsequent fiscal year, 50 percent.

22 “(C) This paragraph shall not apply to
23 leases that could not have been issued but for
24 section 5(k) of this Act or section 8(b) of this
25 Act.

1 “(3) IMMEDIATE RECEIPTS SHARING.—Begin-
2 ning October 1, 2008, the Secretary shall share 50
3 percent of OCS Receipts derived from all lease
4 tracts located completely beyond 4 marine leagues
5 from any coastline not included within the provisions
6 of paragraph (2), except that the Secretary shall
7 only share 25 percent of such OCS Receipts derived
8 from all such lease tracts within a State’s Adjacent
9 Zone if leasing is not allowed within at least 25 per-
10 cent of that State’s Adjacent Zone located com-
11 pletely within 75 miles of any coastline.

12 “(4) RECEIPTS SHARING FROM TRACTS WITHIN
13 4 MARINE LEAGUES OF ANY COASTLINE.—

14 “(A) AREAS DESCRIBED IN PARAGRAPH
15 (2).—Beginning October 1, 2008, and con-
16 tinuing through September 30, 2013, the Sec-
17 retary shall share with the Adjacent State and
18 its coastal political subdivisions 25 percent of
19 OCS Receipts derived from all lease tracts lo-
20 cated within 4 marine leagues from any coast-
21 line within areas described in paragraph (2).
22 For each fiscal year after September 30, 2013,
23 the Secretary shall increase the percent shared
24 in 2 percent increments each fiscal year until
25 the sharing rate for all lease tracts located

1 within 4 marine leagues from any coastline
2 within areas described in paragraph (2) be-
3 comes 50 percent.

4 “(B) AREAS NOT DESCRIBED IN PARA-
5 GRAPH (2).—Beginning October 1, 2008, the
6 Secretary shall share with the Adjacent State
7 and its coastal political subdivisions 50 percent
8 of OCS receipts derived from all lease tracts lo-
9 cated completely or partially within 4 marine
10 leagues from any coastline within areas not de-
11 scribed in paragraph (2).

12 “(C) TRANSMISSION OF FUNDS.—Trans-
13 mission of funds shared under this paragraph
14 shall be in accordance with subsection (c).

15 “(5) ALLOCATIONS.—The Secretary shall allo-
16 cate the OCS Receipts deposited into the separate
17 account established by paragraph (1) that are
18 shared under paragraphs (2) and (3), as follows:

19 “(A) BONUS BIDS.—Deposits derived from
20 bonus bids from a leased tract, including inter-
21 est thereon, shall be allocated at the end of
22 each fiscal year as follows:

23 “(i) 50 percent to the Adjacent State.

24 “(ii) 15 percent to all States, includ-
25 ing the Adjacent State, having a coastline

1 point within 300 miles of the leased tract,
2 divided equally, if such State allows leasing
3 within at least 25 percent of its Adjacent
4 Zone within 75 miles of the coastline.

5 “(iii) 5 percent into the Treasury,
6 which shall be allocated to the account es-
7 tablished by section 217 of the State En-
8 hanced Authority for Coastal and Ocean
9 Resources Act of 2008.

10 “(iv) 5 percent into the Treasury,
11 which shall be allocated to the account es-
12 tablished by section 225 of the State En-
13 hanced Authority for Coastal and Ocean
14 Resources Act of 2008.

15 “(v) 5 percent into the Treasury,
16 which shall be allocated to the account es-
17 tablished by section 227 of the State En-
18 hanced Authority for Coastal and Ocean
19 Resources Act of 2008.

20 “(vi) 5 percent to all States referred
21 to in section 2(s) of this Act, the other
22 States that have been admitted to the
23 Union, and the District of Columbia, di-
24 vided equally.

1 “(vii) 5 percent to all States referred
2 to in section 2(s) of this Act, the other
3 States that have been admitted to the
4 Union, and the District of Columbia, di-
5 vided based on the percentage of the total
6 population of the United States that re-
7 sides in each.

8 “(viii) 10 percent to the Low-Income
9 Home Energy Assistance Program.

10 “(B) ROYALTIES.—Deposits derived from
11 royalties and net profit shares from a leased
12 tract, including interest thereon, shall be allo-
13 cated at the end of each fiscal year as follows:

14 “(i) 30 percent to the Adjacent State.

15 “(ii) 35 percent to all States, includ-
16 ing the Adjacent State, having a coastline
17 point within 300 miles of the leased tract,
18 divided equally, except this clause applies
19 to a State only if such State allows leasing
20 within at least 25 percent of its Adjacent
21 Zone within 75 miles of the coastline.

22 “(iii) 5 percent into the Treasury,
23 which shall be allocated to the account es-
24 tablished by section 217 of the State En-

1 hanced Authority for Coastal and Ocean
2 Resources Act of 2008.

3 “(iv) 5 percent into the Treasury,
4 which shall be allocated to the account es-
5 tablished by section 225 of the State En-
6 hanced Authority for Coastal and Ocean
7 Resources Act of 2008.

8 “(v) 5 percent into the Treasury,
9 which shall be allocated to the account es-
10 tablished by section 227 of the State En-
11 hanced Authority for Coastal and Ocean
12 Resources Act of 2008.

13 “(vi) 5 percent to all States referred
14 to in section 2(s) of this Act and the other
15 States that have been admitted to the
16 Union, divided equally.

17 “(vii) 5 percent to all States referred
18 to in section 2(s) of this Act and the other
19 States that have been admitted to the
20 Union, divided based on the percentage of
21 the national population that resides in
22 each.

23 “(viii) 10 percent to the Low-Income
24 Home Energy Assistance Program.

1 “(C) LIMITATION IF NOT ADMITTED TO
2 THE UNION AS A STATE.—Any entity defined as
3 a ‘State’ under section 2(s) that has not been
4 admitted to the Union as a State shall only be
5 entitled to one-half of a State share under sub-
6 paragraphs (A)(iv) and (B)(iv).

7 “(c) TRANSMISSION OF ALLOCATIONS.—

8 “(1) IN GENERAL.—Not later than 90 days
9 after the end of each fiscal year, the Secretary shall
10 transmit—

11 “(A) to each State 60 percent of such
12 State’s allocations under subsection (b)(5)(A)(i)
13 and (ii) and subsection (b)(5)(B)(i) and (ii) for
14 the immediate prior fiscal year;

15 “(B) to each coastal county-equivalent and
16 municipal political subdivisions of such State a
17 total of 40 percent of such State’s allocations
18 under subsection (b)(5)(A)(i) and (ii) and sub-
19 section (b)(5)(B)(i) and (ii), for the immediate
20 prior fiscal year, together with all accrued inter-
21 est thereon; and

22 “(C) the remaining allocations under sub-
23 section (b)(5), together with all accrued interest
24 thereon.

1 “(2) ALLOCATIONS TO COASTAL COUNTY-
2 EQUIVALENT POLITICAL SUBDIVISIONS.—The Sec-
3 retary shall make an initial allocation of the OCS
4 Receipts to be shared under paragraph (1)(B) as fol-
5 lows:

6 “(A) 25 percent shall be allocated to coast-
7 al county-equivalent political subdivisions that
8 are completely more than 25 miles landward of
9 the coastline and at least a part of which lies
10 not more than 75 miles landward from the
11 coastline, with the allocation among such coast-
12 al county-equivalent political subdivisions based
13 on population.

14 “(B) 75 percent shall be allocated to coast-
15 al county-equivalent political subdivisions that
16 are completely or partially less than 25 miles
17 landward of the coastline, with the allocation
18 among such coastal county-equivalent political
19 subdivisions to be further allocated as follows:

20 “(i) 25 percent shall be allocated
21 based on the ratio of such coastal county-
22 equivalent political subdivision’s population
23 to the coastal population of all coastal
24 county-equivalent political subdivisions in
25 the State.

1 “(ii) 25 percent shall be allocated
2 based on the ratio of such coastal county-
3 equivalent political subdivision’s coastline
4 miles to the coastline miles of all coastal
5 county-equivalent political subdivisions in
6 the State as calculated by the Secretary.
7 In such calculations, coastal county-equa-
8 lent political subdivisions without a coast-
9 line shall be considered to have 50 percent
10 of the average coastline miles of the coast-
11 al county-equivalent political subdivisions
12 that do have coastlines.

13 “(iii) 50 percent shall be allocated
14 equally to all coastal county-equivalent po-
15 litical subdivisions having a coastline point
16 within 300 miles of the leased tract for
17 which OCS Receipts are being shared.

18 “(3) ALLOCATIONS TO COASTAL MUNICIPAL PO-
19 LITICAL SUBDIVISIONS.—The initial allocation to
20 each coastal county-equivalent political subdivision
21 under paragraph (2) shall be further allocated to the
22 coastal county-equivalent political subdivision and
23 any coastal municipal political subdivisions located
24 partially or wholly within the boundaries of the

1 coastal county-equivalent political subdivision as fol-
2 lows:

3 “(A) One-third shall be allocated to the
4 coastal county-equivalent political subdivision.

5 “(B) Two-thirds shall be allocated on a per
6 capita basis to the municipal political subdivi-
7 sions and the county-equivalent political sub-
8 division, with the allocation to the latter based
9 upon its population not included within the
10 boundaries of a municipal political subdivision.

11 “(d) INVESTMENT OF DEPOSITS.—Amounts depos-
12 ited under this section shall be invested by the Secretary
13 of the Treasury in securities backed by the full faith and
14 credit of the United States having maturities suitable to
15 the needs of the account in which they are deposited and
16 yielding the highest reasonably available interest rates as
17 determined by the Secretary of the Treasury.

18 “(e) USE OF FUNDS.—A recipient of funds under
19 this section may use the funds for one or more of the fol-
20 lowing:

21 “(1) To reduce in-State college tuition at public
22 institutions of higher learning and otherwise support
23 public education, including career technical edu-
24 cation.

1 “(2) To make transportation infrastructure im-
2 provements.

3 “(3) To reduce taxes.

4 “(4) To promote, fund, and provide for—

5 “(A) coastal or environmental restoration;

6 “(B) fish, wildlife, and marine life habitat
7 enhancement;

8 “(C) waterways construction and mainte-
9 nance;

10 “(D) levee construction and maintenance
11 and shore protection; and

12 “(E) marine and oceanographic education
13 and research.

14 “(5) To promote, fund, and provide for—

15 “(A) infrastructure associated with energy
16 production activities conducted on the outer
17 Continental Shelf;

18 “(B) energy demonstration projects;

19 “(C) supporting infrastructure for shore-
20 based energy projects;

21 “(D) State geologic programs, including
22 geologic mapping and data storage programs,
23 and State geophysical data acquisition;

24 “(E) State seismic monitoring programs,
25 including operation of monitoring stations;

1 “(F) development of oil and gas resources
2 through enhanced recovery techniques;

3 “(G) alternative energy development, in-
4 cluding bio fuels, coal-to-liquids, oil shale, tar
5 sands, geothermal, geopressure, wind, waves,
6 currents, hydro, and other renewable energy;

7 “(H) energy efficiency and conservation
8 programs; and

9 “(I) front-end engineering and design for
10 facilities that produce liquid fuels from hydro-
11 carbons and other biological matter.

12 “(6) To promote, fund, and provide for—

13 “(A) historic preservation programs and
14 projects;

15 “(B) natural disaster planning and re-
16 sponse; and

17 “(C) hurricane and natural disaster insur-
18 ance programs.

19 “(7) For any other purpose as determined by
20 State law.

21 “(f) NO ACCOUNTING REQUIRED.—No recipient of
22 funds under this section shall be required to account to
23 the Federal Government for the expenditure of such
24 funds, except as otherwise may be required by law. How-
25 ever, States may enact legislation providing for accounting

1 for and auditing of such expenditures. Further, funds allo-
2 cated under this section to States and political subdivi-
3 sions may be used as matching funds for other Federal
4 programs.

5 “(g) EFFECT OF FUTURE LAWS.—Enactment of any
6 future Federal statute that has the effect, as determined
7 by the Secretary, of restricting any Federal agency from
8 spending appropriated funds, or otherwise preventing it
9 from fulfilling its pre-existing responsibilities as of the
10 date of enactment of the statute, unless such responsibil-
11 ities have been reassigned to another Federal agency by
12 the statute with no prevention of performance, to issue
13 any permit or other approval impacting on the outer Con-
14 tinental Shelf oil and gas leasing program, or any lease
15 issued thereunder, or to implement any provision of this
16 Act shall automatically prohibit any sharing of OCS Re-
17 ceipts under this section directly with the States, and their
18 coastal political subdivisions, for the duration of the re-
19 striction. The Secretary shall make the determination of
20 the existence of such restricting effect within 30 days of
21 a petition by any outer Continental Shelf lessee or pro-
22 ducing State.

23 “(h) DEFINITIONS.—In this section:

24 “(1) COASTAL COUNTY-EQUIVALENT POLITICAL
25 SUBDIVISION.—The term ‘coastal county-equivalent

1 political subdivision' means a political jurisdiction
2 immediately below the level of State government, in-
3 cluding a county, parish, borough in Alaska, inde-
4 pendent municipality not part of a county, parish, or
5 borough in Alaska, or other equivalent subdivision of
6 a coastal State, that lies within the coastal zone.

7 “(2) COASTAL MUNICIPAL POLITICAL SUBDIVI-
8 SION.—The term ‘coastal municipal political subdivi-
9 sion’ means a municipality located within and part
10 of a county, parish, borough in Alaska, or other
11 equivalent subdivision of a State, all or part of which
12 municipality lies within the coastal zone.

13 “(3) COASTAL POPULATION.—The term ‘coastal
14 population’ means the population of all coastal coun-
15 ty-equivalent political subdivisions, as determined by
16 the most recent official data of the Census Bureau.

17 “(4) COASTAL ZONE.—The term ‘coastal zone’
18 means that portion of a coastal State, including the
19 entire territory of any coastal county-equivalent po-
20 litical subdivision at least a part of which lies, within
21 75 miles landward from the coastline.

22 “(5) BONUS BIDS.—The term ‘bonus bids’
23 means all funds received by the Secretary to issue
24 an outer Continental Shelf minerals lease.

1 “(6) ROYALTIES.—The term ‘royalties’ means
2 all funds received by the Secretary from production
3 of oil or natural gas, or the sale of production taken
4 in-kind, or from net profit shares, from an outer
5 Continental Shelf minerals lease.

6 “(7) PRODUCING STATE.—The term ‘producing
7 State’ means an Adjacent State having an Adjacent
8 Zone containing leased tracts from which OCS Re-
9 ceipts were derived.

10 “(8) OCS RECEIPTS.—The term ‘OCS Receipts’
11 means bonus bids and royalties.”.

12 **SEC. 211. REVIEW OF OUTER CONTINENTAL SHELF EXPLO-**
13 **RATION PLANS.**

14 Subsections (c) and (d) of section 11 of the Outer
15 Continental Shelf Lands Act (43 U.S.C. 1340) are amend-
16 ed to read as follows:

17 “(c) PLAN REVIEW; PLAN PROVISIONS.—

18 “(1) Except as otherwise provided in this Act,
19 prior to commencing exploration pursuant to any oil
20 and gas lease issued or maintained under this Act,
21 the holder thereof shall submit an exploration plan
22 (hereinafter in this section referred to as a ‘plan’) to
23 the Secretary for review which shall include all infor-
24 mation and documentation required under para-
25 graphs (2) and (3). The Secretary shall review the

1 plan for completeness within 10 days of submission.
2 If the Secretary finds that the plan is not complete,
3 the Secretary shall notify the lessee with a detailed
4 explanation and require such modifications of such
5 plan as are necessary to achieve completeness. The
6 Secretary shall have 10 days to review a modified
7 plan for completeness. Such plan may apply to more
8 than one lease held by a lessee in any one region of
9 the outer Continental Shelf, or by a group of lessees
10 acting under a unitization, pooling, or drilling agree-
11 ment, and the lessee shall certify that such plan is
12 consistent with the terms of the lease and is con-
13 sistent with all statutory and regulatory require-
14 ments in effect on the date of issuance of the lease,
15 and any regulations promulgated under this Act to
16 provide for the conservation of resources after the
17 date of the lease issuance. The Secretary shall have
18 30 days from the date the plan is deemed by the
19 Secretary complete to conduct a review of the plan.
20 If the Secretary finds the plan is not consistent with
21 the lease and all such statutory and regulatory re-
22 quirements, the Secretary shall notify the lessee with
23 a detailed explanation of such modifications of such
24 plan as are necessary to achieve such consistency.
25 The Secretary shall have 30 days to review any

1 modified plan submitted by the lessee. The lessee
2 shall not take any action under the exploration plan
3 within the 30-day review period, or thereafter until
4 the plan has been modified to achieve such consist-
5 ency as so notified.

6 “(2) An exploration plan submitted under this
7 subsection shall include, in the degree of detail
8 which the Secretary may by regulation require—

9 “(A) a schedule of anticipated exploration
10 activities to be undertaken;

11 “(B) a description of equipment to be used
12 for such activities;

13 “(C) the general location of each well to be
14 drilled; and

15 “(D) such other information deemed perti-
16 nent by the Secretary.

17 “(3) The Secretary may, by regulation, require
18 that such plan be accompanied by a general state-
19 ment of development and production intentions
20 which shall be for planning purposes only and which
21 shall not be binding on any party.

22 “(d) PLAN REVISIONS; CONDUCT OF EXPLORATION
23 ACTIVITIES.—

24 “(1) PLAN REVISIONS.—If a significant revision
25 of an exploration plan under this subsection is sub-

1 mitted to the Secretary, the process to be used for
2 the review of such revision shall be the same as set
3 forth in subsection (c).

4 “(2) EXPLORATION ACTIVITIES.—All explo-
5 ration activities pursuant to any lease shall be con-
6 ducted in accordance with an exploration plan or a
7 revised plan that has been submitted to and re-
8 viewed by the Secretary.”.

9 **SEC. 212. RESERVATION OF LANDS AND RIGHTS.**

10 Section 12 of the Outer Continental Shelf Lands Act
11 (43 U.S.C. 1341) is amended—

12 (1) in subsection (a) by adding at the end the
13 following: “The President may partially or com-
14 pletely revise or revoke any prior withdrawal made
15 by the President under the authority of this section.
16 The President may not revise or revoke a withdrawal
17 that is extended by a State under subsection (h), nor
18 may the President withdraw from leasing any area
19 for which a State failed to prohibit, or petition to
20 prohibit, leasing under subsection (g). Further, in
21 the area of the outer Continental Shelf more than
22 75 miles from any coastline, not more than 25 per-
23 cent of the acreage of any OCS Planning Area may
24 be withdrawn from leasing under this section at any
25 point in time. A withdrawal by the President may be

1 for a term not to exceed 5 years. Except when other-
2 wise provided by law, when considering potential
3 uses of the outer Continental Shelf, to the maximum
4 extent possible, the President shall accommodate
5 competing interests and potential uses.”; and

6 (2) by adding at the end the following:

7 “(g) AVAILABILITY FOR LEASING WITHIN CERTAIN
8 AREAS OF THE OUTER CONTINENTAL SHELF.—

9 “(1) PROHIBITION AGAINST LEASING.—

10 “(A) UNAVAILABLE FOR LEASING WITH-
11 OUT STATE REQUEST.—Except as otherwise
12 provided in this subsection, from and after en-
13 actment of the State Enhanced Authority for
14 Coastal and Ocean Resources Act of 2008, the
15 Secretary shall not offer for leasing for oil and
16 gas, or natural gas, any area within 35 miles of
17 the coastline that was withdrawn from disposi-
18 tion by leasing in the Atlantic OCS Region or
19 the Pacific OCS Region, or the Gulf of Mexico
20 OCS Region Eastern Planning Area, as de-
21 picted on the maps referred to in this subpara-
22 graph, under the Memorandum on Withdrawal
23 of Certain Areas of the United States Outer
24 Continental Shelf from Leasing Disposition, 34
25 Weekly Comp. Pres. Doc. 1111, dated June 12,

1 1998, or any area within 35 miles of the coast-
2 line not withdrawn from leasing under that
3 Memorandum that is included within the terri-
4 torial waters and Exclusive Economic Zone ad-
5 jacent to the Commonwealth of Puerto Rico,
6 the Commonwealth of the Northern Mariana Is-
7 lands, the Virgin Islands, American Samoa,
8 Guam, and the other territories of the United
9 States, or any area within 35 miles of the
10 coastline within the Florida Straits Planning
11 Area as indicated on the map entitled ‘Atlantic
12 OCS Region State Adjacent Zones and OCS
13 Planning Areas’, which is dated September
14 2005 and on file in the Office of the Director,
15 Minerals Management Service.

16 “(B) AREAS BETWEEN 35 AND 75 MILES
17 FROM THE COASTLINE.—Unless an Adjacent
18 State petitions under subsection (h) within one
19 year after the date of the enactment of the
20 State Enhanced Authority for Coastal and
21 Ocean Resources Act of 2008 for natural gas
22 leasing or within three years after date of en-
23 actment of that Act for oil and gas leasing, the
24 Secretary shall offer for leasing any area more
25 than 35 miles but less than 75 miles from the

1 coastline that was withdrawn from disposition
2 by leasing in the Atlantic OCS Region, the Pa-
3 cific OCS Region, or the Gulf of Mexico OCS
4 Region Eastern Planning Area, as depicted on
5 the maps referred to in this subparagraph,
6 under the Memorandum on Withdrawal of Cer-
7 tain Areas of the United States Outer Conti-
8 nental Shelf from Leasing Disposition, 34
9 Weekly Comp. Pres. Doc. 1111, dated June 12,
10 1998, or any area more than 35 miles but less
11 than 75 miles of the coastline not withdrawn
12 under that Memorandum that is included with-
13 in the Exclusive Economic Zone adjacent to the
14 Commonwealth of Puerto Rico, the Common-
15 wealth of the Northern Mariana Islands, the
16 Virgin Islands, American Samoa, Guam, and
17 the other territories of the United States, or
18 any area more than 35 miles but less than 75
19 miles of the coastline within the Florida Straits
20 Planning Area as indicated on the map entitled
21 ‘Atlantic OCS Region State Adjacent Zones and
22 OCS Planning Areas’, which is dated Sep-
23 tember 2005 and on file in the Office of the Di-
24 rector, Minerals Management Service.

25 “(2) PETITION FOR LEASING.—

1 “(A) IN GENERAL.—The Governor of the
2 State, upon enactment of a State statute pro-
3 viding for such, shall submit to the Secretary a
4 petition requesting that the Secretary make
5 available any area that is within the State’s Ad-
6 jacent Zone, included within the provisions of
7 paragraph (1), and that (i) is greater than 35
8 miles from any point on the coastline of a
9 Neighboring State for the conduct of offshore
10 leasing, pre-leasing, and related activities with
11 respect to natural gas leasing; or (ii) is greater
12 than 50 miles from any point on the coastline
13 of a Neighboring State for the conduct of off-
14 shore leasing, pre-leasing, and related activities
15 with respect to oil and gas leasing. The Adja-
16 cent State may also petition for leasing any
17 other area within its Adjacent Zone if leasing is
18 allowed in the similar area of the Adjacent
19 Zone of the applicable Neighboring State, or if
20 not allowed, if the Neighboring State, acting
21 through its Governor, expresses its concurrence
22 with the petition. The Secretary shall only con-
23 sider such a petition upon making a finding
24 that leasing is allowed in the similar area of the
25 Adjacent Zone of the applicable Neighboring

1 State or upon receipt of the concurrence of the
2 Neighboring State. The date of receipt by the
3 Secretary of such concurrence by the Neigh-
4 boring State shall constitute the date of receipt
5 of the petition for that area for which the con-
6 currence applies.

7 “(B) LIMITATIONS ON LEASING.—In its
8 petition, a State with an Adjacent Zone that
9 contains leased tracts may condition new leas-
10 ing for oil and gas, or natural gas for tracts
11 within 35 miles of the coastline by—

12 “(i) requiring a net reduction in the
13 number of production platforms;

14 “(ii) requiring a net increase in the
15 average distance of production platforms
16 from the coastline;

17 “(iii) limiting permanent surface occu-
18 pancy on new leases to areas that are more
19 than 10 miles from the coastline;

20 “(iv) limiting some tracts to being
21 produced from shore or from platforms lo-
22 cated on other tracts; or

23 “(v) other conditions that the Adja-
24 cent State may deem appropriate as long
25 as the Secretary does not determine that

1 production is made economically or tech-
2 nically impracticable or otherwise impos-
3 sible.

4 “(C) ACTION BY SECRETARY.—Not later
5 than 90 days after receipt of a petition under
6 subparagraph (A), the Secretary shall approve
7 the petition, unless the Secretary determines
8 that leasing the area would probably cause seri-
9 ous harm or damage to the marine resources of
10 the State’s Adjacent Zone. Prior to approving
11 the petition, the Secretary shall complete an en-
12 vironmental assessment that documents the an-
13 ticipated environmental effects of leasing in the
14 area included within the scope of the petition.

15 “(D) FAILURE TO ACT.—If the Secretary
16 fails to approve or deny a petition in accordance
17 with subparagraph (C) the petition shall be con-
18 sidered to be approved 90 days after receipt of
19 the petition.

20 “(E) AMENDMENT OF THE 5-YEAR LEAS-
21 ING PROGRAM.—Notwithstanding section 18,
22 within 180 days of the approval of a petition
23 under subparagraph (C) or (D), after the expi-
24 ration of the time limits in paragraph (1)(B),
25 and within 180 days after the enactment of the

1 State Enhanced Authority for Coastal and
2 Ocean Resources Act of 2008 for the areas
3 made available for leasing under paragraph (2),
4 the Secretary shall amend the current 5-Year
5 Outer Continental Shelf Oil and Gas Leasing
6 Program to include a lease sale or sales for at
7 least 75 percent of the associated areas, unless
8 there are, from the date of approval, expiration
9 of such time limits, or enactment, as applicable,
10 fewer than 12 months remaining in the current
11 5-Year Leasing Program in which case the Sec-
12 retary shall include the associated areas within
13 lease sales under the next 5-Year Leasing Pro-
14 gram. For purposes of amending the 5-Year
15 Program in accordance with this section, fur-
16 ther consultations with States shall not be re-
17 quired. For purposes of this section, an environ-
18 mental assessment performed under the provi-
19 sions of the National Environmental Policy Act
20 of 1969 to assess the effects of approving the
21 petition shall be sufficient to amend the 5-Year
22 Leasing Program.

