

114TH CONGRESS  
1ST SESSION

# S. 1279

To provide for revenue sharing of qualified revenues from leases in the South Atlantic planning area, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MAY 11, 2015

Mr. WARNER (for himself, Mr. SCOTT, Mr. KAINE, Mr. TILLIS, Mr. PERDUE, and Mr. ISAKSON) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

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## A BILL

To provide for revenue sharing of qualified revenues from leases in the South Atlantic planning area, 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Southern Atlantic En-  
5 ergy Security Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

1           (1) DIRECTOR.—The term “Director” means  
2 the Director of the Bureau of Ocean Energy Man-  
3 agement.

4           (2) INSTITUTION OF HIGHER EDUCATION.—The  
5 term “institution of higher education” has the  
6 meaning given the term in section 102 of the Higher  
7 Education Act of 1965 (20 U.S.C. 1002).

8           (3) QUALIFIED REVENUES.—The term “quali-  
9 fied revenues” means all bonus bids, rentals, and  
10 royalties (and other sums) due and payable to the  
11 United States from all leases entered into after the  
12 date of enactment of this Act that cover an area in  
13 the South Atlantic planning area.

14           (4) SECRETARY.—The term “Secretary” means  
15 the Secretary of the Interior.

16           (5) SOUTH ATLANTIC PLANNING AREA.—The  
17 term “South Atlantic planning area” means the area  
18 of the outer Continental Shelf (as defined in section  
19 2 of the Outer Continental Shelf Lands Act (43  
20 U.S.C. 1331)) that is located between the northern  
21 lateral seaward administrative boundary of the Com-  
22 monwealth of Virginia and the southernmost lateral  
23 seaward administrative boundary of the State of  
24 Georgia.

1           (6) STATE.—The term “State” means any of  
2           the following States:

3                   (A) Georgia.

4                   (B) North Carolina.

5                   (C) South Carolina.

6                   (D) Virginia.

7   **SEC. 3. PRESERVING COASTAL VIEWSHEDS.**

8           (a) IN GENERAL.—Prior to conducting a lease sale  
9           authorized under this Act that would offer leases within  
10          30 nautical miles of the coastline, the Secretary shall con-  
11          sult with the Governor of each potentially affected State  
12          to establish appropriate lease stipulations for the manage-  
13          ment of the surface occupancy of the areas between the  
14          coastline and 30 nautical miles to mitigate any potential  
15          concerns regarding impacts to coastal viewsheds.

16          (b) CONSIDERATIONS FOR PRODUCTION FACILI-  
17          TIES.—The Secretary and the State shall consider—

18                  (1) restricting the installation of permanent  
19                  surface production facilities above the waterline for  
20                  the purpose of production of oil or gas resources in  
21                  any area that is within 12 nautical miles seaward  
22                  from the coastline of the State;

23                  (2) allowing only subsurface production facili-  
24                  ties to be installed in areas that are located between  
25                  the point that is 12 nautical miles from seaward

1 from the coastline of the State and the point that  
2 is 30 nautical miles seaward from the coastline of  
3 the State.

4 (c) DEVELOPMENT AND PRODUCTION PLAN AP-  
5 PROVAL.—If permanent surface facilities are proposed to  
6 be installed within 30 nautical miles of the coastline, the  
7 Secretary shall not grant approval of the development and  
8 production plan unless it is determined that the facility  
9 is designed so that the impacts on coastal viewsheds are  
10 minimized, to the maximum extent practicable.

11 (d) ONSHORE ACCESS TO LEASES NOT RE-  
12 STRICTED.—Notwithstanding any other provision of this  
13 section, onshore facilities associated with the drilling, de-  
14 velopment, and production of the oil and gas resources of  
15 the South Atlantic planning area within 12 nautical miles  
16 seaward of the coastline of a State are allowed.

17 (e) TEMPORARY ACTIVITIES NOT AFFECTED.—Noth-  
18 ing described in subsection (a), (b), or (c) restricts, or  
19 gives the States authority to restrict, temporary surface  
20 activities related to operations associated with outer Conti-  
21 nental Shelf oil and gas leases.

22 **SEC. 4. 2017-2022 LEASING PROGRAM.**

23 The Secretary shall—

24 (1) include the South Atlantic planning area in  
25 the outer Continental Shelf leasing program for fis-

1 cal years 2017 through 2022 prepared under section  
2 18 of the Outer Continental Shelf Lands Act (43  
3 U.S.C. 1344); and

4 (2) conduct in the South Atlantic planning  
5 area—

6 (A) 1 lease sale during fiscal year 2021;

7 and

8 (B) 2 lease sales during fiscal year 2022.

9 **SEC. 5. BALANCING OF MILITARY AND ENERGY PRODUC-**  
10 **TION GOALS.**

11 (a) IN GENERAL.—In recognition that the outer Con-  
12 tinental Shelf oil and gas leasing program and the domes-  
13 tic energy resources produced under the program are inte-  
14 gral to national security, the Secretary and the Secretary  
15 of Defense shall work jointly in implementing lease sales  
16 under this Act—

17 (1) to preserve the ability of the Armed Forces  
18 of the United States to maintain an optimum state  
19 of readiness through continued use of the outer Con-  
20 tinental Shelf; and

21 (2) to allow effective exploration, development,  
22 and production of the oil, gas, and renewable energy  
23 resources of the United States.

24 (b) PROHIBITION ON CONFLICTS WITH MILITARY  
25 OPERATIONS.—

1           (1) IN GENERAL.—The Secretary shall not  
2           make any tract available for lease under this Act if  
3           the President, in consultation with the Committees  
4           on Armed Services of the Senate and the House of  
5           Representatives, determines that the lease of that  
6           tract would conflict with military operations relating  
7           to national security.

8           (2) ACTIONS BY PERSONS.—No person may en-  
9           gage in any exploration, development, or production  
10          of oil or natural gas on the outer Continental Shelf  
11          under a lease issued under this Act that would con-  
12          flict with any military operation, as determined in  
13          accordance with—

14                 (A) the agreement entitled “Memorandum  
15                 of Agreement between the Department of De-  
16                 fense and the Department of the Interior on  
17                 Mutual Concerns on the Outer Continental  
18                 Shelf” and dated July 