23 “(h) OPTION TO EXTEND WITHDRAWAL FROM
24 LEASING WITHIN CERTAIN AREAS OF THE OUTER CON-
25 TINENTAL SHELF.—A State, through enactment of a

1 State statute, may extend for a period of time of up to
2 5 years for each extension the withdrawal from leasing for
3 all or part of any area within the State's Adjacent Zone
4 located more than 35 miles, but less than 75 miles, from
5 the coastline that is subject to subsection (g)(1)(B). A
6 State may extend multiple times for any particular area
7 but not more than once per calendar year for any par-
8 ticular area, nor may a State extend the withdrawal for
9 an area to cause it to extend to a total of more than 5
10 years from the date of concurrence by the legislature. A
11 State must prepare separate extensions, with enactment
12 of separate State statutes, for oil and gas leasing and for
13 natural gas leasing. An extension by a State may affect
14 some areas to be withdrawn from all leasing and some
15 areas to be withdrawn only from one type of leasing.

16 “(i) EFFECT OF OTHER LAWS.—Adoption by any
17 Adjacent State of any constitutional provision, or enact-
18 ment of any State statute, that has the effect, as deter-
19 mined by the Secretary, of restricting either the Governor
20 or the Legislature, or both, from exercising full discretion
21 related to subsection (g) or (h), or both, shall automati-
22 cally (1) prohibit any sharing of OCS Receipts under this
23 Act with the Adjacent State, and its coastal political sub-
24 divisions, and (2) prohibit the Adjacent State from exer-
25 cising any authority under subsection (h), for the duration

1 of the restriction. The Secretary shall make the determina-
2 tion of the existence of such restricting constitutional pro-
3 vision or State statute within 30 days of a petition by any
4 outer Continental Shelf lessee or any State.

5 “(j) AREA OF THE GULF OF MEXICO EAST OF THE
6 MILITARY MISSION LINE.—

7 “(1) IN GENERAL.—When preparing the leasing
8 program under section 18, the Secretary shall con-
9 sult with the Secretary of Defense regarding military
10 operational needs in the area of the Gulf of Mexico
11 East of the Military Mission Line. The Secretary
12 shall not offer for leasing for oil and gas or natural
13 gas any part of that area for which the Secretary of
14 Defense finds oil and gas operations cannot, or can-
15 not be modified to, compatibly coexist with military
16 operations. If any part of the area described in this
17 paragraph is leased, 50 percent of the OCS Receipts
18 from a lease within such area shall be paid under
19 section 9 and the other 50 percent shall be paid an-
20 nually to the National Guards of all States, allocated
21 by the Secretary among the States on a per capita
22 basis using the entire population of such States.

23 “(2) MILITARY MISSION LINE DEFINED.—In
24 this subsection, the term ‘Military Mission Line’
25 means a line located at 86 degrees, 41 minutes West

1 Longitude, and extending south from the coast of
2 Florida to the outer boundary of United States ex-
3 clusive economic zone in the Gulf of Mexico.”.

4 **SEC. 213. OUTER CONTINENTAL SHELF LEASING PROGRAM.**

5 Section 18 of the Outer Continental Shelf Lands Act
6 (43 U.S.C. 1344) is amended—

7 (1) in subsection (a), by adding at the end of
8 paragraph (3) the following: “The Secretary shall, in
9 each 5-year program, include lease sales that when
10 viewed as a whole propose to offer for oil and gas
11 or natural gas leasing at least 75 percent of the
12 available unleased acreage within each outer Conti-
13 nental Shelf Planning Area. For purposes of the pre-
14 ceding sentence, available unleased acreage is that
15 portion of the outer Continental Shelf that is not
16 under lease at the time of the proposed lease sale,
17 and has not otherwise been made unavailable for
18 leasing by law.”;

19 (2) in subsection (c), by striking so much as
20 precedes paragraph (3) and inserting the following:

21 “(c)(1) During the preparation of any proposed leas-
22 ing program under this section, the Secretary shall con-
23 sider and analyze leasing throughout the entire outer Con-
24 tinental Shelf without regard to any other law affecting
25 such leasing. During this preparation the Secretary shall

1 invite and consider suggestions from any interested Fed-
2 eral agency, including the Attorney General, in consulta-
3 tion with the Federal Trade Commission, and from the
4 Governor of any coastal State. The Secretary may also in-
5 vite or consider any suggestions from the executive of any
6 local government in a coastal State that have been pre-
7 viously submitted to the Governor of such State, and from
8 any other person. Further, the Secretary shall consult
9 with the Secretary of Defense regarding military oper-
10 ational needs in the outer Continental Shelf. The Sec-
11 retary shall work with the Secretary of Defense to resolve
12 any conflicts that might arise regarding offering any area
13 of the outer Continental Shelf for oil and gas or natural
14 gas leasing. If the Secretaries are not able to resolve all
15 such conflicts, any unresolved issues shall be elevated to
16 the President for resolution.

17 “(2) After the consideration and analysis required by
18 paragraph (1), including the consideration of the sugges-
19 tions received from any interested Federal agency, the
20 Federal Trade Commission, the Governor of any coastal
21 State, any local government of a coastal State, and any
22 other person, the Secretary shall publish in the Federal
23 Register a proposed leasing program accompanied by a
24 draft environmental impact statement prepared pursuant
25 to the National Environmental Policy Act of 1969. After

1 the publishing of the proposed leasing program and during
2 the comment period provided for on the draft environ-
3 mental impact statement, the Secretary shall submit a
4 copy of the proposed program to the Governor of each af-
5 fected State for review and comment. The Governor may
6 solicit comments from those executives of local govern-
7 ments in the Governor's State that the Governor, in the
8 discretion of the Governor, determines will be affected by
9 the proposed program. If any comment by such Governor
10 is received by the Secretary at least 15 days prior to sub-
11 mission to the Congress pursuant to paragraph (3) and
12 includes a request for any modification of such proposed
13 program, the Secretary shall reply in writing, granting or
14 denying such request in whole or in part, or granting such
15 request in such modified form as the Secretary considers
16 appropriate, and stating the Secretary's reasons therefor.
17 All such correspondence between the Secretary and the
18 Governor of any affected State, together with any addi-
19 tional information and data relating thereto, shall accom-
20 pany such proposed program when it is submitted to the
21 Congress."; and

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

23 (i) PROJECTION OF STATE ADJACENT ZONE RE-
24 SOURCES AND STATE AND LOCAL GOVERNMENT SHARES
25 OF OCS RECEIPTS.—Concurrent with the publication of

1 the scoping notice at the beginning of the development of
2 each 5-year outer Continental Shelf oil and gas leasing
3 program, or as soon thereafter as possible, the Secretary
4 shall—

5 “(1) provide to each Adjacent State a current
6 estimate of proven and potential oil and gas re-
7 sources located within the State’s Adjacent Zone;
8 and

9 “(2) provide to each Adjacent State, and coast-
10 al political subdivisions thereof, a best-efforts projec-
11 tion of the OCS Receipts that the Secretary expects
12 will be shared with each Adjacent State, and its
13 coastal political subdivisions, using the assumption
14 that the unleased tracts within the State’s Adjacent
15 Zone are fully made available for leasing, including
16 long-term projected OCS Receipts. In addition, the
17 Secretary shall include a macroeconomic estimate of
18 the impact of such leasing on the national economy
19 and each State’s economy, including investment,
20 jobs, revenues, personal income, and other cat-
21 egories.”.

22 **SEC. 214. COORDINATION WITH ADJACENT STATES.**

23 Section 19 of the Outer Continental Shelf Lands Act
24 (43 U.S.C. 1345) is amended—

1 (1) in subsection (a) in the first sentence by in-
2 serting “, for any tract located within the Adjacent
3 State’s Adjacent Zone,” after “government”; and

4 (2) by adding the following:

5 “(f)(1) No Federal agency may permit or otherwise
6 approve, without the concurrence of the Adjacent State,
7 the construction of a crude oil or petroleum products (or
8 both) pipeline within the part of the Adjacent State’s Ad-
9 jacent Zone that is withdrawn from oil and gas or natural
10 gas leasing, except that such a pipeline may be approved,
11 without such Adjacent State’s concurrence, to pass
12 through such Adjacent Zone if at least 50 percent of the
13 production projected to be carried by the pipeline within
14 its first 10 years of operation is from areas of the Adja-
15 cent State’s Adjacent Zone.

16 “(2) No State may prohibit the construction within
17 its Adjacent Zone or its State waters of a natural gas pipe-
18 line that will transport natural gas produced from the
19 outer Continental Shelf. However, an Adjacent State may
20 prevent a proposed natural gas pipeline landing location
21 if it proposes two alternate landing locations in the Adja-
22 cent State, acceptable to the Adjacent State, located with-
23 in 50 miles on either side of the proposed landing loca-
24 tion.”.

1 **SEC. 215. ENVIRONMENTAL STUDIES.**

2 Section 20(d) of the Outer Continental Shelf Lands
3 Act (43 U.S.C. 1346) is amended—

4 (1) by inserting “(1)” after “(d)”; and

5 (2) by adding at the end the following:

6 “(2) For all programs, lease sales, leases, and actions
7 under this Act, the following shall apply regarding the ap-
8 plication of the National Environmental Policy Act of
9 1969:

10 “(A) Granting or directing lease suspensions
11 and the conduct of all preliminary activities on outer
12 Continental Shelf tracts, including seismic activities,
13 are categorically excluded from the need to prepare
14 either an environmental assessment or an environ-
15 mental impact statement, and the Secretary shall
16 not be required to analyze whether any exceptions to
17 a categorical exclusion apply for activities conducted
18 under the authority of this Act.

19 “(B) The environmental impact statement de-
20 veloped in support of each 5-year oil and gas leasing
21 program provides the environmental analysis for all
22 lease sales to be conducted under the program and
23 such sales shall not be subject to further environ-
24 mental analysis.

25 “(C) Exploration plans shall not be subject to
26 any requirement to prepare an environmental impact

1 statement, and the Secretary may find that explo-
2 ration plans are eligible for categorical exclusion due
3 to the impacts already being considered within an
4 environmental impact statement or due to mitigation
5 measures included within the plan.

6 “(D) Within each OCS Planning Area, after the
7 preparation of the first development and production
8 plan environmental impact statement for a leased
9 tract within the Area, future development and pro-
10 duction plans for leased tracts within the Area shall
11 only require the preparation of an environmental as-
12 sessment unless the most recent development and
13 production plan environmental impact statement
14 within the Area was finalized more than 10 years
15 prior to the date of the approval of the plan, in
16 which case an environmental impact statement shall
17 be required.”.

18 **SEC. 216. REVIEW OF OUTER CONTINENTAL SHELF DEVEL-**
19 **OPMENT AND PRODUCTION PLANS.**

20 Section 25 of the Outer Continental Shelf Lands Act
21 (43 U.S.C. 1351(a)) is amended to read as follows:

22 **“SEC. 25. REVIEW OF OUTER CONTINENTAL SHELF DEVEL-**
23 **OPMENT AND PRODUCTION PLANS.**

24 “(a) DEVELOPMENT AND PRODUCTION PLANS; SUB-
25 MISSION TO SECRETARY; STATEMENT OF FACILITIES AND

1 OPERATION; SUBMISSION TO GOVERNORS OF AFFECTED
2 STATES AND LOCAL GOVERNMENTS.—

3 “(1) Prior to development and production pur-
4 suant to an oil and gas lease issued on or after Sep-
5 tember 18, 1978, for any area of the outer Conti-
6 nental Shelf, or issued or maintained prior to Sep-
7 tember 18, 1978, for any area of the outer Conti-
8 nental Shelf, with respect to which no oil or gas has
9 been discovered in paying quantities prior to Sep-
10 tember 18, 1978, the lessee shall submit a develop-
11 ment and production plan (hereinafter in this sec-
12 tion referred to as a ‘plan’) to the Secretary for re-
13 view.

14 “(2) A plan shall be accompanied by a state-
15 ment describing all facilities and operations, other
16 than those on the outer Continental Shelf, proposed
17 by the lessee and known by the lessee (whether or
18 not owned or operated by such lessee) that will be
19 constructed or utilized in the development and pro-
20 duction of oil or gas from the lease area, including
21 the location and site of such facilities and oper-
22 ations, the land, labor, material, and energy require-
23 ments associated with such facilities and operations,
24 and all environmental and safety safeguards to be
25 implemented.

1 “(3) Except for any privileged or proprietary
2 information (as such term is defined in regulations
3 issued by the Secretary), the Secretary, within 30
4 days after receipt of a plan and statement, shall—

5 “(A) submit such plan and statement to
6 the Governor of any affected State, and upon
7 request to the executive of any affected local
8 government; and

9 “(B) make such plan and statement avail-
10 able to any appropriate interstate regional enti-
11 ty and the public.

12 “(b) DEVELOPMENT AND PRODUCTION ACTIVITIES
13 IN ACCORDANCE WITH PLAN AS LEASE REQUIREMENT.—
14 After enactment of the State Enhanced Authority for
15 Coastal and Ocean Resources Act of 2008, no oil and gas
16 lease may be issued pursuant to this Act in any region
17 of the outer Continental Shelf, unless such lease requires
18 that development and production activities be carried out
19 in accordance with a plan that complies with the require-
20 ments of this section. This section shall also apply to
21 leases that do not have an approved development and pro-
22 duction plan as of the date of enactment of the State En-
23 hanced Authority for Coastal and Ocean Resources Act
24 of 2008.

1 “(c) SCOPE AND CONTENTS OF PLAN.—A plan may
2 apply to more than one oil and gas lease, and shall set
3 forth, in the degree of detail established by regulations
4 issued by the Secretary—

5 “(1) the general work to be performed;

6 “(2) a description of all facilities and operations
7 located on the outer Continental Shelf that are pro-
8 posed by the lessee or known by the lessee (whether
9 or not owned or operated by such lessee) to be di-
10 rectly related to the proposed development, including
11 the location and size of such facilities and oper-
12 ations, and the land, labor, material, and energy re-
13 quirements associated with such facilities and oper-
14 ations;

15 “(3) the environmental safeguards to be imple-
16 mented on the outer Continental Shelf and how such
17 safeguards are to be implemented;

18 “(4) all safety standards to be met and how
19 such standards are to be met;

20 “(5) an expected rate of development and pro-
21 duction and a time schedule for performance; and

22 “(6) such other relevant information as the Sec-
23 retary may by regulation require.

24 “(d) COMPLETENESS REVIEW OF THE PLAN.—

1 “(1) Prior to commencing any activity under a
2 development and production plan pursuant to any oil
3 and gas lease issued or maintained under this Act,
4 the lessee shall certify that the plan is consistent
5 with the terms of the lease and that it is consistent
6 with all statutory and regulatory requirements in ef-
7 fect on the date of issuance of the lease, and any
8 regulations promulgated under this Act related to
9 the conservation of resources after the date of lease
10 issuance. The plan shall include all required infor-
11 mation and documentation required under sub-
12 section (c).

13 “(2) The Secretary shall review the plan for
14 completeness within 30 days of submission. If the
15 Secretary finds that the plan is not complete, the
16 Secretary shall notify the lessee with a detailed ex-
17 planation of such modifications of such plan as are
18 necessary to achieve completeness. The Secretary
19 shall have 30 days to review a modified plan for
20 completeness.

21 “(e) REVIEW FOR CONSISTENCY OF THE PLAN.—

22 “(1) After a determination that a plan is com-
23 plete, the Secretary shall have 120 days to conduct
24 a review of the plan, to ensure that it is consistent
25 with the terms of the lease, and that it is consistent

1 with all such statutory and regulatory requirements
2 applicable to the lease. The review shall ensure that
3 the plan is consistent with lease terms, and statutory
4 and regulatory requirements applicable to the lease,
5 related to national security or national defense, in-
6 cluding any military operating stipulations or other
7 restrictions. The Secretary shall seek the assistance
8 of the Department of Defense in the conduct of the
9 review of any plan prepared under this section for
10 a lease containing military operating stipulations or
11 other restrictions and shall accept the assistance of
12 the Department of Defense in the conduct of the re-
13 view of any plan prepared under this section for any
14 other lease when the Secretary of Defense requests
15 an opportunity to participate in the review. If the
16 Secretary finds that the plan is not consistent, the
17 Secretary shall notify the lessee with a detailed ex-
18 planation of such modifications of such plan as are
19 necessary to achieve consistency.

20 “(2) The Secretary shall have 120 days to re-
21 view a modified plan.

22 “(3) The lessee shall not conduct any activities
23 under the plan during any 120-day review period, or
24 thereafter until the plan has been modified to
25 achieve compliance as so notified.

1 “(4) After review by the Secretary provided for
2 by this section, a lessee may operate pursuant to the
3 plan without further review or approval by the Sec-
4 retary.

5 “(f) REVIEW OF REVISION OF THE APPROVED
6 PLAN.—The lessee may submit to the Secretary any revi-
7 sion of a plan if the lessee determines that such revision
8 will lead to greater recovery of oil and natural gas, im-
9 prove the efficiency, safety, and environmental protection
10 of the recovery operation, is the only means available to
11 avoid substantial economic hardship to the lessee, or is
12 otherwise not inconsistent with the provisions of this Act,
13 to the extent such revision is consistent with protection
14 of the human, marine, and coastal environments. The
15 process to be used for the review of any such revision shall
16 be the same as that set forth in subsections (d) and (e).

17 “(g) CANCELLATION OF LEASE ON FAILURE TO
18 SUBMIT PLAN OR COMPLY WITH A PLAN.—Whenever the
19 owner of any lease fails to submit a plan in accordance
20 with regulations issued under this section, or fails to com-
21 ply with a plan, the lease may be canceled in accordance
22 with section 5(c) and (d). Cancellation of a lease because
23 of failure to comply with a plan, including required modi-
24 fications or revisions, shall not entitle a lessee to any com-
25 pensation.

1 “(h) PRODUCTION AND TRANSPORTATION OF NAT-
2 URAL GAS; SUBMISSION OF PLAN TO FEDERAL ENERGY
3 REGULATORY COMMISSION; IMPACT STATEMENT.—If any
4 development and production plan submitted to the Sec-
5 retary pursuant to this section provides for the production
6 and transportation of natural gas, the lessee shall contem-
7 poraneously submit to the Federal Energy Regulatory
8 Commission that portion of such plan that relates to the
9 facilities for transportation of natural gas. The Secretary
10 and the Federal Energy Regulatory Commission shall
11 agree as to which of them shall prepare an environmental
12 impact statement pursuant to the National Environmental
13 Policy Act of 1969 (42 U.S.C. 4321 et seq.) applicable
14 to such portion of such plan, or conduct studies as to the
15 effect on the environment of implementing it. Thereafter,
16 the findings and recommendations by the agency pre-
17 paring such environmental impact statement or con-
18 ducting such studies pursuant to such agreement shall be
19 adopted by the other agency, and such other agency shall
20 not independently prepare another environmental impact
21 statement or duplicate such studies with respect to such
22 portion of such plan, but the Federal Energy Regulatory
23 Commission, in connection with its review of an applica-
24 tion for a certificate of public convenience and necessity
25 applicable to such transportation facilities pursuant to sec-

1 tion 7 of the Natural Gas Act (15 U.S.C. 717f), may pre-
2 pare such environmental studies or statement relevant to
3 certification of such transportation facilities as have not
4 been covered by an environmental impact statement or
5 studies prepared by the Secretary. The Secretary, in con-
6 sultation with the Federal Energy Regulatory Commis-
7 sion, shall promulgate rules to implement this subsection,
8 but the Federal Energy Regulatory Commission shall re-
9 tain sole authority with respect to rules and procedures
10 applicable to the filing of any application with the Com-
11 mission and to all aspects of the Commission's review of,
12 and action on, any such application.”.

13 **SEC. 217. FEDERAL ENERGY NATURAL RESOURCES EN-**
14 **HANCEMENT FUND ACT OF 2008.**

15 (a) FINDINGS.—The Congress finds the following:

16 (1) Energy and minerals exploration, develop-
17 ment, and production on Federal onshore and off-
18 shore lands, including bio-based fuel, natural gas,
19 minerals, oil, geothermal, and power from wind,
20 waves, currents, and thermal energy, involves signifi-
21 cant outlays of funds by Federal and State wildlife,
22 fish, and natural resource management agencies for
23 environmental studies, planning, development, moni-
24 toring, and management of wildlife, fish, air, water,
25 and other natural resources.

1 (2) State wildlife, fish, and natural resource
2 management agencies are funded primarily through
3 permit and license fees paid to the States by the
4 general public to hunt and fish, and through Federal
5 excise taxes on equipment used for these activities.

6 (3) Funds generated from consumptive and rec-
7 reational uses of wildlife, fish, and other natural re-
8 sources currently are inadequate to address the nat-
9 ural resources related to energy and minerals devel-
10 opment on Federal onshore and offshore lands.

11 (4) Funds available to Federal agencies respon-
12 sible for managing Federal onshore and offshore
13 lands and Federal-trust wildlife and fish species and
14 their habitats are inadequate to address the natural
15 resources related to energy and minerals develop-
16 ment on Federal onshore and offshore lands.

17 (5) Receipts derived from sales, bonus bids, and
18 royalties under the mineral leasing laws of the
19 United States are paid to the Treasury through the
20 Minerals Management Service of the Department of
21 the Interior.

22 (6) None of the receipts derived from sales,
23 bonus bids, and royalties under the minerals leasing
24 laws of the United States are paid to the Federal or
25 State agencies to examine, monitor, and manage

1 wildlife, fish, air, water, and other natural resources
2 related to natural gas, oil, and mineral exploration
3 and development.

4 (b) PURPOSES.—It is the purpose of this section to—

5 (1) establish a fund for the monitoring and
6 management of wildlife and fish, and their habitats,
7 and air, water, and other natural resources related
8 to energy and minerals development on Federal on-
9 shore and offshore lands;

10 (2) make available receipts derived from sales,
11 bonus bids, royalties, net profit shares, and fees
12 from onshore and offshore gas, mineral, oil, and any
13 additional form of energy and minerals development
14 under the laws of the United States for the purposes
15 of such fund;

16 (3) distribute funds from such fund each fiscal
17 year to the Secretary of the Interior, the Secretary
18 of Agriculture, and the States; and

19 (4) use the distributed funds to secure the nec-
20 essary trained workforce or contractual services to
21 conduct environmental studies, planning, develop-
22 ment, monitoring, and postdevelopment management
23 of wildlife and fish and their habitats and air, water,
24 and other natural resources that may be related to
25 bio-based fuel, gas, mineral, oil, wind, or other en-

1 energy exploration, development, transportation, trans-
2 mission, and associated activities on Federal onshore
3 and offshore lands, including, but not limited to—

4 (A) pertinent research, surveys, and envi-
5 ronmental analyses conducted to identify any
6 impacts on wildlife, fish, air, water, and other
7 natural resources from energy and mineral ex-
8 ploration, development, production, and trans-
9 portation or transmission;

10 (B) projects to maintain, improve, or en-
11 hance wildlife and fish populations and their
12 habitats or air, water, or other natural re-
13 sources, including activities under the Endan-
14 gered Species Act of 1973;

15 (C) research, surveys, environmental anal-
16 yses, and projects that assist in managing, in-
17 cluding mitigating either onsite or offsite, or
18 both, the impacts of energy and mineral activi-
19 ties on wildlife, fish, air, water, and other nat-
20 ural resources; and

21 (D) projects to teach young people to live
22 off the land.

23 (c) DEFINITIONS.—In this section:

24 (1) ENHANCEMENT FUND.—The term “En-
25 hancement Fund” means the Federal Energy Nat-

1 ural Resources Enhancement Fund established by
2 this subsection (d).

3 (2) STATE.—The term “State” means the Gov-
4 ernor of a State, commonwealth, or territory of the
5 United States.

6 (d) ESTABLISHMENT AND USE OF FEDERAL ENERGY
7 NATURAL RESOURCES ENHANCEMENT FUND.—

8 (1) ENHANCEMENT FUND.—There is estab-
9 lished in the Treasury a separate account to be
10 known as the “Federal Energy Natural Resources
11 Enhancement Fund”.

12 (2) FUNDING.—The Secretary of the Treasury
13 shall deposit in the Enhancement Fund—

14 (A) such sums as are provided by sections
15 9(b)(5)(A)(iii) and 9(b)(5)(B)(iii), of the Outer
16 Continental Shelf Lands Act, as amended by
17 this Act;

18 (B)(i) during the period of October 1,
19 2008, through September 30, 2018, one percent
20 of all sums paid into the Treasury under sec-
21 tion 35 of the Mineral Leasing Act (30 U.S.C.
22 191); and

23 (ii) beginning October 1, 2018, and there-
24 after, 2.5 percent of all sums paid into the

1 Treasury under section 35 of the Mineral Leas-
2 ing Act (30 U.S.C. 191);

3 (C)(i) during the period of October 1,
4 2008, through September 30, 2018, one percent
5 of all sums paid into the Treasury from receipts
6 derived from bonus bids, royalties, rentals, and
7 other receipts from other mineral and energy
8 leasing, rights, easements, and other permis-
9 sions to operate on public lands; and

10 (ii) beginning October 1, 2018, and there-
11 after, 2.5 percent of all sums paid into the
12 Treasury from receipts derived from bonus bids,
13 royalties, rentals, and other receipts from other
14 mineral and energy leasing, rights, easements,
15 and other permissions to operate on public
16 lands;

17 (D) donations to the Fund; and

18 (E) such sums as are provided by sub-
19 section (u) of section 8 of the Outer Conti-
20 nental Shelf Lands Act and section 235 of the
21 State Enhanced Authority for Coastal and
22 Ocean Resources Act of 2008.

23 (3) DONATIONS.—The Secretary of the Interior
24 may solicit and accept donations of funds for deposit
25 into the Enhancement Fund. Donors may designate

1 the activities under this section that will be funded
2 by their donation, and the allocation of funds to
3 each.

4 (4) INVESTMENTS.—The Secretary of the
5 Treasury shall invest the amounts deposited under
6 paragraph (2), and all accrued interest on the
7 amounts deposited under paragraph (2), only in in-
8 terest bearing obligations of the United States or in
9 obligations guaranteed as to both principal and in-
10 terest by the United States.

11 (5) PAYMENT TO THE SECRETARY OF THE IN-
12 TERIOR.—

13 (A) IN GENERAL.—Beginning with fiscal
14 year 2009, and in each fiscal year thereafter,
15 one-third of amounts deposited into the En-
16 hancement Fund during the previous fiscal
17 year, together with the interest thereon, shall be
18 available, without further appropriation and
19 without fiscal year limitation, to the Secretary
20 of the Interior for allocation to the Department
21 of the Interior and the Department of Agri-
22 culture, under an equitable allocation that the
23 Secretary of the Interior shall devise, for use
24 for the purposes described in subsection (b)(4).

1 (B) WITHDRAWALS AND TRANSFER OF
2 FUNDS.—The Secretary of the Treasury shall
3 withdraw such amounts from the Enhancement
4 Fund as the Secretary of the Interior may re-
5 quest, subject to the limitation in subparagraph
6 (A), and transfer such amounts to the Sec-
7 retary of the Interior to be used, at the discre-
8 tion of the Secretary of the Interior, by the
9 Minerals Management Service, the Bureau of
10 Land Management, the National Park Service,
11 and the United States Fish and Wildlife Serv-
12 ice, and to the Secretary of Agriculture to be
13 used by the Forest Service, for the purposes de-
14 scribed in subsection (b)(4). Each fiscal year
15 the Secretary of the Interior shall request with-
16 drawal of one-third of the amounts deposited
17 into the Enhancement Fund during the pre-
18 vious fiscal year, together with the interest
19 thereon.

20 (6) PAYMENT TO STATES.—

21 (A) IN GENERAL.—Beginning with fiscal
22 year 2009, and in each fiscal year thereafter,
23 two-thirds of amounts deposited into the En-
24 hancement Fund, together with interest there-
25 on, shall be available, without fiscal year limita-

1 tions, to the States for use for the purposes de-
2 scribed in (b)(4).

3 (B) WITHDRAWALS AND TRANSFER OF
4 FUNDS.—Within the first 90 days of each fiscal
5 year, the Secretary of the Treasury shall with-
6 draw the amounts identified in subparagraph
7 (A) from the Enhancement Fund and transfer
8 such amounts to the States based on the pro-
9 portion of all receipts that were collected the
10 previous year into the Fund from Federal
11 leases and other rights, easements, and permis-
12 sions within the boundaries of each State and
13 each State’s outer Continental Shelf Adjacent
14 Zone as determined in accordance with section
15 4(a) of the Outer Continental Shelf Lands Act
16 (43 U.S.C. 1333(a)), as amended by this Act.

17 (C) USE OF PAYMENTS BY STATE.—Each
18 State shall use the payments made under sub-
19 paragraph (B) only for carrying out projects
20 and programs for the purposes described in
21 subsection (b)(4).

22 (D) ENCOURAGE USE OF PRIVATE FUNDS
23 BY STATE.—Each State shall use the payments
24 made under subparagraph (B) to leverage pri-

1 vate funds for carrying out projects for the pur-
2 poses described in subsection (b)(4).

3 (e) LIMITATION ON USE.—Amounts made available
4 under this section may not be used for the purchase of
5 any interest in land.

6 (f) REPORTS TO CONGRESS.—

7 (1) IN GENERAL.—Beginning in fiscal year
8 2010 and continuing for each fiscal year thereafter,
9 the Secretary of the Interior, the Secretary of Agri-
10 culture, and each State receiving funds from the En-
11 hancement Fund shall submit a report to the Com-
12 mittee on Energy and Natural Resources of the Sen-
13 ate and the Committee on Natural Resources of the
14 House of Representatives.

15 (2) REQUIRED INFORMATION.—Reports sub-
16 mitted to the Congress by the Secretary of the Inte-
17 rior, the Secretary of Agriculture, and States under
18 this subsection shall include the following informa-
19 tion regarding expenditures during the previous fis-
20 cal year:

21 (A) A summary of pertinent scientific re-
22 search and surveys conducted to identify im-
23 pacts on wildlife, fish, and other natural re-
24 sources from energy and mineral developments.

1 (B) A summary of projects planned and
2 completed to maintain, improve, or enhance
3 wildlife and fish populations and their habitats
4 or other natural resources.

5 (C) A list of additional actions that assist,
6 or would assist, in managing, including miti-
7 gating either onsite or offsite, or both, the im-
8 pacts of energy and mineral development on
9 wildlife, fish, and other natural resources.

10 (D) A summary of private (non-Federal)
11 funds used to plan, conduct, and complete the
12 plans and programs identified in paragraphs
13 (2)(A) and (2)(B).

14 (g) SHORT TITLE.—This section may be cited as the
15 “Federal Energy Natural Resources Enhancement Fund
16 Act of 2008”.

17 **SEC. 218. TERMINATION OF EFFECT OF LAWS PROHIBITING**
18 **THE SPENDING OF APPROPRIATED FUNDS**
19 **FOR CERTAIN PURPOSES.**

20 (a) OUTER CONTINENTAL SHELF.—All provisions of
21 existing Federal law prohibiting the spending of appro-
22 priated funds to conduct oil and natural gas leasing and
23 preleasing activities, or to issue a lease to any person, for
24 any area of the outer Continental Shelf shall have no force
25 or effect.

1 (b) OIL SHALE AND TAR SANDS.—Section 433 of di-
2 vision F of the Consolidated Appropriations Act, 2008
3 (121 Stat. 2152), and all other provisions of existing Fed-
4 eral law prohibiting the spending of appropriated funds
5 to issue final commercial leasing regulations or to perform
6 any other function related to section 369 of the Energy
7 Policy Act of 2005 (42 U.S.C. 15927) shall have no force
8 or effect.

9 **SEC. 219. OUTER CONTINENTAL SHELF INCOMPATIBLE**
10 **USE.**

11 (a) IN GENERAL.—No Federal agency may permit
12 construction or operation (or both) of any facility, or des-
13 ignate or maintain a restricted transportation corridor or
14 operating area on the Federal outer Continental Shelf or
15 in State waters, that will be incompatible with, as deter-
16 mined by the Secretary of the Interior, oil and gas or nat-
17 ural gas leasing and substantially full exploration and pro-
18 duction of tracts that are geologically prospective for oil
19 or natural gas (or both).

20 (b) EXCEPTIONS.—Subsection (a) shall not apply to
21 any facility, transportation corridor, or operating area the
22 construction, operation, designation, or maintenance of
23 which is or will be—

1 (1) located in an area of the outer Continental
2 Shelf that is unavailable for oil and gas or natural
3 gas leasing by operation of Federal law;

4 (2) used for a military readiness activity (as de-
5 fined in section 315(f) of Public Law 107–314 (16
6 U.S.C. 703 note)); or

7 (3) required in the national interest, as deter-
8 mined by the President.

9 **SEC. 220. REPURCHASE OF CERTAIN LEASES.**

10 (a) **AUTHORITY TO REPURCHASE AND CANCEL CER-**
11 **TAIN LEASES.**—The Secretary of the Interior shall repur-
12 chase and cancel any Federal oil and gas, geothermal,
13 coal, oil shale, tar sands, or other mineral lease, whether
14 onshore or offshore, but not including any outer Conti-
15 nental Shelf oil and gas leases that were subject to litiga-
16 tion in the Court of Federal Claims on January 1, 2008,
17 if the Secretary finds that such lease qualifies for repur-
18 chase and cancellation under the regulations authorized
19 by this section.

20 (b) **REGULATIONS.**—Not later than 365 days after
21 the date of the enactment of this Act, the Secretary shall
22 publish a final regulation stating the conditions under
23 which a lease referred to in subsection (a) would qualify
24 for repurchase and cancellation, and the process to be fol-

1 lowed regarding repurchase and cancellation. Such regula-
2 tion shall include, but not be limited to, the following:

3 (1) The Secretary shall repurchase and cancel
4 a lease after written request by the lessee upon a
5 finding by the Secretary that—

6 (A) a request by the lessee for a required
7 permit or other approval complied with applica-
8 ble law, except the Coastal Zone Management
9 Act of 1972 (16 U.S.C. 1451 et seq.), and
10 terms of the lease, and such permit or other ap-
11 proval was denied;

12 (B) a Federal agency failed to act on a re-
13 quest by the lessee for a required permit, other
14 approval, or administrative appeal within a reg-
15 ulatory or statutory timeframe associated with
16 the requested action, whether advisory or man-
17 datory, or if none, within 180 days; or

18 (C) a Federal agency attached a condition
19 of approval, without agreement by the lessee, to
20 a required permit or other approval if such con-
21 dition of approval was not mandated by Federal
22 statute or regulation in effect on the date of
23 lease issuance, or was not specifically allowed
24 under the terms of the lease.

1 (2) A lessee shall not be required to exhaust ad-
2 ministrative remedies regarding a permit request,
3 administrative appeal, or other required request for
4 approval for the purposes of this section.

5 (3) The Secretary shall make a final agency de-
6 cision on a request by a lessee under this section
7 within 180 days of the request.

8 (4) Compensation to a lessee to repurchase and
9 cancel a lease under this section shall be the amount
10 that a lessee would receive in a restitution case for
11 a material breach of contract.

12 (5) Compensation shall be in the form of a
13 check or electronic transfer from the Department of
14 the Treasury from funds deposited into miscella-
15 neous receipts under the authority of the same Act
16 that authorized the issuance of the lease being re-
17 purchased.

18 (6) Failure of the Secretary to make a final
19 agency decision on a request by a lessee under this
20 section within 180 days of the request shall result in
21 a 10 percent increase in the compensation due to the
22 lessee if the lease is ultimately repurchased.

23 (c) NO PREJUDICE.—This section shall not be inter-
24 preted to prejudice any other rights that the lessee would
25 have in the absence of this section.

1 **SEC. 221. OFFSITE ENVIRONMENTAL MITIGATION.**

2 Notwithstanding any other provision of law, any per-
3 son conducting activities under the Mineral Leasing Act
4 (30 U.S.C. 181 et seq.), the Geothermal Steam Act (30
5 U.S.C. 1001 et seq.), the Mineral Leasing Act for Ac-
6 quired Lands (30 U.S.C. 351 et seq.), the Weeks Act (16
7 U.S.C. 552 et seq.), the General Mining Act of 1872 (30
8 U.S.C. 22 et seq.), the Materials Act of 1947 (30 U.S.C.
9 601 et seq.), or the Outer Continental Shelf Lands Act
10 (43 U.S.C. 1331 et seq.), may in satisfying any mitigation
11 requirements associated with such activities propose miti-
12 gation measures on a site away from the area impacted
13 and the Secretary of the Interior shall accept these pro-
14 posed measures if the Secretary finds that they generally
15 achieve the purposes for which mitigation measures apper-
16 tained.

17 **SEC. 222. REGULATION OF ONSHORE SURFACE-DIS-**
18 **TURBING ACTIVITIES.**

19 Section 17(g) of the Mineral Leasing Act (30 U.S.C.
20 226(g)) is amended to read as follows:

21 “(g) REGULATION OF SURFACE-DISTURBING ACTIVI-
22 TIES.—

23 “(1) REGULATION OF SURFACE-DISTURBING
24 ACTIVITIES.—The Secretary of the Interior, or for
25 National Forest lands, the Secretary of Agriculture,
26 shall regulate all surface-disturbing activities con-

1 ducted pursuant to any lease issued under this Act,
2 and shall determine reclamation and other actions as
3 required in the interest of conservation of surface re-
4 sources.

5 “(2) SUBMISSION OF EXPLORATION PLAN; COM-
6 PLETION REVIEW; COMPLIANCE REVIEW.—

7 “(A) Prior to beginning oil and gas explo-
8 ration activities, a lessee shall submit an explo-
9 ration plan to the appropriate Secretary under
10 paragraph (1) for review.

11 “(B) The Secretary shall review the plan
12 for completeness within 10 days of submission.

13 “(C) In the event the exploration plan is
14 determined to be incomplete, the Secretary shall
15 notify the lessee in writing and specify the
16 items or information needed to complete the ex-
17 ploration plan.

18 “(D) The Secretary shall have 10 days to
19 review any modified exploration plan submitted
20 by the lessee.

21 “(E) To be deemed complete, an explo-
22 ration plan shall include, in the degree of detail
23 to be determined by the Secretary by rule or
24 regulation—

- 1 “(i) a drilling plan containing a de-
2 scription of the drilling program;
- 3 “(ii) the surface and projected com-
4 pletion zone location;
- 5 “(iii) pertinent geologic data;
- 6 “(iv) expected hazards, and proposed
7 mitigation measures to address such haz-
8 ards;
- 9 “(v) a schedule of anticipated explo-
10 ration activities to be undertaken;
- 11 “(vi) a description of equipment to be
12 used for such activities;
- 13 “(vii) a certification from the lessee
14 stating that the exploration plan complies
15 with all lease, regulatory, and statutory re-
16 quirements in effect on the date of the
17 issuance of the lease and any regulations
18 promulgated after the date of lease
19 issuance related to the conservation of re-
20 sources;
- 21 “(viii) evidence that the lessee has se-
22 cured an adequate bond, surety, or other
23 financial arrangement prior to commence-
24 ment of any surface disturbing activity;

1 “(ix) a plan that details the complete
2 and timely reclamation of the lease tract;
3 and

4 “(x) such other relevant information
5 as the Secretary may by regulation require.

6 “(F) Upon a determination that the explo-
7 ration plan is complete, the Secretary shall have
8 30 days from the date the plan is deemed com-
9 plete to conduct a review of the plan.

10 “(G) If the Secretary finds the exploration
11 plan is not consistent with all statutory and
12 regulatory requirements described in subpara-
13 graph (E)(vii), the Secretary shall notify the
14 lessee with a detailed explanation of such modi-
15 fications of the exploration plan as are nec-
16 essary to achieve compliance.

17 “(H) The lessee shall not take any action
18 under the exploration plan within a 30-day re-
19 view period, or thereafter until the plan has
20 been modified to achieve compliance as so noti-
21 fied.

22 “(I) After review by the Secretary provided
23 by this subsection, a lessee may operate pursu-
24 ant to the plan without further review or ap-
25 proval by the Secretary.

1 “(3) PLAN REVISIONS; CONDUCT OF EXPLO-
2 RATION ACTIVITIES.—

3 “(A) If a significant revision of an explo-
4 ration plan under this subsection is submitted
5 to the Secretary, the process to be used for the
6 review of such revision shall be the same as set
7 forth in paragraph (1) of this subsection.

8 “(B) All exploration activities pursuant to
9 any lease shall be conducted in accordance with
10 an exploration plan that has been submitted to
11 and reviewed by the Secretary or a revision of
12 such plan.

13 “(4) SUBMISSION OF DEVELOPMENT AND PRO-
14 DUCION PLAN; COMPLETENESS REVIEW; COMPLI-
15 ANCE REVIEW.—

16 “(A) Prior to beginning oil and gas devel-
17 opment and production activities, a lessee shall
18 submit a development and exploration plan to
19 the appropriate Secretary under paragraph (1).
20 Upon submission, such plans shall be subject to
21 a review for completeness.

22 “(B) The Secretary shall review the plan
23 for completeness within 30 days of submission.

24 “(C) In the event a development and pro-
25 duction plan is determined to be incomplete, the

1 Secretary shall notify the lessee in writing and
2 specify the items or information needed to com-
3 plete the plan.

4 “(D) The Secretary shall have 30 days to
5 review for completeness any modified develop-
6 ment and production plan submitted by the les-
7 see.

8 “(E) To be deemed complete, a develop-
9 ment and production plan shall include, in the
10 degree of detail to be determined by the Sec-
11 retary by rule or regulation—

12 “(i) a drilling plan containing a de-
13 scription of the drilling program;

14 “(ii) the surface and projected com-
15 pletion zone location;

16 “(iii) pertinent geologic data;

17 “(iv) expected hazards, and proposed
18 mitigation measures to address such haz-
19 ards;

20 “(v) a statement describing all facili-
21 ties and operations proposed by the lessee
22 and known by the lessee (whether or not
23 owned or operated by such lessee) that
24 shall be constructed or utilized in the de-
25 velopment and production of oil or gas

1 from the leases areas, including the loca-
2 tion and site of such facilities and oper-
3 ations, the land, labor, material, and en-
4 ergy requirements associated with such fa-
5 cilities and operations;

6 “(vi) the general work to be per-
7 formed;

8 “(vii) the environmental safeguards to
9 be implemented in connection with the de-
10 velopment and production and how such
11 safeguards are to be implemented;

12 “(viii) all safety standards to be met
13 and how such standards are to be met;

14 “(ix) an expected rate of development
15 and production and a time schedule for
16 performance;

17 “(x) a certification from the lessee
18 stating that the development and produc-
19 tion plan complies with all lease, regu-
20 latory, and statutory requirements in effect
21 on the date of issuance of the lease, and
22 any regulations promulgated after the date
23 of lease issuance related to the conserva-
24 tion of resources;

1 “(xi) evidence that the lessee has se-
2 cured an adequate bond, surety, or other
3 financial arrangement prior to commence-
4 ment of any surface disturbing activity;

5 “(xii) a plan that details the complete
6 and timely reclamation of the lease tract;
7 and

8 “(xiii) such other relevant information
9 as the Secretary may by regulation require.

10 “(F) Upon a determination that the devel-
11 opment and production plan is complete, the
12 Secretary shall have 120 days from the date the
13 plan is deemed complete to conduct a review of
14 the plan.

15 “(G) If the Secretary finds the develop-
16 ment and production plan is not consistent with
17 all statutory and regulatory requirements de-
18 scribed in subparagraph (E)(x), the Secretary
19 shall notify the lessee with a detailed expla-
20 nation of such modifications of the development
21 and production plan as are necessary to achieve
22 compliance.

23 “(H) The lessee shall not take any action
24 under the development and production plan
25 within a 120-day review period, or thereafter

1 until the plan has been modified to achieve
2 compliance as so notified.

3 “(5) PLAN REVISIONS; CONDUCT OF DEVELOP-
4 MENT AND PRODUCTION ACTIVITIES.—

5 “(A) If a significant revision of a develop-
6 ment and production plan under this subsection
7 is submitted to the Secretary, the process to be
8 used for the review of such revision shall be the
9 same as set forth in paragraph (4) of this sub-
10 section.

11 “(B) All development and production ac-
12 tivities pursuant to any lease shall be conducted
13 in accordance with a development and produc-
14 tion plan that has been submitted to and re-
15 viewed by the Secretary or a revision of such
16 plan.

17 “(6) CANCELLATION OF LEASE ON FAILURE TO
18 SUBMIT PLAN OR COMPLY WITH APPROVED PLAN.—

19 Whenever the owner of any lease fails to submit a
20 plan in accordance with regulations issued under
21 this section, or fails to comply with a plan, the lease
22 may be canceled in accordance with section 31. Can-
23 cellation of a lease under this paragraph because of
24 failure to comply with a plan, including required

1 modifications or revisions, shall not entitle a lessee
2 to any compensation.”.

3 **SEC. 223. RENAMING OF MINERALS MANAGEMENT SERV-**
4 **ICE.**

5 The bureau known as the “Minerals Management
6 Service” in the Department of the Interior shall be known
7 as the “National Ocean Resources and Royalty Service”.

8 **SEC. 224. AUTHORITY TO USE DECOMMISSIONED OFF-**
9 **SHORE OIL AND GAS PLATFORMS AND**
10 **OTHER FACILITIES FOR ARTIFICIAL REEF,**
11 **SCIENTIFIC RESEARCH, OR OTHER USES.**

12 (a) **SHORT TITLE.**—This section may be cited as the
13 “Rigs to Reefs Act of 2008”.

14 (b) **IN GENERAL.**—The Outer Continental Shelf
15 Lands Act (43 U.S.C. 1301 et seq.) is amended by insert-
16 ing after section 9 the following:

17 **“SEC. 10. USE OF DECOMMISSIONED OFFSHORE OIL AND**
18 **GAS PLATFORMS AND OTHER FACILITIES**
19 **FOR ARTIFICIAL REEF, SCIENTIFIC RE-**
20 **SEARCH, OR OTHER USES.**

21 “(a) **IN GENERAL.**—The Secretary shall issue regula-
22 tions under which the Secretary may authorize use of an
23 offshore oil and gas platform or other facility that is de-
24 commissioned from service for oil and gas purposes for
25 an artificial reef, scientific research, or any other use au-

1 thORIZED under section 8(p) or any other applicable Fed-
2 eral law.

3 “(b) TRANSFER REQUIREMENTS.—The Secretary
4 shall not allow the transfer under this section of a decom-
5 missioned offshore oil and gas platform or other facility
6 to another person unless the Secretary is satisfied that
7 the transferee is sufficiently bonded, endowed, or other-
8 wise financially able to fulfill its obligations, including but
9 not limited to—

10 “(1) ongoing maintenance of the platform or
11 other facility;

12 “(2) any liability obligations that might arise;

13 “(3) removal of the platform or other facility if
14 determined necessary by the Secretary; and

15 “(4) any other requirements and obligations
16 that the Secretary may deem appropriate by regula-
17 tion.

18 “(c) PLUGGING AND ABANDONMENT.—The Sec-
19 retary shall ensure that plugging and abandonment of
20 wells of a decommissioned offshore oil and gas platform
21 is accomplished at an appropriate time.

22 “(d) POTENTIAL TO PETITION TO OPT-OUT OF REG-
23 ULATIONS.—An Adjacent State acting through a resolu-
24 tion of its legislature, with concurrence of its Governor,
25 may preliminarily petition to opt-out of the application of

1 regulations promulgated under this section to platforms
2 and other facilities located in the area of its Adjacent Zone
3 within 12 miles of the coastline. Upon receipt of the pre-
4 liminary petition, the Secretary shall complete an environ-
5 mental assessment that documents the anticipated envi-
6 ronmental effects of approving the petition. The Secretary
7 shall provide the environmental assessment to the State,
8 which then has the choice of no action or confirming its
9 petition by further action of its legislature, with the con-
10 currence of its Governor. The Secretary may except such
11 area from the application of such regulations, and shall
12 approve any confirmed petition.

13 “(e) LIMITATION ON LIABILITY.—A person that had
14 used an offshore oil and gas platform or other facility for
15 oil and gas purposes and that no longer has any ownership
16 or control of the platform or other facility shall not be
17 liable under Federal law for any costs or damages arising
18 from such platform or other facility after the date the plat-
19 form or other facility is used for any purpose under sub-
20 section (a), unless such costs or damages arise from—

21 “(1) use of the platform or other facility by the
22 person for development or production of oil or gas;

23 or

24 “(2) another act or omission of the person.

1 “(f) OTHER LEASING AND USE NOT AFFECTED.—
2 This section, and the use of any offshore oil and gas plat-
3 form or other facility for any purpose under subsection
4 (a), shall not affect—

5 “(1) the authority of the Secretary to lease any
6 area under this Act; or

7 “(2) any activity otherwise authorized under
8 this Act.”.

9 (c) DEADLINE FOR REGULATIONS.—The Secretary of
10 the Interior shall issue regulations under subsection (b)
11 by not later than 180 days after the date of the enactment
12 of this Act.

13 (d) STUDY AND REPORT ON EFFECTS OF REMOVAL
14 OF PLATFORMS.—Not later than one year after the date
15 of enactment of this Act, the Secretary of the Interior,
16 in consultation with other Federal agencies as the Sec-
17 retary deems advisable, shall study and report to the Con-
18 gress regarding how the removal of offshore oil and gas
19 platforms and other facilities from the outer Continental
20 Shelf would affect existing fish stocks and coral popu-
21 lations.

22 **SEC. 225. MINING AND PETROLEUM SCHOOLS.**

23 (a) ENERGY AND MINERAL SCHOOLS REINVEST-
24 MENT ACT FUND.—

1 (1) ENERGY AND MINERAL SCHOOLS REINVEST-
2 MENT ACT FUND.—There is established in the
3 Treasury a separate account to be known as the
4 “Energy and Mineral Schools Reinvestment Act
5 Fund” (in this section referred to as the “EMSRA
6 Fund”).

7 (2) FUNDING.—The Secretary of the Treasury
8 shall deposit in the EMSRA Fund—

9 (A) such sums as are provided by sections
10 9(b)(5)(A)(iv) and 9(b)(5)(B)(iv) of the Outer
11 Continental Shelf Lands Act, as amended by
12 this Act;

13 (B)(i) during the period of October 1,
14 2008, through September 30, 2018, one percent
15 of all sums paid into the Treasury under sec-
16 tion 35 of the Mineral Leasing Act (30 U.S.C.
17 191); and

18 (ii) beginning October 1, 2018, and there-
19 after, 2.5 percent of all sums paid into the
20 Treasury under section 35 of the Mineral Leas-
21 ing Act (30 U.S.C. 191);

22 (C)(i) during the period of October 1,
23 2008, through September 30, 2018, one percent
24 of all sums paid into the Treasury from receipts
25 derived from bonus bids, royalties, rentals, and

1 other receipts from other mineral and energy
2 leasing, rights, easements, and other permis-
3 sions to operate on public lands; and

4 (ii) beginning October 1, 2018, and there-
5 after, 2.5 percent of all sums paid into the
6 Treasury from receipts derived from bonus bids,
7 royalties, rentals, and other receipts from other
8 mineral and energy leasing, rights, easements,
9 and other permissions to operate on public
10 lands;

11 (D) donations received under paragraph
12 (4);

13 (E) amounts referred to in section 2325 of
14 the Revised Statutes; and

15 (F) such sums as are provided by sub-
16 section (u) of section 8 of the Outer Conti-
17 nental Shelf Lands Act and section 235 of the
18 State Enhanced Authority for Coastal and
19 Ocean Resources Act of 2008.

20 (3) INVESTMENTS.—The Secretary of the
21 Treasury shall invest the amounts deposited under
22 paragraph (2), and all accrued interest on the
23 amounts deposited under paragraph (2), only in in-
24 terest bearing obligations of the United States or in

1 obligations guaranteed as to both principal and in-
2 terest by the United States.

3 (4) DONATIONS.—The Secretary of the Interior
4 may solicit and accept donations of funds for deposit
5 into the EMSRA Fund. Donors may designate which
6 activities under this section that will be funded by
7 their donation, and the allocation of funds to each.

8 (5) PAYMENT TO THE SECRETARY OF THE IN-
9 TERIOR.—

10 (A) IN GENERAL.—Beginning with fiscal
11 year 2009, and in each fiscal year thereafter,
12 the amounts deposited into the EMSRA Fund,
13 shall be available, without further appropriation
14 and without fiscal year limitations, to the Sec-
15 retary of the Interior for use to carry out the
16 Energy and Minerals Schools Reinvestment Act,
17 as amended by subsection (b).

18 (B) WITHDRAWALS AND TRANSFER OF
19 FUNDS.—The Secretary of the Treasury shall
20 withdraw such amounts from the EMSRA
21 Fund as were deposited in the previous fiscal
22 year, together with interest thereon, and trans-
23 fer such amounts to the Secretary of the Inte-
24 rior to be used, at the discretion of the Sec-

1 retary of the Interior to carry out the Energy
2 and Mineral Schools Reinvestment Act.

3 (b) MAINTENANCE AND RESTORATION OF EXISTING
4 AND HISTORIC PETROLEUM AND MINING ENGINEERING
5 PROGRAMS.—Public Law 98–409 (30 U.S.C. 1221 et
6 seq.) is amended to read as follows:

7 **“SECTION 1. SHORT TITLE.**

8 “‘This Act may be cited as the ‘Energy and Mineral
9 Schools Reinvestment Act’.

10 **“SEC. 2. TABLE OF CONTENTS.**

11 “‘The table of contents for this Act is as follows:

“Sec. 1. Short title.

“Sec. 2. Table of contents.

“Sec. 3. Policies.

“Sec. 4. Energy engineering.

“Sec. 5. Mining engineering.

“Sec. 6. Applied geology and applied geophysics schools.

“Sec. 7. Physical science, engineering and technology scholarship program.

“Sec. 8. Career technical education.

“Sec. 9. Administration.

“Sec. 10. Applications for funding and duties of receiving schools and individuals.

“Sec. 11. Advisory Committee.

“Sec. 12. Program scholarships & fellowships.

“Sec. 13. Annual funding.

“Sec. 14. Studies.

12 **“SEC. 3. POLICIES.**

13 “‘It is the policy of the United States to—

14 “(1) maintain the human capital needed to pre-
15 serve and foster the economic, energy, and mineral
16 resources security of the United States. The chem-
17 ical, petroleum and mining engineering programs
18 and the applied geology and geophysics programs at

1 schools, universities, and institutions that produce
2 the human capital are national assets and will be as-
3 sisted with Federal funds to ensure their continued
4 good health and existence;

5 “(2) develop the Nation’s energy and mineral
6 resources in a fashion that fosters community-based
7 economic and environmental sustainability, sound
8 environmental protection, productive secondary use
9 of the involved lands, and ensures effective, efficient
10 and economically-sound reclamation that supports
11 sustainable communities. In order to achieve these
12 goals it is the policy of the United States to support
13 continuing research into the scientific and engineer-
14 ing fundamentals of energy and mineral resource ex-
15 traction, paying heed to all matters of operational
16 safety and efficiency;

17 “(3) support the Nation’s petroleum and min-
18 ing schools in conducting continuing research into
19 the optimization of the extraction and reclamation
20 operations by encouraging the integration of public
21 policy, law, economics, environmental management
22 and engineering into activities that foster sustain-
23 able energy and mineral development; and

24 “(4) establish research priorities and edu-
25 cational policies that will enhance the principles of

1 domestic free enterprise, protect America’s competi-
2 tive edge, and promote the ability of the U.S. indus-
3 trial economy to compete effectively in the world
4 marketplace of the 21st century for the benefit of all
5 of the citizens of the Nation.

6 **“SEC. 4. ENERGY ENGINEERING.**

7 “(a) **RECOGNIZED ENERGY SCHOOLS.**—Recognized
8 Energy Schools are those schools, universities, or edu-
9 cational institutions that have programs that meet the
10 specific program criteria for chemical engineering, petro-
11 leum engineering or natural gas engineering and that are
12 accredited on the date of enactment of by ABET, Inc.,
13 of Baltimore, Maryland, and that are actively pursuing re-
14 search and development programs that meet the objectives
15 of subsection (d).

16 “(b) **NEW ENERGY SCHOOLS, 2+2 DEGREE PRO-**
17 **GRAMS, MINORITY SERVING INSTITUTIONS.**—

18 “(1) A school, university, or educational institu-
19 tion that seeks to establish a energy school shall be
20 treated as a recognized school for purposes of this
21 Act if it establishes a chemical, petroleum or natural
22 gas engineering program that meets the specific pro-
23 gram criteria and receives accredited as such by
24 ABET, Inc., and agrees to the conditions of sub-
25 section (c).

1 “(2) Any partnership between a recognized en-
2 ergy school as defined in subsection (a) and a aca-
3 demic program at another institution at which the
4 successful completion of an associate’s degree in en-
5 gineering that will allow the student to continue to
6 complete a bachelor’s degree in Chemical, Petroleum
7 Engineering or Natural Gas Engineering shall be
8 treated as a recognized school for the purposes of re-
9 ceiving funds under this Act. The program receiving
10 funding shall be the recognized petroleum school,
11 which shall distribute the funding in a manner
12 agreed to by the partnership and approved by the
13 Secretary.

14 “(3) A minority serving institution that estab-
15 lishes a program in petroleum engineering or that
16 participates in a partnership described in subsection
17 (b)(2) shall in addition to the R&D funding made
18 available under this Act be eligible to receive by au-
19 thorized transfer, appropriate federally owned equip-
20 ment that will support the development of such pro-
21 grams.

22 “(4) The Secretary shall authorize the sta-
23 tioning of appropriate Departmental personnel at all
24 newly established institutions to serve as advisors,

1 mentors and adjunct faculty for a period of not more
2 than 5 years.

3 “(5) The Secretary shall provide to faculty and
4 students in newly established minority serving pro-
5 grams substantial opportunity to participate in col-
6 laborative research projects that are directly related
7 to the Departmental missions, allow faculty and stu-
8 dents in these programs to participate available Fed-
9 eral training activities as Departmental employees;
10 and provide funding for paid internships in agency
11 facilities for students in these programs. When De-
12 partmental funding is sufficient, all such participa-
13 tion in training shall be at no cost to the institutions
14 or the participants.

15 “(c) REQUIREMENTS TO BE MET FOR R&D FUND-
16 ING FOR PARTICIPATING SCHOOLS.—Each school, univer-
17 sity, or institution receiving funds under this section
18 shall—

19 “(1) agree to maintain programs to train un-
20 dergraduate and graduate petroleum engineers for
21 10 years after the date of the last receipt of funds
22 under this section;

23 “(2) take the steps described in its application
24 for funding to increase the number of undergraduate

1 and graduate students enrolled in and completing
2 the program of study; and

3 “(3) carry out research, investigations, dem-
4 onstrations, and experiments in a manner that will
5 enhance undergraduate and graduate education in
6 petroleum engineering.

7 “(d) RESEARCH AND DEVELOPMENT OBJECTIVES.—

8 “(1) The schools receiving funding under this
9 section shall use such funds to conduct research in
10 chemical engineering, petroleum engineering, natural
11 gas engineering, drilling or production engineering,
12 reservoir management, and formation evaluation as
13 applied to hydrocarbon systems science as defined in
14 section 5005 of Public Law 110–69, the America
15 COMPETES Act of 2007, while providing edu-
16 cational opportunities for students, paying particular
17 emphasis on undergraduate education.

18 “(2) The research funded by this Act may in-
19 clude, but is not limited to the following:

20 “(A) Developing improvements in drilling
21 engineering and technology for both offshore
22 and onshore activities that will enhance the
23 safety, cost effectiveness, and environmental
24 soundness of drilling and well completion oper-
25 ations.

1 “(B) Studying reservoir characterization,
2 modeling and engineering to improve recovery
3 in aging fields with the goal of maximizing re-
4 covery while accommodating economic and oper-
5 ational constraints.

6 “(C) Developing new production system
7 technology for low permeability formations and
8 the applying new technology to improve the per-
9 formance of fields in such formations.

10 “(D) Developing energy efficient lift sys-
11 tems and improving fluid flow and separation
12 systems.

13 “(E) Expanding carbon capture and se-
14 questration research, conducting field dem-
15 onstrations on an operational scale and exam-
16 ining the utilization of carbon dioxide and other
17 greenhouse gases to enhance the recovery at
18 aging fields.

19 “(F) Developing methodologies and tech-
20 nologies for the commercial and environ-
21 mentally sound production of methane hydrates,
22 oil shale and other non-conventional petroleum
23 resources.

24 “(G) Developing applied strategies and
25 technology that minimize the surface expression

1 of drilling and production activities that mini-
2 mize environmental impact of the immediate re-
3 source development.

4 “(3) To the extent that the research programs
5 goals listed in subsection (b) overlap with the re-
6 search goals of section 6(d), funding under this Act
7 is appropriate. Petroleum engineering and petroleum
8 geology and geophysics programs at a single institu-
9 tion are encouraged to develop joint proposals for
10 funding under this Act.

11 “(4) As a general rule, research funded under
12 this section shall be related to the immediate pro-
13 duction of oil and natural gas resources, the imme-
14 diate on-site processing of produced resources and
15 their placement into the distribution systems.

16 “(e) PETROLEUM AND NATURAL GAS TECHNOLOGY
17 PROGRAMS.—

18 “(1) Where appropriate, the Secretary may
19 make funds available to programs in engineering
20 technology that award either associate or bacca-
21 laurate degrees in engineering technology, provided
22 that such programs provide training and produce
23 outcomes that qualify graduates for employment in
24 the petroleum industry.

1 “(2) The Secretary shall base the availability of
2 such funds on the presence of an approved program
3 in engineering technology or industrial technology
4 that is focused on technology and its use in energy,
5 natural gas and petroleum production, processing
6 and related maintenance, operational safety.

7 “(3) Programs that are focused on federally-ap-
8 proved energy infrastructure protection and security,
9 granting either an associate’s degree or a bacca-
10 laureate degree shall be eligible for funding.

11 “(4) Funds made available as grants by the
12 Secretary shall be for three-year increments to sup-
13 port these programs for a period not to exceed 12
14 years, but all Federal funds must be matched with
15 State and or industry funds at a rate of twice that
16 of the amount granted by the Secretary. Funding
17 may be used to acquire and maintain equipment
18 used for classroom and laboratory training purposes,
19 except that any underground training facilities shall
20 be subject to the provision of section 10(f).

21 “(5) In the absence of a nationally recognized
22 accreditation or certification processes for petro-
23 leum-related engineering technology programs, the
24 Secretary shall request the committee created by
25 section 11 to examine requesting programs and the

1 outcomes of the programs to determine if it is ap-
2 propriate to provide funding to the programs.

3 **“SEC. 5. MINING ENGINEERING.**

4 “(a) RECOGNIZED MINING SCHOOLS DEFINED.—
5 Recognized mining schools are those schools, universities,
6 or educational institutions that meet the specific program
7 criteria for mining or mineral engineering and that are
8 accredited on the date of enactment of by ABET, Inc.,
9 of Baltimore, Maryland.

10 “(b) NEW MINING SCHOOLS, 2+2 DEGREE PRO-
11 GRAMS, MINORITY SERVING INSTITUTIONS.—

12 “(1) A school, university, or educational institu-
13 tion that seeks to establish a mining or mineral en-
14 gineering program shall be treated as a recognized
15 mining school for purposes of this Act if it estab-
16 lishes a mining or mineral engineering program that
17 meets the specific program criteria and is accredited
18 as such by ABET, Inc., and agrees to the conditions
19 of subsection (c).

20 “(2) Any partnership between a recognized
21 mining school and an academic program at another
22 institution at which the successful completion of an
23 associate’s degree in engineering that will allow the
24 student to continue to complete a Bachelor’s degree
25 in Mining or Mineral Engineering shall be treated as

1 a recognized mining school for the purposes of this
2 Act. The program receiving funding shall be the rec-
3 ognized mining school, which shall distribute the
4 funding in a manner agreed to by the partnership
5 and approved by the Secretary.

6 “(3) A minority serving institution that estab-
7 lishes a program in Mining or Mineral Engineering
8 or that participates in a partnership described in
9 subsection (b)(2) shall in addition to the R&D fund-
10 ing made available under this Act be eligible to re-
11 ceive by authorized transfer, appropriate federally
12 owned equipment that will support the development
13 of such programs.

14 “(4) The Secretary shall authorize the sta-
15 tioning of appropriate Departmental personnel at all
16 newly established institutions to serve as advisors,
17 mentors and adjunct faculty for a period of not more
18 than 5 years.

19 “(5) The Secretary shall provide to faculty and
20 students in newly established minority serving pro-
21 grams substantial opportunity to participate in col-
22 laborative research projects that are directly related
23 to the Departmental missions, allow faculty and stu-
24 dents in these programs to participate available Fed-
25 eral training activities as Departmental employees;

1 and provide funding for paid internships in agency
2 facilities for students in these programs. When De-
3 partmental funding is sufficient, all such participa-
4 tion in training shall be at no cost to the institutions
5 or the participants.

6 “(c) REQUIREMENTS TO BE MET FOR R&D FUND-
7 ING FOR PARTICIPATING SCHOOLS.—Each school, univer-
8 sity, or institution receiving funds under this section
9 shall—

10 “(1) agree to maintain programs to train un-
11 dergraduate and graduate mining and mineral engi-
12 neers for 10 years after the date of the last receipt
13 of funds under this section;

14 “(2) take steps described in its application for
15 funding to increase the number of undergraduate
16 and graduate students enrolled in and completing
17 the programs of study;

18 “(3) take steps to increase the Nation’s future
19 mining and mineral engineering professorial corps by
20 maintaining and encouraging participation of United
21 States citizens in PhD programs; and

22 “(4) carry out research, investigations, dem-
23 onstrations, and experiments in a manner that will
24 enhance undergraduate and graduate education in
25 mining, and mineral engineering.

1 “(d) RESEARCH AND DEVELOPMENT GOALS.—

2 “(1) The schools receiving are to use funding
3 under this section to conduct research in the produc-
4 tion of conventional and non-conventional solid-min-
5 eral fuel resources, metallic and non-metallic mineral
6 resources, including industrial mineral resources,
7 and the production of stone, sand, and gravel.

8 “(2) Research funded by this Act related to
9 production shall include but not be limited to—

10 “(A) improving mining and mineral extrac-
11 tion methods, mine equipment automation, ma-
12 terials handling, and mine production tech-
13 nology and systems;

14 “(B) improving technology directly related
15 to miners safety, and the prevention of mining
16 injury and mining-related diseases;

17 “(C) improving mine ventilation and sim-
18 ulation;

19 “(D) fundamental and applied rock me-
20 chanics, including catastrophic failure detection
21 and prevention and the stability of surface and
22 underground excavations for both mining and
23 post-mining purposes;

1 “(E) research into the basic science and
2 engineering of deep mines, petroleum reserves,
3 and deep engineered underground structures;

4 “(F) scale effects in terms of size and
5 time, as it is related to open-pit mining, includ-
6 ing estimating rock mass strength of large
7 slopes and transitioning from open pit to under-
8 ground mining methods;

9 “(G) explosives engineering improvement,
10 rock cutting and fragmentation analysis and op-
11 timization of rock breakage processes;

12 “(H) improving environmental manage-
13 ment and reclamation technology, and reclama-
14 tion practices for active operations;

15 “(I) the development of re-mining systems
16 and technologies to facilitate reclamation that
17 fosters the ultimate recovery of resources and
18 the utilization of mined materials that are not
19 currently used in the materials manufacturing
20 process;

21 “(J) development or improvement of mine
22 production and processing designs and methods
23 to minimize energy and water consumption, de-
24 velop use of alternative energy sources, and
25 minimization of surface impacts;

1 “(K) the engineering economics evaluation
2 of mineral resource production, including issues
3 relating to sustainable development, foreign
4 competition for resources, supply and demand
5 for resources, resource depletion, and sustaining
6 supplies of critical and strategic resources;

7 “(L) fundamental and applied research on
8 mineral processing, including comminution, flo-
9 tation, hydrometallurgy, pyrometallurgy, and bi-
10 ological influences on processing and extracting
11 minerals;

12 “(M) solid-liquid separation in mineral
13 beneficiation, such as dewatering of the con-
14 centrates and recycling of washing water in a
15 concentrator; and

16 “(N) development of environment-oriented
17 waste water treatment technology applied in
18 mining industry to minimize the impact of the
19 acid mine drainage and the tailing water on the
20 surrounding environments.

21 “(3) As a general rule, research funded under
22 this section shall be related to the immediate pro-
23 duction of mineral and earth material resources, the
24 immediate crushing, milling, processing,
25 beneficiation, smelting, or refining of the resources

1 and shall not include primary fabrication or manu-
2 facturing. Downstream research is not appropriately
3 funded under this section. Proposals fostering and
4 providing the scientific and engineering basis for
5 sustainable development are appropriately funded
6 under this section.

7 “(4) Research recommendations made by the
8 National Academy prior to the date of enactment
9 shall be properly funded under this section if the
10 Secretary, as advised by the Committee established
11 by section 11, finds that recommended research con-
12 tinues to have merit.

13 “(e) MINING ENGINEERING TECHNOLOGY PRO-
14 GRAMS.—

15 “(1) Where appropriate, the Secretary may
16 make funds available to programs in engineering
17 technology that award either associate and baccalaureate
18 degrees in engineering technology, provided
19 that such programs provide training and produce
20 outcomes that qualify graduates for employment in
21 the mining industry in positions in mineral produc-
22 tion, mining facilities construction, mineral prepara-
23 tion, mining equipment maintenance or sales, main-
24 tenance of environmental controls and other posi-
25 tions that assist mining engineers.

1 “(2) The funds may be made available as
2 grants by the Secretary in not more than three-year
3 increments to support these programs for a period
4 not to exceed 12 years, but all Federal funds must
5 be matched with State and or industry funds at a
6 rate of twice that of the amount granted by the Sec-
7 retary. Funding may be used to acquire and main-
8 tain equipment used for classroom and practical
9 training purposes; except that any underground
10 training facilities shall be subject to the provision of
11 section 10(f).

12 “(3) In the absence of a nationally recognized
13 accreditation program for mining engineering tech-
14 nology, the Secretary shall request the committee
15 created by section 11 to examine the program and
16 the outcomes of the programs to determine if it is
17 appropriate to provide funding to the program.

18 **“SEC. 6. APPLIED GEOLOGY AND APPLIED GEOPHYSICS**

19 **SCHOOLS.**

20 “(a) **RECOGNIZED APPLIED GEOLOGY AND GEO-**
21 **PHYSICS PROGRAMS.—**

22 “(1) For purposes of receiving funds under this
23 Act, recognized applied geology and geophysics
24 schools are those schools that have as of the date of

1 this Act programs of undergraduate and graduate
2 education and research in—

3 “(A) geological engineering that is accred-
4 ited on the date of enactment of this Act by
5 ABET, Inc., of Baltimore, Maryland, and which
6 is focused on petroleum or natural gas produc-
7 tion, the production of mineral resources, and
8 the development of permanent underground
9 workings as demonstrated by the curriculum
10 and the expertise of the existing faculty; and

11 “(B) geophysical engineering that is ac-
12 credited on the date of enactment by ABET,
13 Inc., of Baltimore, Maryland, and which is fo-
14 cused on the discovery and development of oil,
15 gas, mineral deposits or assisting in the place-
16 ment of large engineered structures as dem-
17 onstrated by the curriculum and the expertise
18 of the existing faculty.

19 “(2) Recognized applied geology and geophysics
20 programs shall also be those that the Secretary de-
21 termines to be acceptable under subsection (b)(2)
22 and section 11(d) and that have undergraduate and
23 graduate programs of research and education in—

24 “(A) the geology and geophysics of conven-
25 tional or non-conventional petroleum deposits;

1 “(B) the geology and geophysics of the de-
2 velopment of all forms of geothermal energy;
3 and

4 “(C) the geology and geophysics of explo-
5 ration for mineral resources, including coal and
6 like substances, metallic and non-metallic min-
7 eral resources, including industrial minerals,
8 and stone, sand, and gravel.

9 “(b) APPLIED GEOLOGY AND GEOPHYSICS PROGRAM
10 CRITERIA.—

11 “(1) Programs listed in subsection (a) with the
12 focus and the nationally recognized accreditation
13 through ABET, Inc., of Baltimore, Maryland, shall
14 be deemed as recognized programs, provided that
15 the program focus is similar to that found in sub-
16 section (a)(1).

17 “(2) In the absence of a nationally recognized
18 accreditation program for the applied geology and
19 geophysics programs listed in this section, the Sec-
20 retary shall request the committee created by section
21 11 to examine the program and the outcomes of the
22 programs to determine if it is appropriate to provide
23 funding to the program.

24 “(c) REQUIREMENTS TO BE MET FOR R&D FUND-
25 ING FOR PARTICIPATING SCHOOLS.—

1 “(1) Each school, university, or institution re-
2 ceiving funds under this section shall—

3 “(A) agree to maintain programs to train
4 undergraduate and graduate students for not
5 less than 10 years after the date of the last re-
6 ceipt of funds under this section;

7 “(B) take steps described in its application
8 for funding to increase the number of under-
9 graduate and graduate students enrolled in and
10 completing the programs of study;

11 “(C) increase the Nation’s future pro-
12 fessorial corps through maintaining existing
13 Ph.D. programs that place particular emphasis
14 on the training of United States citizens; and

15 “(D) carry out research, investigations,
16 demonstrations, and experiments in a manner
17 that will enhance undergraduate and graduate
18 education in their respective programs areas.

19 “(2) As a general rule, research funded under
20 this section shall be related to the exploration for
21 and the production of deposits of conventional and
22 unconventional oil and natural gas, coal and like
23 substances, geothermal systems, metallic and non-
24 metallic minerals, industrial minerals and stone sand
25 and gravel. Research into the immediate on-site

1 processing of produced resources and their place-
2 ment into the distribution systems is appropriate
3 under this section. Research directly related to the
4 formation and distribution of mineral deposits in
5 space and time, and research on the availability of
6 critical and strategic minerals to the Nations indus-
7 trial economy is appropriately funded under this sec-
8 tion. Research of the downstream usage of mined
9 materials is not appropriately funded under this Act.

10 “(d) RESEARCH AND DEVELOPMENT GOALS FOR AP-
11 PLIED GEOLOGY AND GEOPHYSICS PROGRAMS.—

12 “(1) Research funded by this Act related to ge-
13 ological engineering may include, but is not limited
14 to—

15 “(A) development of numerical
16 geomechanics models for rock fracture, frag-
17 mentation, material flow, surface and under-
18 ground structure stability including computer
19 infrastructure for large computational models;

20 “(B) analysis of coupled geological proc-
21 esses, including mechanical, hydrological, chem-
22 ical, thermal, time-dependent processes, and in
23 particular, those applicable to nuclear waste
24 disposal, deep underground excavations, and
25 surface weathering;

1 “(C) development of improved rock support
2 systems including, but not limited to methods
3 such as bolts, shotcrete, and epoxy systems, im-
4 proved modeling methods to predict the inter-
5 action of rock and rock support methods;

6 “(D) modeling the effects of seismicity on
7 surface and subsurface earth structures, includ-
8 ing earthquake prediction to those structures;

9 “(E) modeling and analyzing mining and
10 constructibility issues in surface and under-
11 ground operations in weak rock;

12 “(F) development of monitoring equipment
13 for surface and underground structure stability;

14 “(G) integration of modeling, sampling,
15 analysis, and interpretation methods to combine
16 geo-related parameters for integrated system
17 response to resource development, reclamation
18 and environmental management;

19 “(H) development of improved geochemical
20 sensing systems/equipment and integration/un-
21 derstanding of complex geochemical environ-
22 ments for exploration, production, and reclama-
23 tion; and

24 “(I) improved remote sensing technology
25 and interpretation for exploration, production,

1 and reclamation of a site, including detection
2 and monitoring of subsidence, earth stresses,
3 ground stability related to resource develop-
4 ment.

5 “(2) Research funded by this Act related to
6 geophysical engineering may include but is not lim-
7 ited to—

8 “(A) development of or improvement of
9 three dimensional and time-dependent numer-
10 ical models of geophysical methods for earth
11 models related to energy and mineral resources;

12 “(B) development of new sensor tech-
13 nologies for aerial, surface, subsurface, bore-
14 hole, and machine deployment for improved res-
15 olution with depth and time and improved dis-
16 crimination of physical and chemical properties
17 of the rock mass and dimensions of the target
18 of interest during the exploration, development,
19 production or reclamation phases of a site;

20 “(C) development of smart sensor net-
21 works for improved resolution with depth or
22 time (or both) of physical and chemical prop-
23 erties of energy and mineral resources during
24 the exploration, development, production, and
25 reclamation phases of a site;

1 “(D) development of integrated interpreta-
2 tion methods and data fusion methods for geo-
3 physical, geological, and ancillary data during
4 the exploration, development, production, and
5 reclamation phases;

6 “(E) creation of publicly available data-
7 bases of geophysical datasets, interpretations,
8 modeling codes that are not in violation of prior
9 confidentiality agreements;

10 “(F) development of geosensing tech-
11 nologies to aid in production, equipment auto-
12 mation, and smart systems;

13 “(G) developing the next generation of geo-
14 physical sensors for detecting the geophysical
15 attributes of mineral deposits masked by vege-
16 tation and/or hidden under cover of unconsoli-
17 dated materials; and

18 “(H) development of systems to detect un-
19 derground mine voids left by past mining in aid
20 of enhancing public health and safety and pro-
21 tection of infrastructure including roads, build-
22 ings, power lines and pipelines.

23 “(3) Research funded by this Act related to pe-
24 troleum geology and geophysics may include but is
25 not limited to—

1 “(A) developing refined techniques or de-
2 signing innovative tools to identify and delin-
3 eate economic accumulations of conventional
4 and non-conventional oil and gas resources;

5 “(B) developing geological and geophysical
6 diagnostic methodologies or tools for character-
7 izing and modeling conventional and non-con-
8 ventional oil and gas bearing rocks, reservoirs
9 and source beds;

10 “(C) studying conventional and non-con-
11 ventional oil and gas economics to sustain do-
12 mestic oil and gas resource exploration and pro-
13 duction;

14 “(D) developing new methodologies, tech-
15 nologies, or strategies, including rock-fluid
16 interaction studies, to improve the recovery of
17 known conventional and unconventional oil and
18 gas resources from established fields; and

19 “(E) studying procedures to extract con-
20 ventional and non-conventional oil and gas re-
21 sources that reduce the environmental impact of
22 these activities.

23 “(4) Research funded by this Act related to the
24 production of geothermal energy should reflect the
25 near and long-term needs of finding, bringing online,

1 and sustaining geothermal energy sources, including,
2 but not restricted to the following:

3 “(A) Identifying and characterizing geo-
4 thermal energy resources, especially those that
5 are hidden, and the development and refine-
6 ment of technologies and approaches to increase
7 the success rate in finding these resources.

8 “(B) Engineering, maintaining, and sus-
9 taining a geothermal resource through multi-
10 disciplinary, applied studies in engineering, ge-
11 ology, and geophysics, including fluid flow in
12 the subsurface, reservoir characterization and
13 engineering.

14 “(C) Extraction of economic minerals from
15 geothermal fluid streams.

16 “(5) Research funded by this Act into the geol-
17 ogy and geophysics of exploration for mineral depos-
18 its, including coal and like substances, metallic and
19 non-metallic mineral resources to include industrial
20 minerals, and stone, sand, and gravel may include—

21 “(A) improving the estimates of the United
22 States coal resource endowment, assessing the
23 extent of the Nation’s coal recoverable reserves
24 and assessing the quality of recoverable re-
25 serves, regardless of ownership;

1 “(B) enhancing the understanding of
2 mineability and recoverability of coal resources
3 due to technical constraints, such as mining
4 methods, coal processing technologies, intended
5 use, environmental considerations, and geology,
6 and due to economic, policy, and legal con-
7 straints;

8 “(C) regional and local geologic, geo-
9 chemical, and geophysical characterization of
10 the United States mineral resource endow-
11 ments, including the development of new tech-
12 niques for assessing the mineral resource poten-
13 tial;

14 “(D) construction and testing of
15 hypotheses and models for the formation and
16 global distribution of important classes of min-
17 eral resource in space and time;

18 “(E) development of improved methodology
19 and technology for exploration and discovery of
20 concealed or deep mineral resources, including
21 the detection of geochemical and geophysical at-
22 tributes of mineral deposits that have little or
23 no surface expression and are obscured by over-
24 lying barren rock materials, water, and vegeta-
25 tion; and

1 “(F) research analyzing the potential glob-
2 al availability of mineral resources needed by
3 the United States’ industrial economy to com-
4 pete in the world marketplace, including but not
5 limited to the physical and engineering factors,
6 the economic and market factors, and the polit-
7 ical and legal factors that will affect mineral re-
8 source availability.

9 **“SEC. 7. PHYSICAL SCIENCE, ENGINEERING AND TECH-**
10 **NOLOGY SCHOLARSHIP PROGRAM.**

11 “(a) INTERIOR WORKFORCE ENHANCEMENT.—

12 “(1) The Secretary shall provide financial as-
13 sistance for education in physical sciences, engineer-
14 ing, and engineering or industrial technology and
15 disciplines that, as determined by the Secretary, are
16 critical to the functions of the Department of the In-
17 terior and are needed in the Department of the Inte-
18 rior workforce.

19 “(2) The Secretary of the Interior may award
20 a scholarship in accordance with this section to a
21 person who—

22 “(A) is a citizen or a national of the
23 United States;

24 “(B) is pursuing an undergraduate or ad-
25 vanced degree in a critical skill or discipline de-

1 scribed in paragraph (1) at an institution of
2 higher education; and

3 “(C) enters into a service agreement with
4 the Secretary of the Interior as described in
5 this section.

6 “(3) The amount of the financial assistance
7 provided under a scholarship awarded to a person
8 under this subsection shall be the amount deter-
9 mined by the Secretary of the Interior as being nec-
10 essary to pay all educational expenses incurred by
11 that person, including tuition, fees, cost of books,
12 laboratory expenses, and expenses of room and
13 board. The expenses paid, however, shall be limited
14 to those educational expenses normally incurred by
15 students at the institution of higher education in-
16 volved.

17 “(b) MINORITY WORKFORCE ENHANCEMENT.—

18 “(1) The Secretary shall award scholarships in
19 accordance with this section to persons who—

20 “(A) are enrolled in a Minority Serving
21 Higher Education Institutions;

22 “(B) are citizens or nationals of the
23 United States;

24 “(C) are pursuing an undergraduate or ad-
25 vanced degree in agriculture, engineering, engi-

1 neering or industrial technology, or physical
2 sciences, or other discipline that is found by the
3 Secretary to be critical to the functions of the
4 Department of the Interior and are needed in
5 the Department of the Interior workforce; and

6 “(D) enter into a service agreement with
7 the Secretary of the Interior as described in
8 this section.

9 “(2) The amount of the financial assistance
10 provided under a scholarship awarded to a person
11 under this subsection shall be the amount deter-
12 mined by the Secretary of the Interior as being nec-
13 essary to pay all educational expenses incurred by
14 that person, including tuition, fees, cost of books,
15 laboratory expenses, and expenses of room and
16 board. The expenses paid, however, shall be limited
17 to those educational expenses normally incurred by
18 students at the institution of higher education in-
19 volved.

20 “(c) EDUCATION PARTNERSHIPS WITH MINORITY
21 SERVING HIGHER EDUCATION INSTITUTIONS.—

22 “(1) The Secretary shall require the director of
23 each Bureau and Office, to foster the participation
24 of Minority Serving Higher Education Institutions
25 in any regulatory activity, land management activity,

1 science activity, engineering or industrial technology
2 activity, or engineering activity carried out by the
3 Department of the Interior.

4 “(2) The Secretary shall support activities at
5 Minority Serving Higher Education Institutions
6 by—

7 “(A) funding faculty and students in these
8 institutions in collaborative research projects
9 that are directly related to the Departmental or
10 Bureau missions;

11 “(B) allowing equipment transfer to Mi-
12 nority Serving Higher Education Institutions as
13 a part of a collaborative research program di-
14 rectly related to a Departmental or Bureau mis-
15 sion;

16 “(C) allowing faculty and students at these
17 Minority Serving Higher Education Institutions
18 to participate Departmental and Bureau train-
19 ing activities at no charge;

20 “(D) funding paid internships in Depart-
21 mental and Bureau facilities for students at Mi-
22 nority Serving Higher Education Institutions;
23 and

24 “(E) assigning Departmental and Bureau
25 personnel to positions located at Minority Serv-

1 ing Higher Educational Institutions to serve as
2 mentors to students interested in a science,
3 technology or engineering disciplines related to
4 the mission of the Department or the Bureaus.

5 “(d) UNIFORM SERVICE AGREEMENT FOR RECIPI-
6 ENTS OF ASSISTANCE.—

7 “(1) To receive financial assistance under sub-
8 section (a) or (b)—

9 “(A) in the case of an employee of the De-
10 partment of the Interior, the employee shall
11 enter into a written agreement to continue in
12 the employment of the department for the pe-
13 riod of obligated service determined under para-
14 graph (2); and

15 “(B) in the case of a person not an em-
16 ployee of the Department of the Interior, the
17 person shall enter into a written agreement to
18 accept and continue employment in the Depart-
19 ment of the Interior for the period of obligated
20 service determined under paragraph (2).

21 “(2) For the purposes of this section, the period
22 of obligated service for a recipient of a scholarship
23 under this section shall be the period determined by
24 the Secretary of the Interior as being appropriate to
25 obtain adequate service in exchange for the financial

1 assistance provided under the scholarship. In no
2 event may the period of service required of a recipi-
3 ent be less than the total period of pursuit of a de-
4 gree that is covered by the scholarship. The period
5 of obligated service is in addition to any other period
6 for which the recipient is obligated to serve in the
7 civil service of the United States.

8 “(3) An agreement entered into under this sub-
9 section by a person pursuing an academic degree
10 shall include any terms and conditions that the Sec-
11 retary of the Interior determines necessary to pro-
12 tect the interests of the United States or otherwise
13 appropriate for carrying out this section.

14 “(e) REFUND FOR PERIOD OF UNSERVED OBLI-
15 GATED SERVICE.—

16 “(1) A person who voluntarily terminates serv-
17 ice before the end of the period of obligated service
18 required under an agreement entered into under
19 subsection (d)(2) shall refund to the United States
20 an amount determined by the Secretary of the Inte-
21 rior as being appropriate to obtain adequate service
22 in exchange for financial assistance.

23 “(2) An obligation to reimburse the United
24 States imposed under paragraph (1) is for all pur-
25 poses a debt owed to the United States.

1 “(3) The Secretary of the Interior may waive,
2 in whole or in part, a refund required under para-
3 graph (1) if the Secretary determines that recovery
4 would be against equity and good conscience or
5 would be contrary to the best interests of the United
6 States.

7 “(4) A discharge in bankruptcy under title 11,
8 United States Code, that is entered less than five
9 years after the termination of an agreement under
10 this section does not discharge the person signing
11 such agreement from a debt arising under such
12 agreement or under this subsection.

13 “(f) RELATIONSHIP TO OTHER PROGRAMS.—The
14 Secretary of the Interior shall coordinate the provision of
15 financial assistance under the authority of this section
16 with the provision of financial assistance under the au-
17 thorities provided in this Act in order to maximize the ben-
18 efits derived by the Department of the Interior from the
19 exercise of all such authorities.

20 “(g) ANNUAL REPORT.—Not later than September
21 30 of each year, the Secretary of the Interior shall submit
22 to the Congress a report on the status of the assistance
23 program carried out under this section. The report shall
24 describe the programs within the Department designed to

1 recruit and retain a workforce on a short-term basis and
2 on a long-term basis.

3 “(h) DEFINITIONS.—As used in this section:

4 “(1) The term ‘Minority Serving Higher Edu-
5 cation Institutions’ means a Hispanic-serving insti-
6 tution, historically Black college or university, Alas-
7 ka Native-serving institution, tribal college or uni-
8 versity, or insular area school.

9 “(2) The term ‘Hispanic-serving institution’ has
10 the meaning given the term in section 502(a) of the
11 Higher Education Act of 1965 (20 U.S.C.
12 1101a(a)).

13 “(3) The term ‘historically Black college or uni-
14 versity’ has the meaning given the term ‘part B in-
15 stitution’ in section 322 of the Higher Education
16 Act of 1965 (20 U.S.C. 1061).

17 “(4) The term ‘tribal college or university’ has
18 the meaning given the term ‘Tribal College or Uni-
19 versity’ in section 316(b)(3) of the Higher Edu-
20 cation Act of 1965 (20 U.S.C. 1059c).

21 “(5) The term ‘institution of higher education’
22 has the meaning given such term in section 101 of
23 the Higher Education Act of 1965 (20 U.S.C.
24 1001).

1 “(6) The term ‘Alaska Native-serving institu-
2 tion’ has the meaning given the term in section 317
3 of the Higher Education Act of 1965 (20 U.S.C.
4 1059d).

5 “(7) The term ‘insular area school’ means an
6 academic institution or university in American
7 Samoa, Guam, The Northern Mariana Islands,
8 Puerto Rico, and the Virgin Islands, or any other
9 territory or possession of the United States.

10 **“SEC. 8. CAREER TECHNICAL EDUCATION.**

11 “(a) POLICY.—It is the policy of the United States
12 that programs that train skilled workers and tradesman
13 receive appropriate funding to ensure a steady supply of
14 these workers for the Nation’s mines, oil fields, and fac-
15 tories, fisheries and farms. In recognition that skilled
16 workers are integral to the Nation’s economy, it is the pur-
17 pose of this Act to foster stronger links between post sec-
18 ondary education and the training of skilled workers and
19 tradesman. In furtherance of this purpose, funds author-
20 ized by this Act may be granted to colleges, universities,
21 community colleges, tribal colleges and universities, tech-
22 nical institutes, apprenticeship programs, and secondary
23 schools to implement this section.

24 “(b) COMMUNITY COLLEGE CAREER TECHNICAL
25 COLLEGE FUNDING.—

1 “(1) A Community or Tribal College may re-
2 ceive funding under this section if it submits an ap-
3 plication that demonstrates the presence of a State-
4 approved program in engineering technology or in-
5 dustrial technology that—

6 “(A) is focused on the application of tech-
7 nology to energy and mineral production; min-
8 eral processing and beneficiation or metals re-
9 fining; maintenance related to energy and min-
10 eral resource production activities and oper-
11 ational safety; energy an mineral production in-
12 frastructure protection and security; and indus-
13 trial process operations; and

14 “(B) grants a certificate in one of the sub-
15 jects listed in subsection (b)(1)(A).

16 “(2) A Community or Tribal College may re-
17 ceive funding under this section if it submits an ap-
18 plication that demonstrates that it cooperatively of-
19 fers training to individuals seeking to complete pro-
20 grams described in subsection (c) or (d) and pro-
21 vides college level credit for the successful comple-
22 tion of the training.

23 “(3) The funds may be made available as
24 grants by the Secretary in not more than three-year
25 increments to support these programs for a period

1 not to exceed 12 years, but all Federal funds must
2 be matched with State and or industry funds at a
3 rate of twice that of the amount granted by the Sec-
4 retary.

5 “(4) Federal funding may be used to acquire
6 and maintain equipment used for classroom and lab-
7 oratory training purposes, except that any under-
8 ground training facilities shall be subject to the pro-
9 vision of section 10(f).

10 “(c) SECONDARY SCHOOL CAREER TECHNICAL EDU-
11 CATION FUNDING.—

12 “(1) A secondary school with the presence of a
13 program, including a secondary school vocational
14 education program or career academy, that provides
15 training for individuals seeking to enter the petro-
16 leum, coal mining, or mineral mining industries may
17 apply for funding under this section.

18 “(2) Secondary schools may apply for funding
19 if they maintain a State-approved program of career
20 technical education offered cooperatively with a com-
21 munity college in one of the industrial sectors of—

22 “(A) agriculture, forestry, or fisheries;

23 “(B) utilities, particularly power trans-
24 mission and pipelines operations;

1 “(C) maintenance and maintenance logis-
2 tics;

3 “(D) construction;

4 “(E) manufacturing;

5 “(F) mining, surveying, and well drilling;

6 or

7 “(G) transportation and warehousing.

8 “(3) Secondary schools seeking funds to sup-
9 port the operation of a program may initially only
10 use those funds for enhancing the instructional skills
11 of teachers through additional training and re-
12 sources as will permit such teachers to enhance their
13 skills.

14 “(4) After the teachers at existing programs
15 have achieved enhanced skills and meet an appro-
16 priate standard, as agreed to by local authorities in
17 consultation with the Secretary, the funds be used to
18 purchase classroom and laboratory equipment.

19 “(5) Secondary schools seeking funds to sup-
20 port the development of a new program shall use the
21 funds to support the purchase of classroom and lab-
22 oratory equipment and to supplement teacher sala-
23 ries to encourage the hiring of highly qualified
24 teachers.

1 “(d) SKILLED TRADES TRAINING PROGRAMS.—
2 Jointly sponsored apprenticeship and training programs
3 that are authorized by Federal law and that offer commu-
4 nity college credit for the successful completion of
5 coursework may apply for funding under this section, pro-
6 vided that the training offered in one of the sectors listed
7 in subsection (b)(1)(A) or (c).

8 “(e) APPLICATION FOR FUNDING.—An application
9 for funds under this section must show evidence of an in-
10 stitutional commitment for career technical education and
11 provide evidence that the school or institution has received
12 or will receive industry cooperation in the form of equip-
13 ment, employee time, or donations of funds to support the
14 activities that are within the scope of this section.

15 “(f) USE OF CAREER TECHNICAL EDUCATION FUND-
16 ING.—

17 “(1) Schools or institutions receiving funds
18 under this section must agree to maintain the pro-
19 grams for which the funding is sought for a period
20 of 10 years beginning on the date the school or insti-
21 tution receives such funds, unless the Secretary
22 finds that a shorter period of time is appropriate for
23 the local labor market or is required by State au-
24 thorities.

1 “(2) Schools or institutions receiving funds
2 under this section may combine these funds with
3 State funds, and other Federal funds where allowed
4 by law, to carry out programs described in this sec-
5 tion. However the use of the funds received under
6 this section must be reported to the Secretary not
7 less than annually or more frequently should the
8 Secretary determine such reporting to be appro-
9 priate.

10 **“SEC. 9. ADMINISTRATION.**

11 “(a) DUTIES OF THE SECRETARY.—

12 “(1) The Secretary, acting through the Director
13 of the National Center for Science and Technology
14 Education, shall administer this Act and shall pre-
15 scribe such rules and regulations as may be nec-
16 essary to carry out its provisions not later than 1
17 year after the enactment of SEACOR.

18 “(2) The regulations required by this section
19 shall ensure that when scholarships, fellowships, or
20 grants are to be awarded that there be a preference
21 given to veterans and service members who have re-
22 ceived or will receive either the Afghanistan Cam-
23 paign Medal or the Iraq Campaign Medal as author-
24 ized by Public Law 108–234, and Executive Order
25 No. 13363.

1 “(3) The regulations prepared by the Secretary
2 shall establish procedures—

3 “(A) to ensure that each employee and
4 contractor of the Center established by this sec-
5 tion and each member of the Committee estab-
6 lished pursuant to section 11 shall disclose to
7 the Secretary any financial interests in or fi-
8 nancial relationships with schools, universities,
9 institutions, or individuals receiving funds,
10 scholarships or fellowships under this Act;

11 “(B) to require any employee, contractor,
12 or member of the Committee with a financial
13 relationship disclosed under subparagraph (A)
14 to recuse themselves from—

15 “(i) any recommendation or decision
16 regarding the awarding of funds, scholar-
17 ships, or fellowships; and

18 “(ii) any accreditation review, report,
19 analysis or investigation regarding compli-
20 ance with the provisions of this Act by a
21 school, university, or institution or any in-
22 dividual; and

23 “(C) that ensure that membership on the
24 Committee established by section 11 by rep-
25 resentatives of a school, university, or institu-

1 tion shall not serve as a bar to the receipt of
2 funding under this Act if the representatives
3 has taken steps to recuse themselves from the
4 decision.

5 “(b) NATIONAL CENTER FOR SCIENCE AND TECH-
6 NOLOGY EDUCATION.—

7 “(1) There is established in the Department of
8 the Interior, under the supervision of the Secretary,
9 a center to be known as the National Center for
10 Science and Technology Education (hereafter in this
11 Act referred to as the ‘Center’) to administer the
12 provisions of this Act. The position of the Director
13 shall be allocated from among the existing Senior
14 Executive Service positions at the Department of the
15 Interior and shall be a career reserved position as
16 defined in section 3132(a)(8) of title 5, United
17 States Code.

18 “(2)(A) The Director may appoint a Deputy
19 Director and employ such officers and employees as
20 may be necessary to enable the Center to carry out
21 its functions.

22 “(B) In general, all such appointments shall be
23 made from existing positions at the Department of
24 the Interior, and shall be subject to the provisions
25 of title 5, United States Code, governing appoint-

1 ments in the competitive service and shall be paid in
2 accordance with the provisions of chapter 51 and
3 subchapter III of chapter 53 of such title relating to
4 classification and General Schedule pay rates.

5 “(C) Whenever it is determined to be in the in-
6 terest of the government, the Director may appoint
7 non-status individuals to professional positions at
8 the Center for term assignments, not to exceed four
9 years, if—

10 “(i) such individuals are citizens of the
11 United States, United States nationals, or resi-
12 dent aliens; and

13 “(ii) the individuals hold advanced degrees
14 in fields of study that will enhance the capacity
15 of the Center or its additional offices to carry
16 out the programs funded under this Act.

17 “(3) In carrying out his or her functions, the
18 Director shall assist and advise the Secretary and
19 the Committee established pursuant to this Act by—

20 “(A) providing professional and adminis-
21 trative support for the Committee including
22 record keeping and maintaining minutes of all
23 Committee and subcommittee meetings;

24 “(B) coordinating the activities of the
25 Committee with Federal agencies and depart-

1 ments, and the schools, universities, and insti-
2 tutions to which funds are provided under this
3 Act;

4 “(C) maintaining accurate records of funds
5 disbursed for all scholarship and fellowship
6 grants, research grants, and grants for career
7 technical education purposes;

8 “(D) preparing any regulations required to
9 implement this Act;

10 “(E) conducting site visits at schools, uni-
11 versities, and institutions receiving funding
12 under this Act; and

13 “(F) serving as a central repository for re-
14 ports and a clearing house for public informa-
15 tion on research and data funded by this Act.

16 “(4) The Director or an employee of the Center
17 shall be present at each meeting of the Committee
18 established pursuant to section 11, a meeting of a
19 subcommittee of such Committee, or of a task force
20 established by the Committee.

21 “(5) The Director is authorized to contract with
22 public or private agencies, institutions, and organiza-
23 tions and with individuals without regard to section
24 3324(a) and (b) of title 31, United States Code, and

1 section 5 of title 41, United States Code, in carrying
2 out his or her functions.

3 “(6) As needed the Director shall ascertain
4 whether the requirements of this Act have been met
5 by schools, universities, institutions, and individuals.

6 “(7) If any of the funds received under this Act
7 are found by the Director to have been improperly
8 diminished, lost, or misapplied, the Director shall
9 take all necessary steps to recover such funds.

10 “(c) NATIONAL CENTER LOCATION AND ADDITIONAL
11 OFFICES.—

12 “(1) The Center shall be located at a site on or
13 near the campus of a school, college, or university
14 with a recognized program, to be determined by the
15 Secretary after consultation with the Committee and
16 the receipt of public comments.

17 “(2) The Director, with the advice of the Com-
18 mittee, may establish additional offices at or near
19 the campuses of school, colleges, or universities with
20 recognized programs, if such offices are found to be
21 of assistance in managing the programs carried out
22 under this Act. In creating additional offices—

23 “(A) at least on full-time Federal employee
24 must be stationed at any such office to serve as
25 the supervisor of the office;

1 “(B) priority shall given to local graduate
2 and undergraduate students enrolled in recog-
3 nized programs in filling administrative posi-
4 tions in such additional offices;

5 “(C) priority shall be given to research fac-
6 ulty and teaching faculty at recognized pro-
7 grams when filling scientific, engineering and
8 technical positions; and

9 “(D) to encourage a continual flow of new
10 personnel into the positions at the additional of-
11 fices shall be filled on a term basis not to ex-
12 ceed four years.

13 “(3) No Federal funds may be utilized to pur-
14 chase land or building for the Center or additional
15 offices. However, the Director, acting through the
16 General Services Administration, may lease land and
17 buildings for the purpose of housing the Center or
18 additional offices.

19 “(d) DATA AVAILABILITY.—

20 “(1) The Director shall establish the mecha-
21 nism for public release of findings and data from re-
22 search supported under this Act. Such release may
23 include data, physical collections, and other sup-
24 porting materials created or gathered in the course
25 of the work. Data release policies shall follow the

1 best practices established by Federal agencies sup-
2 porting extramural research.

3 “(2) The Director shall establish policies for the
4 establishment, maintenance, validation, description,
5 and distribution of high-quality, data sets, including
6 the following:

7 “(A) Data archives must include easily ac-
8 cessible information about the data holdings, in-
9 cluding quality assessments, supporting ancil-
10 lary information, and guidance and aids for lo-
11 eating and obtaining data.

12 “(B) Data may be made available for sec-
13 ondary use through submission to a national
14 data center, publication in a widely available
15 scientific journal, book or website, through the
16 institutional archives that are standard for a
17 particular discipline, or through other Director-
18 specified repositories.

19 “(C) Data inventories should be published
20 or entered into a public database periodically
21 and when there is a significant change in type,
22 location, or frequency of such observations.

23 “(D) For those activities in which propri-
24 etary or confidential information is acquired or
25 generated, data release shall not violate con-

1 confidentiality agreements. Those data, samples, or
2 supporting materials that can be released
3 should be made openly available as soon as pos-
4 sible, but no later than one year after the con-
5 clusion of the funded project or within 6
6 months of a published paper. This period may
7 be extended under exceptional circumstances,
8 but only by agreement between the Principal
9 Investigator and the Director.

10 “(E) Within the proposal review process,
11 compliance with these data guidelines will be
12 considered in the overall evaluation of a Prin-
13 cipal Investigator’s record of prior support.

14 “(F) Exceptions to these data guidelines
15 require agreement between the Principal Inves-
16 tigator and the Director.

17 “(3) The Director shall take all necessary steps
18 to ensure that the data within the database is in a
19 form that is compatible with the data contained in
20 the database mandated by section 351 of the Energy
21 Policy Act of 2005.

22 “(4) In all cases the cost to the public to access
23 the data shall be no more than the cost to maintain
24 the data in electronic format.

1 **“SEC. 10. APPLICATIONS FOR FUNDING AND DUTIES OF RE-**
2 **CEIVING SCHOOLS AND INDIVIDUALS.**

3 “(a) APPLICATIONS FOR FUNDING AND DUTIES OF
4 SCHOOLS RECEIVING FUNDING.—

5 “(1) Each application to the Secretary for
6 funds under this Act shall state, among other
7 things—

8 “(A) the nature of the project to be under-
9 taken and its relation to other known research
10 projects;

11 “(B) the period during which it will be
12 pursued;

13 “(C) the qualifications of the personnel
14 who will direct and conduct it;

15 “(D) the estimated costs;

16 “(E) the extent to which the proposed
17 project will maximize the opportunity for the
18 training of undergraduate and graduate chem-
19 ical, petroleum, mining, and mineral engineers,
20 geologists, and geophysicists; and

21 “(F) the extent of participation by non-
22 governmental sources in the project.

23 “(2) Funds shall only be made available upon
24 the basis of the merit of the application, and the op-
25 portunity the proposal provides for undergraduate
26 training.

1 “(3) Funds may be made available for multiple
2 programs within a single institution but each pro-
3 gram must file a separate application for funding
4 that meets the requirements of paragraph (1).

5 “(4) Funds available under this Act shall be
6 paid at such times and in such amounts during each
7 fiscal year as determined by the Secretary, and upon
8 vouchers approved by the Secretary.

9 “(b) DUTIES OF RECEIVING SCHOOLS.—Each school,
10 university, or institution that receives funds under this Act
11 shall—

12 “(1) establish policies and procedures that as-
13 sure that Federal funds made available under this
14 Act for any fiscal year will supplement and, to the
15 extent practicable, increase the level of funds that
16 would, in the absence of such Federal funds, be
17 made available for purposes of this Act, and in no
18 case supplant such funds; and

19 “(2) have an officer appointed by its governing
20 authority who shall receive and account for all funds
21 paid under this Act and shall make an annual report
22 to the Secretary on or before the first day of Octo-
23 ber of each year, on work accomplished and the sta-
24 tus of projects underway, together with a detailed
25 statement of the amounts received under this Act

1 during the preceding fiscal year, and of its disburse-
2 ments on schedules prescribed by the Secretary.

3 “(c) INSTITUTIONAL AND INDIVIDUAL REPORTING
4 REQUIREMENTS.—

5 “(1) On or before the first day of October of
6 each year beginning after the date of enactment of
7 this Act, schools, universities, and institutions re-
8 ceiving funds under this Act shall certify compliance
9 with this Act and upon request of the Director of
10 the Center provide documentation of such compli-
11 ance.

12 “(2) An individual granted a scholarship or fel-
13 lowship with funds provided under this Act shall an-
14 nually, through their respective school, university, or
15 institution, advise the Director of the Center of
16 progress towards completion of the course of studies
17 and upon the awarding of the degree within 30 days
18 after the award.

19 “(d) CONSORTIA.—

20 “(1) Where appropriate, the Secretary may
21 make funds available to recognized schools under
22 this Act that participate in consortia performing re-
23 search that meets the goals of this Act.

24 “(2) Consortia as authorized by this Act, may
25 include—

1 “(A) domestic schools, universities, or in-
2 stitutions, including those that are otherwise in-
3 eligible for funds under this Act;

4 “(B) professional societies or foundations
5 that support or that are supported by profes-
6 sional societies;

7 “(C) industry trade associations or indi-
8 vidual companies, either singly or as multiple
9 participants;

10 “(D) State agencies, including federally
11 recognized multistate commissions and regional
12 organizations;

13 “(E) Federal agencies, if their participa-
14 tion is authorized by Federal law;

15 “(F) national laboratories, if their partici-
16 pation uses funds other than those provided by
17 this Act;

18 “(G) privately funded, non-governmental
19 organizations, including charitable trusts, non-
20 profit, organizations, and professional societies
21 and associations; and

22 “(H) individuals with financial assets, in-
23 cluding Federal research grants.

24 “(3) Participants in a consortia must have in-
25 structional or research skills, programs, facilities, or

1 other significant assets specifically identified during
2 the application process as needed for the success of
3 the research being carried out by the consortia.

4 “(4) Consortia participants may provide addi-
5 tional funding for consortia activities, including Fed-
6 eral funds, however any such Federal funding must
7 be in addition to any funds provide by this Act and
8 may not be utilized in lieu of funds received under
9 this Act.

10 “(5) Approved funding under this Act for con-
11 sortia shall be disbursed by the Secretary only to a
12 single point of contact at a recognized school. With
13 respect to such disbursements—

14 “(A) the receiving institution shall dis-
15 tribute funds to the other members of the con-
16 sortia and shall serve as the lead institution
17 and the sole point of contact for all other par-
18 ticipants;

19 “(B) all reports of the consortium required
20 by this Act shall be filed by the lead institution;
21 and

22 “(C) with the concurrence of the Com-
23 mittee and the Secretary, the lead institution
24 may terminate the participation of any other
25 participant in the consortium.

1 “(e) COORDINATION.—

2 “(1) Nothing in this Act shall be construed to
3 impair or modify the legal relationship existing be-
4 tween any of any school, university, or institution re-
5 ceiving funds under this Act and the government of
6 the State in which it is located. Nothing in this Act
7 shall in any way be construed to authorize Federal
8 control or direction of education at any school, uni-
9 versity, or institution.

10 “(2) The schools, universities, and institutions
11 receiving funding under this Act shall make detailed
12 reports to the Center on projects completed, in
13 progress, or planned with funds provided under this
14 Act. All such reports shall be available to the public
15 on not less than an annual basis through the Center.

16 “(3) All uses, products, processes, and other de-
17 velopments resulting from any research, demonstra-
18 tion, or experiment funded in whole or in part under
19 this Act shall be made available promptly to the gen-
20 eral public, subject to exception or limitation, if any,
21 as the Secretary may find necessary in the interest
22 of national security, and subject to the applicable
23 Federal law governing patents.

24 “(f) LABS, PHYSICAL PLANT, TEACHING MINES AND
25 DRILLING RIGS.—

1 “(1) Funding under this Act may be used for
2 proposals that will provide for maintaining or up-
3 grading of existing laboratories and laboratory
4 equipment only with the express approval of the Sec-
5 retary. No funding for such maintenance or up grad-
6 ing may be used for university overhead expenses
7 unless agreed to in advance by the Secretary.

8 “(2) Funding made available under this Act
9 may be used for maintaining and upgrading mines
10 and oil and gas drilling rigs owned by a school, uni-
11 versity, or institution described in this section that
12 are used for undergraduate and graduate training
13 and worker safety training. All requests for funding
14 such mines and oil and gas drilling rigs must dem-
15 onstrate that they have been owned by the school,
16 university, or institution for 5 years prior to the
17 date of enactment of SEACOR and have been ac-
18 tively used for instructional or training purposes
19 during that time.

20 “(3) No funds made available under this Act
21 shall be used to purchase or lease any land or inter-
22 ests therein, or the rental, purchase, construction,
23 preservation, or repair of any building.

1 **“SEC. 11. ADVISORY COMMITTEE.**

2 “(a) ADVISORY COMMITTEE ESTABLISHED.—The
3 Secretary shall establish and appoint a Committee on
4 Science and Technology Education composed of the fol-
5 lowing:

6 “(1) The Assistant Secretary of the Interior re-
7 sponsible for land and minerals management and 18
8 other persons who are knowledgeable in the fields of
9 mining and mineral resources research, including
10 two university administrators whom shall be from an
11 institution with a recognized energy or mining
12 school; a community or technical college adminis-
13 trator; a tribal college administrator; a career tech-
14 nical education educator; six representatives equally
15 distributed from the petroleum, mining, and aggre-
16 gate industries; a working miner; a working oil field
17 worker; a representative of the Interstate Oil and
18 Gas Compact Commission; a representative from the
19 Interstate Mining Compact Commission; a rep-
20 resentative of the State geologists; and two rep-
21 resentatives of the general public. In making these
22 appointments, the Secretary shall consult with inter-
23 ested groups.

24 “(2) The Assistant Secretary for Land and
25 Minerals Management, in the capacity of the Chair-
26 man of the Committee, may invite the representa-

1 tives of any Federal agency with responsibility for
2 energy and minerals resources to Committee meet-
3 ings to serve as technical advisors to the committee.
4 The Assistant Secretary may also invite representa-
5 tives from the National Academies and the National
6 Science Foundation to attend as observers and when
7 appropriate as advisors. Neither advisors nor observ-
8 ers shall voting responsibilities.

9 “(3) Committee members shall be appointed for
10 a term of 5 years, except that the regulations under
11 which the Committee shall operate shall allow for
12 the length of the initial appointments to be stag-
13 gered to ensure continuity of operations. Members
14 appointed to the initial terms that may be less than
15 five years may be reappointed by the Secretary.

16 “(b) DUTIES OF THE COMMITTEE.—

17 “(1) The Committee shall consult with, and
18 make recommendations to, the Secretary on all mat-
19 ters relating to carrying out this Act, including rec-
20 ommending the approval of funding. The Secretary
21 shall regularly consult with and carefully consider
22 recommendations of the Committee in such matters.

23 “(2) When requested by the Secretary the com-
24 mittee shall review a program requesting funding
25 that does not have a nationally recognized accredita-

1 tion to determine the extent to which the requesting
2 program meets the program criteria set out in this
3 Act. Requesting programs shall be given an oppor-
4 tunity to review and comment on the program re-
5 views carried out the by Committee.

6 “(3) Following completion of the report re-
7 quired by section 385 of the Energy Policy Act of
8 2005, the Committee shall consider the rec-
9 ommendations of the report, ongoing efforts in the
10 schools, universities, and institutions receiving fund-
11 ing under this Act, the Federal and State Govern-
12 ments, and the private sector, and after receiving
13 public comments on possible research directions,
14 shall formulate and recommend to the Secretary a
15 national plan for a program utilizing the fiscal re-
16 sources provided under this Act. The Committee
17 shall submit such plan to the Secretary for approval.
18 Upon approval, the plan shall guide the Secretary
19 and the Committee in their actions under this Act
20 for the subsequent 10 years.

21 “(4) The Committee shall review the reports
22 work submitted to the Center pursuant to section
23 10(e)(2) and seek public comments on the work
24 being conducted.

1 “(5) The Committee shall every 10 years review
2 the research and development goals for this section,
3 taking public comment and suggest to the Secretary
4 appropriate and promising avenues for additional re-
5 search and development goals. If the Committee de-
6 termines that previously suggested avenues for re-
7 search are no longer providing useful results, they
8 may recommend that these lines of research be dis-
9 continued. In conducting this review, the Committee
10 shall seek the views of the National Academies and
11 the National Science Foundation.

12 “(c) TRANSMISSION OF REPORTS.—The Secretary
13 shall without further review by any other government
14 agency, transmit the reports of the Committee together
15 with the recommendations to the President of the Senate
16 and the Speaker of the House of Representatives.

17 “(d) ORGANIZATION OF THE COMMITTEE.—

18 “(1) The Committee shall be chaired by the As-
19 sistant Secretary of the Interior responsible for land
20 and minerals management.

21 “(2) The Committee shall also elect a Vice
22 Chairman from among the members. The Vice
23 Chairman shall perform such duties as are deter-
24 mined to be appropriate by the committee, except

1 that the Chairman of the Committee must person-
2 ally preside at all meetings of the full Committee.

3 “(3) The Committee may organize itself into
4 such subcommittees and teams as the Committee
5 may deem appropriate by a vote of the members
6 present.

7 “(4) When the Committee is performing a re-
8 view under subsection (d), it may invite participants
9 from the appropriate discipline or from nationally rec-
10 ognized accreditation organizations to participate as
11 observers.

12 “(e) PROGRAM ACCREDITATION.—

13 “(1) To the extent practicable, the committee
14 shall utilize self-reviews by programs seeking accred-
15 itation, which shall be coupled with a campus visits
16 by an evaluation team

17 “(2) The evaluation team shall conduct an exit
18 interview with the appropriate institutional officials,
19 during which time the team shall provide the pre-
20 liminary results of the evaluation. The program
21 being evaluated shall have 14 calendar days to cor-
22 rect any errors of fact communicated during the exit
23 interview. The team will draft statement to be pro-
24 vided to the institution within 90 days of the end the
25 visit. On receipt of the draft statement, the institu-

1 tion has 30 days to respond to issues identified in
2 the evaluation. After receiving the institutional com-
3 ments the team will prepare a final statement on the
4 program under review along with a recommendation
5 on accreditation action to the Committee within 60
6 days. At the next scheduled meeting, the Committee
7 shall review the report and recommendation and ad-
8 vise the Secretary in writing of the results together
9 with a recommendation for final action by the Sec-
10 retary. A decision by the Secretary to grant accredi-
11 tation shall be good for 5 years.

12 “(3) A program will be determined to be a rec-
13 ognized program under this section, if the committee
14 finds after review that the program has—

15 “(A) specific programmatic tracks for the
16 relevant program for undergraduate or grad-
17 uate education (or both) and these pro-
18 grammatic tracks must be readily identifiably
19 via name and curriculum requirements;

20 “(B) has a demonstrated record of pro-
21 ducing entry level practitioners and provides the
22 applied skills necessary for successful careers in
23 the relevant industry;

24 “(C) has a demonstrated record of active
25 research in the relevant applied field; and

1 “(D) places high priority on the recruit-
2 ment, support, retention and graduation of mi-
3 nority undergraduate and graduate students.

4 “(4) To qualify as a recognized program, the
5 school or institution must have at least one tenured
6 or tenure-track faculty member whose research is fo-
7 cused on the program of study applied for, and who
8 is recognized by peers as a specialist in the appro-
9 priate applied discipline or holds a State-based pro-
10 fessional registration or certification that allows the
11 holder to publicly practice the appropriate discipline.
12 Peer-based-recognition shall be determined sufficient
13 if the Secretary as advised by the Committee finds
14 the peer recognition is based on a combination of
15 educational achievement and work experience in the
16 discipline.

17 “(5) Certification by a professional society in a
18 particular discipline will constitute recognition if the
19 Committee finds and the Secretary concurs that
20 such a certification by a professional society requires
21 that—

22 “(A) the individual to have been a practi-
23 tioner of the discipline for a specific period of
24 time;

1 “(B) the individual must be a graduate of
2 recognized institution with a degree in the ap-
3 propriate discipline; and

4 “(C) the individual must be held to the so-
5 ciety’s enforceable code of ethics.

6 **“SEC. 12. PROGRAM SCHOLARSHIPS & FELLOWSHIPS.**

7 “(a) MERIT-BASED SCHOLARSHIPS.—The Secretary
8 may establish by rules a program for providing merit-
9 based scholarships for undergraduate education, graduate
10 fellowships, and postdoctoral fellowships in the disciplines
11 described sections 4, 5, and 6. All such scholarships, grad-
12 uate fellowships, and postdoctoral fellowships shall be
13 awarded through the institutions receiving funding under
14 this Act.

15 “(b) INSTITUTIONAL AWARDS OF SCHOLARSHIPS.—

16 “(1) An institution seeking funds under this
17 subsection shall describe, in its application to the
18 Secretary for funding, the number of students that
19 would be awarded scholarships or fellowships if the
20 application is approved, how such students would be
21 selected, and how the provisions of this section will
22 be enforced.

23 “(2) The Secretary shall award grants for
24 scholarship and fellowships to schools, universities,
25 and institutions that are eligible to receive funding

1 under this Act. A school, university, or institution
2 receiving funding under this subsection shall be re-
3 sponsible for enforcing the requirements of this sec-
4 tion for scholarship or fellowship students and shall
5 return to the Secretary any funds recovered from an
6 individual under subsection (d).

7 “(c) QUALIFICATIONS FOR SCHOLARSHIPS AND FEL-
8 LOWSHIPS.—In order to receive a scholarship or a grad-
9 uate fellowship, an individual student must be a lawful
10 permanent resident of the United States or a United
11 States citizen and must agree in writing to complete a
12 course of studies and receive a degree in chemical, petro-
13 leum, mining, or mineral engineering, petroleum geology,
14 geothermal geology, mining and economic geology, petro-
15 leum and mining geophysics, or mineral economics that
16 is focused on the exploration, development and production
17 of energy and mineral resources as set forth in this Act.

18 “(d) DUTIES OF SCHOLARSHIP AND FELLOWSHIP
19 RECIPIENTS.—The regulations required by this Act shall
20 require that an individual, in order to retain a scholarship
21 or graduate fellowship, must continue in one of the course
22 of studies listed in subsection (c), must remain in good
23 academic standing, as determined by the school, institu-
24 tion, or university, and must allow for reinstatement of
25 the scholarship or graduate fellowship by the Secretary,

1 upon the recommendation of the school or institution.
2 Such regulations may also provide for recovery of funds
3 from an individual who fails to complete any of the courses
4 of study listed in subsection (c) after notice that such com-
5 pletion is a requirement of receipt funding under this Act.

6 **“SEC. 13. ANNUAL FUNDING.**

7 “From the amounts transferred to the Secretary
8 under section 225(a)(5)(B) of SEACOR, the Secretary
9 shall annually allocate the following:

10 “(1) For research and development under sec-
11 tions 4, 5, and 6, not less than 50 percent nor more
12 than 60 percent of such amounts, to be divided
13 equally among the three sections.

14 “(2) For scholarships established by section 7,
15 not less than 3 percent nor more than 5 percent of
16 such amounts, to be divided equally between scholar-
17 ships offered under subsections (a) and (b).

18 “(3) For career technical education programs
19 under section 8, not less than 32 percent nor more
20 than 37 percent of such amounts.

21 “(4) For scholarships established by section 12,
22 not less than 5 percent nor more than 8 percent of
23 such amounts.

1 **“SEC. 14. STUDIES.**

2 “(a) REPORT ON ENERGY AND MINERAL POLICY
3 LEADERSHIP IN THE EXECUTIVE BRANCH.—

4 “(1) Within 180 days of the date of enactment
5 of SEACOR, the Secretary of the Interior from ex-
6 isting funds shall provide funding to the National
7 Academy of Public Administration.

8 “(2) The National Academy of Public Adminis-
9 tration shall—

10 “(A) use the funds to conduct an analysis
11 and prepare a report on the State of Energy
12 and Mineral Policy Leadership within the Exec-
13 utive Branch; and

14 “(B) upon completion of the report, trans-
15 mit that report together with its recommenda-
16 tions to the President of the Senate and the
17 Speaker of the House of Representatives.

18 “(3) In preparing the report, the Academy
19 shall—

20 “(A) provide a complete description of the
21 executive branch organization of existing energy
22 and mineral inventory, assessment, and man-
23 agement agencies and bureaus, which shall fur-
24 ther identify all policy;

25 “(B) analyze the operation of the existing
26 executive branch organizations, paying careful

1 the demographics and sustainability Federal en-
2 ergy and mineral workforce;

3 “(C) examine how well executive branch
4 agencies focus on cross-agency matters related
5 to national defense, finance and capital forma-
6 tion, taxation, and workforce, in addition to
7 how well the agencies inventory, evaluate, and
8 manage to access to energy and mineral re-
9 sources;

10 “(D) examine the placement and utiliza-
11 tion of mineral and energy economic analysis
12 functions within the executive branch;

13 “(E) examine the present location of the
14 energy and mineral information collection func-
15 tions in the executive branch;

16 “(F) examine the impacts of the closure of
17 the Bureau of Mines on the development and
18 implementation of executive branch mineral pol-
19 icy;

20 “(G) examine energy and minerals policy
21 making organizations in the Federal, provincial,
22 and State governments of Canada and Aus-
23 tralia and any other countries deemed appro-
24 priate by the Academy;

1 “(H) examine the impacts of centralizing
2 all energy and mineral functions within the ex-
3 ecutive branch, taking into account the re-
4 sources needed to operate and manage a cen-
5 tralized organization fully capable of energy and
6 mineral policy setting, commodity information
7 gathering, resource inventory activities, eco-
8 nomic assessment and evaluation activities, and
9 the management of all aspects reasonably re-
10 lated to granting access to federally owned en-
11 ergy and mineral resources; and

12 “(I) advise the Congress of the Academy’s
13 recommendations for improving coordination of
14 executive branch function including but not lim-
15 ited to centralizing of functions.”.

16 **SEC. 226. OCS REGIONAL HEADQUARTERS.**

17 Not later than July 1, 2011, the Secretary of the In-
18 terior shall establish the headquarters for the Atlantic
19 OCS Region and the headquarters for the Pacific OCS
20 Region within a State bordering the Atlantic OCS Region,
21 and a State bordering the Pacific OCS Region, respec-
22 tively, from among the States bordering those Regions
23 that petitions by no later than January 1, 2011, for leas-
24 ing, for oil and gas or natural gas, covering at least 40
25 percent of the area of their respective Adjacent Zones

1 within 75 miles of the coastline. Such Atlantic and Pacific
2 OCS Regions headquarters shall be located within 25
3 miles of the coastline and each Minerals Management
4 Service OCS regional headquarters shall be the permanent
5 duty station for all Minerals Management Service per-
6 sonnel that on a daily basis spend on average 60 percent
7 or more of their time in performance of duties in support
8 of the activities of the respective Region, except that the
9 Minerals Management Service may house regional inspec-
10 tion staff in other locations. Each OCS Region shall each
11 be led by a Regional Director who shall be an employee
12 within the Senior Executive Service.

13 **SEC. 227. FREEDOM FUELS ACT.**

14 (a) SHORT TITLE.—This section may be cited as the
15 “Freedom Fuels Act”.

16 (b) PURPOSES.—The purpose of this section is to—

17 (1) establish a fund to provide funding for the
18 management of geologic programs, geophysical and
19 other seismic studies, seismic monitoring programs,
20 and the preservation and use of geologic and geo-
21 physical data, geothermal and geopressure energy
22 renewable resource management, unconventional en-
23 ergy resources management, and renewable energy
24 management associated with ocean wave, tidal, cur-
25 rent, and thermal resources;

1 (2) make available receipts derived from sales,
2 bonus bids, royalties, and fees from onshore and off-
3 shore gas, minerals, oil, other sources of funds, and
4 any additional form of energy exploration and devel-
5 opment under the laws of the United States for the
6 purposes of such fund;

7 (3) distribute funds from such fund each fiscal
8 year to the Secretary of the Interior; and

9 (4) use the distributed funds to manage activi-
10 ties conducted under this section, and to secure the
11 necessary trained workforce, contractual services,
12 and other support, including maintenance and cap-
13 ital investments, to perform the functions and activi-
14 ties described in paragraph (1).

15 (c) DEFINITIONS.—In this section:

16 (1) FREEDOM FUELS FUND.—The term “Free-
17 dom Fuels Fund” means the Freedom Fuels Fund
18 established by subsection (d).

19 (2) SECRETARY.—The term “Secretary” means
20 the Secretary of the Interior.

21 (d) ESTABLISHMENT AND USE OF THE FREEDOM
22 FUELS FUND.—

23 (1) FREEDOM FUELS FUND.—There is estab-
24 lished in the Treasury a separate account to be
25 known as the “Freedom Fuels Fund”.

1 (2) FUNDING.—The Secretary of the Treasury
2 shall deposit in the Freedom Fuels Fund—

3 (A) such sums as are provided by sections
4 9(b)(5)(A)(v) and 9(b)(5)(B)(v) of the Outer
5 Continental Shelf Lands Act, as amended by
6 this Act;

7 (B)(i) during the period of October 1,
8 2008, through September 30, 2018, one percent
9 of all sums paid into the Treasury under sec-
10 tion 35 of the Mineral Leasing Act (30 U.S.C.
11 191); and

12 (ii) beginning October 1, 2018, and there-
13 after, 2.5 percent of all sums paid into the
14 Treasury under section 35 of the Mineral Leas-
15 ing Act (30 U.S.C. 191);

16 (C)(i) during the period of October 1,
17 2008, through September 30, 2018, one percent
18 of all sums paid into the Treasury from receipts
19 derived from bonus bids, royalties, rentals, and
20 other receipts from other mineral and energy
21 leasing, rights, easements, and other permis-
22 sions to operate on public lands; and

23 (ii) beginning October 1, 2018, and there-
24 after, 2.5 percent of all sums paid into the
25 Treasury from receipts derived from bonus bids,

1 royalties, rentals, and other receipts from other
2 mineral and energy leasing, rights, easements,
3 and other permissions to operate on public
4 lands;

5 (D) donations to the Fund;

6 (E) such sums as are provided by section
7 236 of the State Enhanced Authority for Coast-
8 al and Ocean Resources Act of 2008; and

9 (F) such sums as are provided by sub-
10 section (u) of section 8 of the Outer Conti-
11 nental Shelf Lands Act and section 235 of the
12 State Enhanced Authority for Coastal and
13 Ocean Resources Act of 2008.

14 (3) INVESTMENTS.—The Secretary of the
15 Treasury shall invest the amounts deposited under
16 paragraph (2), and all accrued interest thereon, only
17 in interest bearing obligations of the United States
18 or in obligations guaranteed as to both principal and
19 interest by the United States.

20 (4) DONATIONS.—The Secretary of the Interior
21 may solicit and accept donations of funds for deposit
22 into the Freedom Fuels Fund. Donors may des-
23 ignate which subsection(s) of this section that will be
24 funded by their donation, and the allocation of funds
25 to each.

1 (5) AVAILABILITY TO THE SECRETARY OF THE
2 INTERIOR.—

3 (A) IN GENERAL.—Beginning with fiscal
4 year 2009, and in each fiscal year thereafter,
5 the amounts deposited into the Freedom Fuels
6 Fund, unless otherwise specified in this section,
7 together with the interest thereon, shall be
8 available, without further appropriation and
9 without fiscal year limitation, to the Secretary
10 for use for the purposes described in this sec-
11 tion.

12 (B) WITHDRAWALS AND TRANSFER OF
13 FUNDS.—The Secretary of the Treasury shall
14 withdraw such amounts from the Freedom
15 Fuels Fund as the Secretary of the Interior
16 may request and transfer such amounts to the
17 Secretary of the Interior to be used, at the dis-
18 cretion of the Secretary of the Interior, by the
19 Minerals Management Service, the Bureau of
20 Land Management, the United States Geologi-
21 cal Survey, and others as the Secretary may
22 designate, for the purposes described in this
23 section. No funds distributed from the Freedom
24 Fuels Fund may be used to purchase an inter-
25 est in land.

1 (e) FREEDOM FUELS STRATEGIC UNCONVENTIONAL
2 RESOURCES PROGRAM.—

3 (1) PROGRAM.—The Secretary shall establish a
4 program for production of liquid fuels from strategic
5 unconventional resources, and production of oil and
6 gas resources using advanced CO₂ enhanced recovery.
7 The program shall focus initially on activities
8 and domestic resources most likely to result in significant
9 production in the near future, and shall include
10 work necessary to improve extraction techniques,
11 including surface and in situ operations. The
12 program shall include characterization and assessment
13 of potential resources, a sampling program,
14 appropriate laboratory and other analyses and testing,
15 and assessment of methods for exploration and
16 development of these strategic unconventional resources.
17 Not less than 20 percent of the funds shall
18 be used for advanced CO₂ enhanced recovery technology
19 activities.

20 (2) PILOT PROJECTS.—The program created in
21 paragraph (1) shall include, but not be limited to,
22 pilot projects for—

23 (A) Texas and New Mexico,

24 (B) Oklahoma, Arkansas, and Louisiana,

25 (C) Colorado, Utah, and Wyoming,

1 (D) Alabama, Mississippi, and Tennessee,

2 (E) Kentucky, West Virginia, Pennsyl-
3 vania, New York, and Ohio,

4 (F) Indiana, Illinois, Michigan, Wisconsin,
5 and Minnesota,

6 (G) California, Arizona, and Nevada,

7 (H) Alaska,

8 (I) Oregon, Washington, Idaho, and Mon-
9 tana,

10 (J) North Dakota, South Dakota, Kansas,
11 Missouri, and Nebraska,

12 (K) Connecticut, Rhode Island, Massachu-
13 setts, New Hampshire, Vermont, Maine, and
14 New Jersey, and

15 (L) Delaware, Maryland, Virginia, North
16 Carolina, South Carolina, Georgia, Florida,
17 Puerto Rico, and the remaining commonwealths
18 and territories.

19 For purposes of this subsection, the term “State”
20 shall include the State and its OCS Adjacent Zone,
21 if any. The Secretary shall provide grants to con-
22 sortia of Federal energy laboratories, universities,
23 States, and private persons, in coordination with
24 designated bureaus of the Department of the Inte-

1 rior, to implement the pilot projects under this sub-
2 section.

3 (3) DEFINITIONS.—In this subsection:

4 (A) STRATEGIC UNCONVENTIONAL RE-
5 SOURCES.—The term “strategic unconventional
6 resources” means hydrocarbon resources, in-
7 cluding heavy oil, oil shale, tar sands, and coal
8 deposits, Alaska natural gas, gas hydrates,
9 other unconventional natural gas, and stranded
10 oil in declining reservoirs, from all of which liq-
11 uid fuels may be produced.

12 (B) IN SITU EXTRACTION METHODS.—The
13 term “in situ extraction methods” means recov-
14 ery techniques that are applied to the resources
15 while they are still in the ground, and are in
16 commercial use or advanced stages of develop-
17 ment. Such techniques include, but are not lim-
18 ited to, steam flooding, steam-assisted gravity
19 drainage (including combination with electric
20 power generation where appropriate), cyclic
21 steam stimulation, air injection, CO₂ flooding,
22 and chemical treatment.

23 (4) FUNDING.—The Secretary shall carry out
24 the program for the production of strategic uncon-
25 ventional fuels with funds from the Freedom Fuels

1 Fund in each of fiscal years 2009 through 2018,
2 and each fiscal year thereafter in the discretion of
3 the Secretary, in the amount of not less than
4 \$100,000,000 per year. Each pilot project shall be
5 allocated not less than \$4,000,000 nor more than
6 \$12,000,000 per year in each of fiscal years 2009
7 through 2018. The Secretary shall determine the
8 amount to be allocated to each pilot project based on
9 (A) the relative strategic unconventional resources
10 potential in the pilot project area, and (B) the per-
11 ceived ability of the pilot project to move the greater
12 amount of those resources to production within the
13 shortest period of time. Not less than 60 percent of
14 the funds allocated to each pilot project shall be pro-
15 vided to universities that are members of the con-
16 sortia for the pilot project, and not less than 20 per-
17 cent of the funds for each pilot project shall be pro-
18 vided to Federal energy laboratories. The Secretary
19 shall encourage the consortia to seek donations and
20 State funding in support of their activities.

21 (5) REPORT TO CONGRESS.—Not later than 2
22 years after enactment of this Act, the Secretary
23 shall identify and report to Congress on feasible in-
24 centives to foster recovery of unconventional fuels by
25 private industry within the United States. Such in-

1 centives may include, but are not limited to, long-
2 term contracts for the purchase of unconventional
3 fuels for defense or civilian purposes (or both), Fed-
4 eral grants and loan guarantees for necessary capital
5 expenditures, and favorable terms for the leasing of
6 Government lands containing unconventional re-
7 sources.

8 (f) SUPPORT OF GEOTHERMAL AND GEOPRESSURE
9 OIL AND GAS ENERGY PRODUCTION.—

10 (1) IN GENERAL.—The Secretary shall carry
11 out a grant program in support of geothermal and
12 geopressure oil and gas energy production. The pro-
13 gram shall include grants for a total of not less than
14 nine assessments of the use of innovative geothermal
15 techniques such as organic Rankine cycle systems at
16 marginal, unproductive, and productive oil and gas
17 wells, and not less than three assessments of the use
18 of innovative geopressure techniques. The Secretary
19 shall, to the extent practicable and in the public in-
20 terest, make awards that—

21 (A) include not less than five oil or gas
22 well sites per project award;

23 (B) use a range of oil or gas well hot water
24 source temperatures from 150 degrees Fahr-
25 enheit to 300 degrees Fahrenheit;

1 (C) use existing or new oil or gas wells;

2 (D) cover a range of sizes from 175 kilo-
3 watts to one megawatt;

4 (E) are located at a range of sites includ-
5 ing tribal lands, Federal lease, State, or pri-
6 vately owned sites;

7 (F) can be replicated at a wide range of
8 sites;

9 (G) facilitate identification of optimum
10 techniques among competing alternatives;

11 (H) include business commercialization
12 plans that have the potential for production of
13 equipment at high volumes and operation and
14 support at a large number of sites; and

15 (I) satisfy other criteria that the Secretary
16 determines are necessary to carry out the pro-
17 gram.

18 The Secretary shall give preference to assessments
19 that address multiple elements contained in subpara-
20 graphs (A) through (I).

21 (2) GRANT AWARDS.—Each grant award for as-
22 sessment of innovative geothermal or geopressure
23 technology such as organic Rankine cycle systems at
24 oil and gas wells made by the Secretary under this
25 section shall include—

1 (A) necessary and appropriate site engi-
2 neering study;

3 (B) detailed economic assessment of site
4 specific conditions;

5 (C) appropriate feasibility studies to deter-
6 mine ability for replication;

7 (D) design or adaptation of existing tech-
8 nology for site specific circumstances or condi-
9 tions;

10 (E) installation of equipment, service, and
11 support; and

12 (F) monitoring for a minimum of one year
13 after commissioning date.

14 (3) COMPETITIVE GRANT SELECTION.—Not less
15 than 180 days after the date of the enactment of
16 this Act, the Secretary shall conduct a national solici-
17 tation for applications for grants under the pro-
18 gram. Grant recipients shall be selected on a com-
19 petitive basis based on criteria in subsection (b).

20 (4) FEDERAL SHARE.—The Federal share of
21 costs of grants under this subsection shall be pro-
22 vided from funds made available to carry out this
23 section. The Federal share of the cost of a project
24 carried out with such a grant shall not exceed 50
25 percent of such cost.

1 (5) FUNDING.—The Secretary shall carry out
2 the grant program under this subsection with funds
3 from the Freedom Fuels Fund in each of fiscal
4 years 2009 through 2018, and in each fiscal year
5 thereafter in the discretion of the Secretary, in the
6 amount of not less than \$10,000,000 each fiscal
7 year. No funds authorized under this section may be
8 used for the purposes of drilling new wells.

9 (6) AMENDMENT.—Section 4 of the Geothermal
10 Steam Act of 1970 (30 U.S.C. 1003) is amended by
11 adding at the end the following:

12 “(h) GEOTHERMAL AND GEOPRESSURE RESOURCES
13 CO-PRODUCED WITH THE MINERALS.—Any person who
14 holds a lease or who operates a cooperative or unit plan
15 under the Mineral Leasing Act or the Outer Continental
16 Shelf Lands Act, in the absence of an existing lease for
17 geothermal resources under either of those Acts, shall
18 upon notice to the Secretary have the right to utilize any
19 geothermal or geopressure resources co-produced with the
20 minerals for which the lease was issued during the oper-
21 ation of that lease or cooperative or unit plan, for the gen-
22 erating of electricity to operate the lease. Any electricity
23 that is produced in excess of that which is required to op-
24 erate the lease and that is sold for purposes outside of
25 the boundary of the lease shall be subject to the require-

1 ments of section 5. The lessee may continue the lease,
2 without further payment except royalties, for the sole pur-
3 pose of the production of geothermal or geopressure re-
4 sources (or both) after the other minerals have ceased pro-
5 duction in paying quantities.”.

6 (g) FREEDOM FUELS FEED GRANT PROGRAM.—

7 (1) FEED GRANT PROGRAM.—The Secretary of
8 the Interior shall establish a grant program for
9 FEED grants for projects for coal-to-liquids, petro-
10 leum coke-to-liquids, oil shale, tar sands, and Alaska
11 natural gas-to-liquids and the production of low-rank
12 coal water fuel (in this subsection referred to as
13 “LRCWF”).

14 (2) DEFINITIONS.—In this subsection:

15 (A) FRONT-END ENGINEERING AND DE-
16 SIGN.—The terms “front-end engineering and
17 design” and “FEED” mean those expenditures
18 necessary to engineer, design, and obtain per-
19 mits for a facility for a particular geographic lo-
20 cation that will utilize a process or technique to
21 produce liquid fuels from coal, petroleum coke,
22 oil shale, tar sands, and Alaska natural gas re-
23 sources.

24 (B) LOW-RANK COAL WATER FUEL.—The
25 term “low-rank coal water fuel” means a liquid

1 fuel produced from hydrothermal treatment of
2 lignite and sub-bituminous coals.

3 (3) GRANT PROVISIONS.—All grants shall re-
4 quire a 50 percent non-Federal cost share. The first
5 4 FEED grant recipients who receive full project
6 construction financing commitments, based on ear-
7 liest calendar date, shall not be required to repay
8 any of their grants. The next 4 FEED grant recipi-
9 ents who receive such commitments shall be required
10 to repay 25 percent of the grant. The next 4 FEED
11 grant recipients who receive such commitments shall
12 be required to repay 50 percent of the grant, and
13 the remaining FEED grant recipients shall be re-
14 quired to repay 75 percent of the grant. Any re-
15 quired repayment shall be paid as part of the closing
16 process for any construction financing relating to
17 the grant. No repayment shall require the payment
18 of interest if repaid within 5 years of the issuance
19 of the grant. FEED grants shall be limited to a
20 maximum of \$1,000,000 per 1,000 barrels per day
21 of liquid fuels production capacity, not to exceed \$20
22 million each. The Secretary shall fund at least 4
23 FEED grants for each of coal-to-liquids and oil
24 shale; and at least 2 FEED grants for each of tar

1 sands, petroleum coke-to-liquids, Alaska natural gas-
2 to-liquids, and LRCWF.

3 (4) FUNDING.—The Secretary shall implement
4 the grant program established by this subsection
5 with such funds as shall be needed from the Free-
6 dom Fuels Fund.

7 (h) RENEWABLE ENERGY FROM OCEAN WAVE,
8 TIDE, CURRENT, AND THERMAL RESOURCES.—

9 (1) PROGRAM.—The Secretary of the Interior
10 shall establish a grant program for the production of
11 renewable energy from ocean waves, tides, currents,
12 and thermal resources.

13 (2) GRANT PROVISIONS.—All grants under this
14 subsection shall require a 50 percent non-Federal
15 cost share.

16 (3) FUNDING.—The Secretary shall carry out
17 this grant program with funds from the Freedom
18 Fuels Fund for each of fiscal years 2009 through
19 2018, and in each fiscal year thereafter in the dis-
20 cretion of the Secretary, in the amount of
21 \$50,000,000 each fiscal year.

22 (i) AMENDMENT TO THE SURFACE MINING CONTROL
23 AND RECLAMATION ACT OF 1977.—Section 507 of the
24 Surface Mining Control and Reclamation Act of 1977 (30

1 U.S.C. 1257) is amended by adding at the end the fol-
2 lowing:

3 “(i) Any person who provides the regulatory authority
4 with a map under subsection (b)(13) or (b)(14) shall not
5 be liable to any other person in any way for the accuracy
6 or completeness of any such map which was not prepared
7 and certified by or on behalf of such person.”.

8 (j) SUPPORT OF GEOTHERMAL AND GEOPRESSURE
9 ENERGY PRODUCTION.—

10 (1) IN GENERAL.—The Secretary shall carry
11 out a grant program in support of geothermal and
12 geopressure energy production. The program shall
13 include grants for a total of not less than nine as-
14 sements of the use of innovative geothermal tech-
15 niques such as organic Rankine cycle systems at
16 marginal, unproductive, and productive oil and gas
17 wells, and not less than three assessments of the use
18 of innovative geopressure techniques. The Secretary
19 shall, to the extent practicable and in the public in-
20 terest, make awards that—

21 (A) use a range of hot water source tem-
22 peratures from 150 degrees Fahrenheit to 300
23 degrees Fahrenheit;

24 (B) cover a range of sizes from 175 kilo-
25 watts to one megawatt;

1 (C) are located at a range of sites includ-
2 ing tribal lands, Federal lease, State, or pri-
3 vately owned sites;

4 (D) can be replicated at a wide range of
5 sites;

6 (E) facilitate identification of optimum
7 techniques among competing alternatives;

8 (F) include business commercialization
9 plans that have the potential for production of
10 equipment at high volumes and operation and
11 support at a large number of sites; and

12 (G) satisfy other criteria that the Sec-
13 retary determines are necessary to carry out the
14 program.

15 The Secretary shall give preference to assessments
16 that address multiple elements contained in subpara-
17 graphs (A) through (G).

18 (2) GRANT AWARDS.—Each grant award for as-
19 sessment of innovative geothermal or geopressure
20 technology such as organic Rankine cycle systems
21 made by the Secretary under this section shall in-
22 clude—

23 (A) necessary and appropriate site engi-
24 neering study;

1 (B) detailed economic assessment of site
2 specific conditions;

3 (C) appropriate feasibility studies to deter-
4 mine ability for replication;

5 (D) design or adaptation of existing tech-
6 nology for site specific circumstances or condi-
7 tions;

8 (E) installation of equipment, service, and
9 support; and

10 (F) monitoring for a minimum of one year
11 after commissioning date.

12 (3) COMPETITIVE GRANT SELECTION.—Not less
13 than 180 days after the date of the enactment of
14 this Act, the Secretary shall conduct a national solie-
15 itation for applications for grants under the pro-
16 gram. Grant recipients shall be selected on a com-
17 petitive basis based on criteria in subsection (b).

18 (4) FEDERAL SHARE.—The Federal share of
19 costs of grants under this subsection shall be pro-
20 vided from funds made available to carry out this
21 section. The Federal share of the cost of a project
22 carried out with such a grant shall not exceed 50
23 percent of such cost.

24 (5) FUNDING.—The Secretary shall carry out
25 the grant program under this subsection with funds

1 from the Freedom Fuels Fund in each of fiscal
2 years 2009 through 2018, and in each fiscal year
3 thereafter in the discretion of the Secretary, in the
4 amount of not less than \$50,000,000 each fiscal
5 year.

6 (k) RENEWABLE ENERGY FROM WIND AND SOLAR
7 RESOURCES.—

8 (1) PROGRAM.—The Secretary of the Interior
9 shall establish a grant program for the production of
10 renewable energy from wind and solar resources.

11 (2) GRANT PROVISIONS.—All grants under this
12 subsection shall require a 50 percent non-Federal
13 cost share.

14 (3) FUNDING.—The Secretary shall carry out
15 this grant program with funds from the Freedom
16 Fuels Fund for each of fiscal years 2009 through
17 2018, and in each fiscal year thereafter in the dis-
18 cretion of the Secretary, in the amount of
19 \$50,000,000 each fiscal year.

20 (l) RENEWABLE ENERGY FROM HYDROPOWER RE-
21 SOURCES.—

22 (1) PROGRAM.—The Secretary of the Interior
23 shall establish a grant program for the production of
24 hydroelectric power from low-head hydropower on

1 canals and small streams and the installation of
2 power facilities in currently nonpowered dams.

3 (2) GRANT PROVISIONS.—All grants under this
4 subsection shall require a 50 percent non-Federal
5 cost share.

6 (3) FUNDING.—The Secretary shall carry out
7 this grant program with funds from the Freedom
8 Fuels Fund for each of fiscal years 2009 through
9 2018, and in each fiscal year thereafter in the dis-
10 cretion of the Secretary, in the amount of
11 \$50,000,000 each fiscal year.

12 (m) RENEWABLE ENERGY FROM BIOMASS.—

13 (1) PROGRAM.—The Secretary of the Interior
14 shall establish a grant program for the production of
15 energy, including power, natural gas, and liquid
16 fuels, from biomass.

17 (2) GRANT PROVISIONS.—All grants under this
18 subsection shall require a 50 percent non-Federal
19 cost share.

20 (3) FUNDING.—The Secretary shall carry out
21 this grant program with funds from the Freedom
22 Fuels Fund for each of fiscal years 2009 through
23 2018, and in each fiscal year thereafter in the dis-
24 cretion of the Secretary, in the amount of
25 \$50,000,000 each fiscal year.

1 (n) RENEWABLE ENERGY FROM CELLULOSE AND
2 DEPOLYMERIZATION.—

3 (1) PROGRAM.—The Secretary of the Interior
4 shall establish a grant program for the production of
5 liquid fuels from cellulose and depolymerization.

6 (2) GRANT PROVISIONS.—All grants under this
7 subsection shall require a 50 percent non-Federal
8 cost share.

9 (3) FUNDING.—The Secretary shall carry out
10 this grant program with funds from the Freedom
11 Fuels Fund for each of fiscal years 2009 through
12 2018, and in each fiscal year thereafter in the dis-
13 cretion of the Secretary, in the amount of
14 \$50,000,000 each fiscal year.

15 (o) CONVERSION GRANTS FOR MOTOR VEHICLES.—

16 (1) PROGRAM.—The Secretary shall establish a
17 grant program for the voluntary conversion of gaso-
18 line-powered motor vehicles to either natural gas or
19 gasoline-electric hybrid vehicles.

20 (2) GRANT PROVISIONS.—Each grant under
21 this subsection shall be limited to the lesser of
22 \$1,250 per vehicle, or 50 percent of the cost of the
23 conversion.

24 (3) ELIGIBLE MOTOR VEHICLES.—A grant
25 under this subsection may not be used to convert a

1 motor vehicle unless the Administrator of the Envi-
2 ronmental Protection Agency has determined under
3 chapter 329 of title 49, United States Code, that the
4 average fuel economy for that model of motor vehicle
5 in city driving is 16 miles per gallon or less.

6 (4) FUNDING.—The Secretary shall carry out
7 this grant program with funds from the Freedom
8 Fuels Fund for each of fiscal years 2009 through
9 2018, and each fiscal year thereafter in the discre-
10 tion of the Secretary, in the amount of
11 \$375,000,000 each fiscal year.

12 **SEC. 228. COASTAL IMPACT ASSISTANCE.**

13 Section 31 of the Outer Continental Shelf Lands Act
14 (43 U.S.C. 1356a) is repealed. Existing grants issued
15 under section 31 shall no longer be subject to oversight
16 by the Federal Government, and shall not be subject to
17 audit by it.

18 **SEC. 229. OIL SHALE AND TAR SANDS AMENDMENTS.**

19 (a) ROYALTY RATES FOR LEASES.—Section 369(o)
20 of the Energy Policy Act of 2005 (Public Law 109–58;
21 119 Stat. 728; 42 U.S.C. 15927) is amended by redesi-
22 gnating paragraphs (1) and (2) as subparagraphs (A) and
23 (B), respectively, by designating the existing language as
24 paragraph (1), and by adding at the end the following a
25 new paragraph:

1 “(2) DEFAULT PROVISIONS.—In the absence of
2 the issuance of regulations or other designation by
3 the Secretary, the following shall be the royalties,
4 fees, rentals, bonus provisions, and other payments
5 for research, development, and demonstration leases,
6 and commercial leases, issued under the authority of
7 this section:

8 “(A) ROYALTY RATES FOR COMMERCIAL
9 LEASES.—The royalty rate for commercial
10 leases shall be 6 percent of the value of produc-
11 tion at the first sale.

12 “(B) ROYALTY RATES FOR RESEARCH, DE-
13 VELOPMENT, AND DEMONSTRATION LEASES.—
14 The royalty rate for research, development, and
15 demonstration leases that have been converted
16 to full-sized leases, which shall be the same size
17 as commercial leases, shall be 5 percent of the
18 value of production at the first sale.

19 “(C) OTHER PROVISIONS.—Commercial
20 tracts shall be leased to the highest bidder
21 based on sealed bids. The provisions for depos-
22 its, rentals, fees, and other matters shall be the
23 same for commercial oil shale and tar sands
24 leases as for oil and gas leases under the Min-
25 eral Leasing Act.”.

1 (b) TREATMENT OF RECEIPTS.—Section 21 of the
2 Mineral Leasing Act (30 U.S.C. 241) is amended by add-
3 ing at the end the following:

4 “(f) RECEIPTS.—

5 “(1) IN GENERAL.—Notwithstanding the provi-
6 sions of section 35, all funds received from and
7 under an oil shale or tar sands lease shall be dis-
8 posed of as provided in this subsection.

9 “(2) DISPOSITION OF RECEIPTS.—

10 “(A) DEPOSIT.—The Secretary shall de-
11 posit into a separate account in the Treasury
12 all receipts derived from any oil shale or tar
13 sands lease.

14 “(B) ALLOCATIONS TO STATES AND LOCAL
15 POLITICAL SUBDIVISIONS.—The Secretary shall
16 allocate 50 percent of the receipts deposited
17 into the account established under subpara-
18 graph (A) to the State within the boundaries of
19 which the leased lands are located, with a por-
20 tion of that to be paid directly by the Secretary
21 to the State’s local political subdivisions as pro-
22 vided in this paragraph.

23 “(C) TRANSMISSION OF ALLOCATIONS.—

24 “(i) IN GENERAL.—Not later than the
25 last business day of the month after the

1 month in which the revenues were received,
2 the Secretary shall transmit—

3 “(I) to each State two-thirds of
4 such State’s allocations under sub-
5 paragraph (B), and in accordance
6 with clauses (ii) and (iii) to certain
7 county-equivalent and municipal polit-
8 ical subdivisions of such State a total
9 of one-third of such State’s allocations
10 under subparagraph (B), together
11 with all accrued interest thereon; and

12 “(II) to the miscellaneous re-
13 cepts account in the Treasury the re-
14 maining balance of such receipts de-
15 posited into the account that are not
16 allocated under subparagraph (B), to-
17 gether with interest thereon, except
18 that until a lease has been in produc-
19 tion for 20 years 20 percent of such
20 remaining balance derived from a
21 lease shall be paid in accordance with
22 subclause (I).

23 “(ii) ALLOCATIONS TO CERTAIN
24 COUNTY-EQUIVALENT POLITICAL SUBDIVI-
25 SIONS.—The Secretary shall under clause

1 (i)(I) make equitable allocations of the re-
2 cepts to county-equivalent political sub-
3 divisions that the Secretary determines are
4 closely associated with the leasing and pro-
5 duction of oil shale and tar sands, under a
6 formula that the Secretary shall determine
7 by regulation.

8 “(iii) ALLOCATIONS TO MUNICIPAL
9 POLITICAL SUBDIVISIONS.—The initial al-
10 location to each county-equivalent political
11 subdivision under clause (ii) shall be fur-
12 ther allocated to the county-equivalent po-
13 litical subdivision and any municipal polit-
14 ical subdivisions located partially or wholly
15 within the boundaries of the county-equa-
16 lent political subdivision on an equitable
17 basis under a formula that the Secretary
18 shall determine by regulation.

19 “(D) INVESTMENT OF DEPOSITS.—The de-
20 posits in the Treasury account established
21 under subparagraph (A) shall be invested by
22 the Secretary of the Treasury in securities
23 backed by the full faith and credit of the United
24 States having maturities suitable to the needs
25 of the account and yielding the highest reason-

1 ably available interest rates as determined by
2 the Secretary of the Treasury.

3 “(E) USE OF FUNDS.—A recipient of
4 funds under this subsection may use the funds
5 for any lawful purpose as determined by State
6 law. Funds allocated under this subsection to
7 States and local political subdivisions may be
8 used as matching funds for other Federal pro-
9 grams without limitation. Funds allocated to
10 local political subdivisions under this subsection
11 may not be used in calculation of payments to
12 such local political subdivisions under programs
13 for payments in lieu of taxes or other similar
14 programs.

15 “(F) NO ACCOUNTING REQUIRED.—No re-
16 cipient of funds under this subsection shall be
17 required to account to the Federal Government
18 for the expenditure of such funds, except as
19 otherwise may be required by law.

20 “(3) DEFINITIONS.—In this subsection:

21 “(A) COUNTY-EQUIVALENT POLITICAL
22 SUBDIVISION.—The term ‘county-equivalent po-
23 litical subdivision’ means a political jurisdiction
24 immediately below the level of State govern-
25 ment, including a county, parish, borough in

1 Alaska, independent municipality not part of a
2 county, parish, or borough in Alaska, or other
3 equivalent subdivision of a State.

4 “(B) MUNICIPAL POLITICAL SUBDIVI-
5 SION.—The term ‘municipal political subdivi-
6 sion’ means a municipality located within and
7 part of a county, parish, borough in Alaska, or
8 other equivalent subdivision of a State.”.

9 (c) INTERAGENCY COORDINATION AND EXPEDITIOUS
10 REVIEW OF PERMITTING PROCESS.—

11 (1) DEPARTMENT OF THE INTERIOR AS LEAD
12 AGENCY.—Upon written request of a prospective ap-
13 plicant for Federal authorization to develop a pro-
14 posed oil shale or tar sands project, the Department
15 of the Interior shall act as the lead Federal agency
16 for the purposes of coordinating all applicable Fed-
17 eral authorizations and environmental reviews. To
18 the maximum extent practicable under applicable
19 Federal law, the Secretary of the Interior shall co-
20 ordinate this Federal authorization and review proc-
21 ess with any Indian tribes and State and local agen-
22 cies responsible for conducting any separate permit-
23 ting and environmental reviews.

24 (2) SCHEDULE.—The Secretary of the Interior,
25 in coordination with the agencies with authority over

1 Federal authorizations and, as appropriate, with In-
2 dian tribes and State and local agencies that are
3 willing to coordinate their separate permitting and
4 environmental reviews with the Federal authoriza-
5 tions and environmental reviews, shall establish a
6 schedule with prompt and binding intermediate and
7 ultimate deadlines, not to exceed 18 months from
8 the date of the written request, for the review of,
9 and Federal authorization decisions relating to, oil
10 shale or tar sands project development and oper-
11 ation.

12 (3) CONSOLIDATED ENVIRONMENTAL RE-
13 VIEW.—If the Secretary of the Interior determines
14 that two or more environmental impact statements
15 are required, the Secretary shall consolidate all or
16 some of such statements in order to promote effi-
17 ciency and timeliness in the permitting process to
18 the extent practicable. The Secretary may consoli-
19 date the environmental reviews of any Federal agen-
20 cy considering any aspect of the proposed oil shale
21 or tar sands project including ancillary surface proc-
22 essing facilities, electric generation or transmission
23 facilities, and other related facilities.

24 (4) APPEALS.—In the event any agency has de-
25 nied a Federal authorization required for an oil

1 shale or tar sands project, or has failed to act by a
2 deadline established by the Secretary pursuant to
3 paragraph (2) for deciding whether to issue the Fed-
4 eral authorization, the applicant or any State in
5 which the proposed oil shale or tar sands project
6 would be located may file an appeal with the Sec-
7 retary. In consultation with the affected agency, the
8 Secretary may then either issue the necessary Fed-
9 eral authorization with appropriate conditions, or
10 deny the appeal. The Secretary shall issue a decision
11 within 60 days after the filing of the appeal.

12 (5) CONFORMING REGULATIONS.—Not later
13 than 6 months after the date of enactment of this
14 Act, the Secretary shall issue any regulations nec-
15 essary to implement this subtitle.

16 (d) OIL SHALE AND TAR SANDS LAND EX-
17 CHANGES.—Section 206 of the Federal Land Policy and
18 Management Act of 1976 (43 U.S.C. 1716) is amended
19 by adding at the end the following new subsection:

20 “(j) OIL SHALE AND TAR SANDS LAND EX-
21 CHANGES.—For the purpose of promoting the economic
22 recovery of oil shale and tar sands resources, the Secretary
23 of the Interior shall identify and pursue to completion ex-
24 change and disposition of non-park, non-wilderness Fed-
25 eral lands, including lands having a non-Federal surface

1 owner, containing deposits of oil shale or tar sands (or
2 both). The Secretary shall identify blocks of land con-
3 taining oil shale or tar sands (or both) deposits for the
4 purpose of maximizing consolidation of land ownership,
5 and mineral interests, into manageable blocks within the
6 following geologic basins located in Colorado, Utah, and
7 Wyoming: Green River, Piceance Creek, Uinta, and
8 Washakie. The Secretary shall consider the geology of the
9 basin when determining the size of manageable blocks.
10 The Secretary shall conduct exchanges that are favorable
11 to and in the overall best interest of the United States.”.

12 (e) **PROCUREMENT OF UNCONVENTIONAL FUELS.—**

13 (1) Section 2922d of title 10, United States
14 Code, is amended in subsection (d) by striking “1 or
15 more” and inserting “up to 25”.

16 (2) Section 526 of the Energy Independence
17 and Security Act of 2007 (42 U.S.C. 17142) is re-
18 pealed.

19 **SEC. 230. BUY AND BUILD AMERICAN.**

20 (a) **BUY AND BUILD AMERICAN.—**It is the intention
21 of the Congress that this Act, among other things, results
22 in a healthy and growing American industrial, manufac-
23 turing, transportation, and service sector employing the
24 vast talents of America’s workforce to assist in the devel-
25 opment of affordable energy from the Outer Continental

1 Shelf. Moreover, the Congress intends to monitor the de-
2 ployment of personnel and material in the Outer Conti-
3 nental Shelf to encourage the development of American
4 technology and manufacturing to enable United States
5 workers to benefit from this Act by good jobs and careers,
6 as well as the establishment of important industrial facili-
7 ties to support expanded access to American resources.

8 (b) SAFEGUARD FOR EXTRAORDINARY ABILITY.—
9 Section 30(a) of the Outer Continental Shelf Lands Act
10 (43 U.S.C. 1356(a)) is amended in the matter preceding
11 paragraph (1) by striking “regulations which” and insert-
12 ing “regulations that shall be supplemental and com-
13 plimentary with and under no circumstances a substi-
14 tution for the provisions of the Constitution and laws of
15 the United States extended to the subsoil and seabed of
16 the outer Continental Shelf pursuant to section 4(a)(1)
17 of this Act, except insofar as such laws would otherwise
18 apply to individuals who have extraordinary ability in the
19 sciences, arts, education, or business, which has been dem-
20 onstrated by sustained national or international acclaim,
21 and that”.

22 **SEC. 231. REPEAL OF THE GULF OF MEXICO ENERGY SECU-**
23 **RITY ACT OF 2006.**

24 The Gulf of Mexico Energy Security Act of 2006
25 (title I of division C of Public Law 109–432) is repealed

1 effective October 1, 2008, except the Secretary of the Inte-
2 rior shall make any payments to State and local govern-
3 ments based on fiscal year 2008 receipts under that Act.

4 **SEC. 232. ROYALTY-IN-KIND.**

5 Section 27 of the Outer Continental Shelf Lands Act
6 (43 U.S.C. 1353) is amended as follows:

7 (1) By striking paragraph (3) of subsection (a)
8 and inserting the following:

9 “(3) Title to any royalty or net profit share oil
10 or gas from leases issued under this Act or the Min-
11 eral Leasing Act may not be transferred by the Sec-
12 retary to another Federal Government agency except
13 by sale for cash at fair market value. If not pur-
14 chased by another Federal Government agency, such
15 oil and gas must be sold under subsections (b), (c),
16 or (d). Proceeds from sales under this section shall
17 be treated as offsetting receipts and shall be subject
18 to any receipts sharing provisions applicable to the
19 leases from which the in-kind royalty or net profit
20 share production was produced in the same manner
21 as if it had been paid in value. After payment of
22 such shared receipts, the Secretary shall deposit the
23 remainder of the receipts from sales into the Treas-
24 ury of the United States and they shall be credited
25 to miscellaneous receipts.”.

1 (2) In the first sentence of subsection (d) by
2 striking “transferred” and inserting “sold”.

3 **SEC. 233. MANDATORY ISSUANCE OF REGULATIONS PRO-**
4 **MOTING PRODUCTION OF NATURAL GAS**
5 **FROM GAS HYDRATES.**

6 (a) IN GENERAL.—Section 353 of the Energy Policy
7 Act of 2005 (42 U.S.C. 15909) is amended as follows:

8 (1) In subsection (b)(1) by striking “may” and
9 inserting “shall”.

10 (2) In subsection (b)(3) in the first sentence by
11 striking “if the Secretary determines that such roy-
12 alty relief would encourage production”.

13 (3) By striking subsection (b)(4).

14 (b) REGULATIONS.—The Secretary shall issue the
15 final regulations under such section not later than 180
16 days after the date of enactment of this Act.

17 **SEC. 234. MANDATORY ISSUANCE OF REGULATIONS PRO-**
18 **MOTING ENHANCED OIL AND NATURAL GAS**
19 **PRODUCTION THROUGH CARBON DIOXIDE**
20 **INJECTION.**

21 (a) IN GENERAL.—Subsection (b)(1) of section 354
22 of the Energy Policy Act of 2005 (42 U.S.C. 15910) is
23 amended to read as follows:

24 “(1) IN GENERAL.—The Secretary shall under-
25 take a rulemaking to provide for reduction of the

1 royalty under a Federal oil and gas lease that is an
2 eligible lease.”.

3 (b) REGULATIONS.—The Secretary shall issue the
4 final regulations under such section not later than 180
5 days after the date of enactment of this Act.

6 **SEC. 235. CONSERVATION OF RESOURCES FEE FOR FUTURE**
7 **ONSHORE NONPRODUCING OIL AND GAS**
8 **LEASES.**

9 The Secretary of the Interior shall establish a con-
10 servation of resources fee for nonproducing leases that will
11 apply to all oil and gas, oil shale, tar sands, and coal leases
12 issued under the Mineral Leasing Act (30 U.S.C. 181 et
13 seq.) and the Mineral Leasing Act for Acquired Lands (30
14 U.S.C. 351 et seq.) after the date of enactment of this
15 Act. This fee shall be set at \$1.00 per acre per year for
16 the first year of the lease and shall increase by \$1 per
17 acre per year each year until the fee reaches \$5. The fee
18 shall be paid annually until the lease enters production
19 in paying quantities. This fee shall be treated as offsetting
20 receipts. The sums generated by this fee shall not be sub-
21 ject to any law providing for mandatory receipts sharing
22 with States and shall be transferred by the Secretary of
23 the Interior to the Treasury with one-third allocated to
24 the account established by section 217, one-third allocated

1 to the account established by section 225, and one-third
2 allocated to the account established by section 227.

3 **SEC. 236. OUTER CONTINENTAL SHELF CONSERVATION OF**
4 **LIVING AND NONLIVING RESOURCES FEE ON**
5 **LIQUID FUELS.**

6 Not later than 180 days after enactment of this Act,
7 in order to fulfill his or her responsibilities for conserva-
8 tion of the living and nonliving resources of the outer Con-
9 tinental Shelf, for oil spill prevention and response, and
10 for mitigation of any impacts on air and water resources
11 by spills, trash, discharges, and other acts, the Secretary
12 of the Interior shall establish by regulation a conservation
13 of resources fee to be collected by the Secretary of the
14 Treasury on all liquid fuels, including but not limited to
15 crude oil, liquefied natural gas, petroleum products, and
16 other liquid fuels, offloaded in the United States that
17 originated from a location outside of the United States,
18 its Exclusive Economic Zone, or its outer Continental
19 Shelf. This fee shall be set at \$0.40 per barrel of oil equiv-
20 alent and shall be treated as offsetting receipts. The Sec-
21 retary of the Treasury shall collect the fee from the im-
22 porter and deposit into the Freedom Fuels Fund estab-
23 lished in the Treasury under section 227 of this Act such
24 sums as the Secretary of the Interior determines is nec-
25 essary to fully fund the programs, projects, and activities

1 funded by the Freedom Fuels Fund, and the Secretary
2 of the Treasury shall deposit the balance into the miscella-
3 neous receipts account in the Treasury.

4 **SEC. 237. OUTER CONTINENTAL SHELF DISCHARGES AND**
5 **EMISSIONS.**

6 The Secretary of the Interior shall require that all
7 operations related to oil and gas exploration, development,
8 and production on the outer Continental Shelf utilize the
9 best available and safest technology to minimize air emis-
10 sions and discharges into the water, including but not lim-
11 ited to drilling muds and fluids, unless the Minerals Man-
12 agement Service Regional Supervisor determines that the
13 interests of safety require such discharges or emissions.

14 **SEC. 238. OCS JOINT PERMITTING OFFICES.**

15 (a) ESTABLISHMENT.—The Secretary of the Interior
16 (referred to in this section as the “Secretary”) shall estab-
17 lish Federal OCS Joint Regional Permitting Offices (re-
18 ferred to in this section as the “Regional Permitting Of-
19 fices”).

20 (b) MEMORANDUM OF UNDERSTANDING.—Not later
21 than 90 days after the date of enactment of this Act, the
22 Secretary shall enter into a memorandum of under-
23 standing for purposes of this section with—

24 (1) the Secretary of Commerce;

1 (2) the Administrator of the Environmental
2 Protection Agency; and

3 (3) the Chief of Engineers.

4 (c) DESIGNATION OF QUALIFIED STAFF.—

5 (1) IN GENERAL.—Not later than 30 days after
6 the date of the signing of the memorandum of un-
7 derstanding under subsection (b), all Federal signa-
8 tory parties shall assign to each of the Regional Per-
9 mitting Offices identified in subsection (d) a suffi-
10 cient number of employees with expertise to address
11 the full spectrum of agency regulatory issues relat-
12 ing to the Regional Permitting Office in which the
13 employee is employed, including, as applicable, par-
14 ticular expertise in—

15 (A) the consultations and the preparation
16 of biological opinions under section 7 of the En-
17 dangered Species Act of 1973 (16 U.S.C.
18 1536);

19 (B) permits under section 404 of Federal
20 Water Pollution Control Act (33 U.S.C. 1344);

21 (C) regulatory matters under the Clean Air
22 Act (42 U.S.C. 7401 et seq.);

23 (D) the consultations and preparation of
24 documents under the Marine Mammal Protec-
25 tion Act of 1972 (16 U.S.C. 1361 et seq.); and

1 (E) the preparation of analyses under the
2 National Environmental Policy Act of 1969 (42
3 U.S.C. 4321 et seq.).

4 (2) DUTIES.—Each employee assigned under
5 paragraph (1) shall—

6 (A) not later than 90 days after the date
7 of assignment, report to the Minerals Manage-
8 ment Service Regional Director in the Regional
9 Permitting Office to which the employee is as-
10 signed;

11 (B) be responsible for all issues relating to
12 the jurisdiction of the home office or agency of
13 the employee; and

14 (C) participate as part of the team of per-
15 sonnel working on proposed energy projects,
16 planning, and environmental analyses.

17 (d) REGIONAL PERMITTING OFFICES.—The fol-
18 lowing Minerals Management Service Regional Head-
19 quarters shall serve as the Regional Permitting Offices:

20 (1) Anchorage, Alaska.

21 (2) New Orleans, Louisiana.

22 (3) MMS Pacific Regional Headquarters.

23 (4) MMS Atlantic Regional Headquarters.

24 (e) REPORTS.—Not later than 3 years after the date
25 of enactment of this Act, the Secretary shall submit to

1 Congress a report that outlines the results of the Regional
2 Permitting Offices to date.

3 (f) TRANSFER OF FUNDS.—For the purposes of co-
4 ordination and processing of oil and gas use authorizations
5 on the Federal outer Continental Shelf under the adminis-
6 tration of the Regional Permitting Offices identified in
7 subsection (d), the Secretary may authorize the expendi-
8 ture or transfer of such funds as are necessary, from the
9 Funds established by sections 217 and 227 of this Act
10 and from any other funds available to the Secretary, to—

11 (1) the United States Fish and Wildlife Service;

12 (2) the Bureau of Indian Affairs;

13 (3) the Environmental Protection Agency;

14 (4) the National Oceanic and Atmospheric Ad-
15 ministration;

16 (5) the Corps of Engineers;

17 (6) the National Park Service; and

18 (7) the United States Geological Survey.

19 **SEC. 239. APPLICATION OF SECTION 307 OF THE COASTAL**
20 **ZONE MANAGEMENT ACT OF 1972.**

21 (a) CERTAIN ACTIONS EXEMPT FROM CONSISTENCY
22 REVIEW.—Section 307 of the Coastal Zone Management
23 Act of 1972 (16 U.S.C. 1456) shall not apply to the fol-
24 lowing:

1 (1) The following actions conducted under the
2 authority of the Outer Continental Shelf Lands Act
3 (43 U.S.C. 1331 et seq.), as amended by this Act:

4 (A) Approval of the OCS 5-Year Oil and
5 Gas Leasing Program.

6 (B) Rulemakings.

7 (C) Granting or directing of lease suspen-
8 sions.

9 (D) Issuance of permits to conduct seismic
10 activities.

11 (E) Permission to conduct activities pre-
12 liminary to exploration drilling.

13 (F) Unitization decisions.

14 (2) Approval of oil spill response plans under
15 the Oil Pollution Act of 1990.

16 (b) APPLICATION OF CONSISTENCY TO LEASE SALES
17 AND OTHER CONVEYANCES.—Only the Adjacent State, as
18 defined in section 2(r) of the Outer Continental Shelf
19 Lands Act, as amended by this Act, may assert the right
20 for a consistency review under section 307 of the Coastal
21 Zone Management Act of 1972 for lease sales, granting
22 of rights-of-way, or other permissions to use and occupy
23 the outer Continental Shelf for tracts wholly within 75
24 statute miles of the coastline under the authority of the
25 Outer Continental Shelf Lands Act. No State may assert

1 the right for a consistency review for these same activities
2 on tracts partially or wholly beyond 75 miles from the
3 coastline.

4 (c) APPLICATION OF CONSISTENCY TO EXPLORATION
5 PLANS.—Section 307 of the Coastal Zone Management
6 Act of 1972 shall only apply to actions on exploration
7 plans under the authority of section 11 of the Outer Conti-
8 nental Shelf Lands Act (43 U.S.C. 1340), and all other
9 Federal permits necessary for their implementation, for
10 leased tracts, or units if unitized, wholly within 35 miles
11 of the coastline. Further, consistency review only applies
12 to the first exploration plan per lease tract, or unit if unit-
13 ized, and only the Adjacent State may review an explo-
14 ration plan for consistency.

15 (d) APPLICATION OF CONSISTENCY TO DEVELOP-
16 MENT AND PRODUCTION PLANS.—Section 307 of the
17 Coastal Zone Management Act of 1972 shall only apply
18 to actions on development and production plans under the
19 authority of section 25 of the Outer Continental Shelf
20 Lands Act (43 U.S.C. 1351), and all other Federal per-
21 mits necessary for their implementation, as follows:

22 (1) FOR LEASED TRACTS, OR UNITS IF UNIT-
23 IZED, WHOLLY WITHIN 75 MILES OF THE COAST-
24 LINE.—For leased tracts, or units if unitized, wholly
25 within 75 miles of the coastline, only the Adjacent

1 State and the State into which the oil or natural gas
2 (or both) will be transported may review the develop-
3 ment and production plan for consistency. The Adja-
4 cent State may review the consistency of the entire
5 project, and the State receiving the oil or natural
6 gas (or both) may only review the transportation as-
7 pects of the project outside of the leased tract, or
8 unit if unitized.

9 (2) FOR LEASED TRACTS, OR UNITS IF UNIT-
10 IZED, PARTIALLY OR WHOLLY BEYOND 75 MILES OF
11 THE COASTLINE.—Development and production
12 plans for leased tracts, or units if unitized, partially
13 or wholly beyond 75 miles of the coastline are not
14 subject to consistency review except by the State
15 into which the oil or natural gas (or both) will be
16 transported. That State may only review the trans-
17 portation aspects of the project outside of the leased
18 tract, or unit if unitized.

19 (e) DETERMINATION OF COMPLETENESS OF CON-
20 SISTENCY CERTIFICATION.—The Secretary of the Interior
21 has the authority to determine, for purposes of section 307
22 of the Coastal Zone Management Act of 1972, whether
23 a lessee, or group of lessees, has submitted a complete con-
24 sistency certification, including necessary data and infor-
25 mation, for exploration or development and production

1 plans proposed under the authority of the Outer Conti-
2 nental Shelf Lands Act.

3 (f) STANDARD OF REVIEW.—Exploration or develop-
4 ment and production plans proposed under the authority
5 of the Outer Continental Shelf Lands Act shall only be
6 reviewed for consistency under section 307 of the Coastal
7 Zone Management Act of 1972 using the standard of
8 whether it is reasonably foreseeable that activities to be
9 conducted under the plan will directly cause significant ef-
10 fects in the coastal zone of the reviewing State.

11 **SEC. 240. OIL SPILL RESPONSE PLANS.**

12 (a) REVIEW OF OIL SPILL RESPONSE PLAN APPROV-
13 ALS.—Any action of the Secretary of the Interior to ap-
14 prove oil spill response plans under the Oil Pollution Act
15 of 1990 shall only be subject to judicial review under the
16 provisions applicable to actions subject to section 23(c)(2)
17 of the Outer Continental Shelf Lands Act (43 U.S.C.
18 1349(c)(2)).

19 (b) ISSUANCE OF 5-YEAR OIL SPILL RESPONSE
20 PLANS.—The Secretary of the Interior shall develop and
21 issue 5-year oil spill response plans for each outer Conti-
22 nental Shelf Planning Area upon request by a lessee or
23 association of lessees.

1 **SEC. 241. CLEAN AIR ACT AND CLEAN WATER ACT.**

2 (a) DELEGATION OF AUTHORITY TO THE MINERALS
3 MANAGEMENT SERVICE.—The Administrator of the Envi-
4 ronmental Protection Agency shall delegate to the Min-
5 erals Management Service the permitting and enforcement
6 authority under the Clean Air Act (42 U.S.C. 7401 et
7 seq.) and the Federal Water Pollution Control Act (33
8 U.S.C. 1251 et seq.) for the Federal outer Continental
9 Shelf for all activities conducted under the authority of
10 the Outer Continental Shelf Lands Act (43 U.S.C. 1331
11 et seq.). Because the Federal outer Continental Shelf is
12 not a part of any State, the Minerals Management Service
13 shall be treated no less favorably under these delegations
14 than would the government of a State for these purposes.

15 (b) ISSUANCE OF AREA-WIDE PERMITS.—After re-
16 ceiving the delegations under subsection (a), the Minerals
17 Management Service shall issue 5-year area-wide permits
18 under the Clean Air Act and Federal Water Pollution Con-
19 trol Act for activities conducted under the authority of the
20 Outer Continental Shelf Lands Act for each outer Conti-
21 nental Shelf Planning Area upon request by a lessee or
22 association of lessees.

23 **SEC. 242. RESOURCE ASSESSMENTS.**

24 Section 357 of the Energy Policy Act of 2005 (42
25 U.S.C. 15912) is amended by adding at the end the fol-
26 lowing:

1 “(c) OIL AND GAS RESOURCE ASSESSMENTS.—As
2 discussed by the National Research Council in ‘Undis-
3 covered Oil and Gas Resources: An Evaluation of the De-
4 partment of the Interior’s 1989 Assessment Procedures’
5 (1991), the Secretary of the Interior shall include in all
6 future oil and natural gas resource assessments—

7 “(1) estimates of oil and natural gas from both
8 conventional and unconventional sources;

9 “(2) estimates of in-place resources; and

10 “(3) estimates of technically recoverable re-
11 sources, that assume the use of current and foresee-
12 able technologies.

13 “(d) FULL CONSIDERATION.—In all future oil and
14 natural gas resource assessments for the outer Conti-
15 nental Shelf, the Secretary shall ensure full consideration
16 of the data and findings generated by—

17 “(1) the National Petroleum Council;

18 “(2) the Deep Sea Drilling Program; and

19 “(3) the Ocean Drilling Program.

20 “(e) NEW NATIONAL ASSESSMENT.—The Secretary
21 shall complete a new national assessment of oil and nat-
22 ural gas resources within the United States and its exclu-
23 sive economic zone within 24 months after the date of the
24 enactment of SEACOR, and the Secretary shall renew
25 that assessment at least every five years.

1 “(f) INITIAL NATIONAL RESEARCH COUNCIL RE-
2 VIEW.—The National Research Council, with funding
3 from the Departments of Energy and the Interior, shall
4 within 24 months after the date of the enactment of
5 SEACOR, complete the following:

6 “(1) Review and evaluate the methodologies of
7 estimates by the Minerals Management Service and
8 the United States Geological Survey regarding the
9 quantity and chemical composition of potential hy-
10 drocarbon resources within the United States and its
11 exclusive economic zone.

12 “(2) Assess the adequacy and reliability of the
13 existing scientific and technical information to make
14 the following determinations in each subject and
15 area under consideration:

16 “(A) What is known plus reasonable ex-
17 trapolation accompanied by an expression of the
18 error or uncertainty.

19 “(B) What information is missing and the
20 reasons why (such as difficulty of measurement,
21 confounding of data, lack of theory, or insuffi-
22 cient time).

23 “(C) What information could be obtained
24 with reasonable increments of investigative re-

1 sources (such as personnel, financial support,
2 facilities, and time).

3 “(g) ADDITIONAL NATIONAL RESEARCH COUNCIL
4 REVIEWS.—The National Research Council, with funding
5 from the Departments of Energy and the Interior, shall
6 conduct a review described in subsection (f) of each na-
7 tional oil and gas resource assessment conducted by the
8 Department of the Interior. Such review shall be com-
9 pleted within 24 months after the issuance of the assess-
10 ment.”.

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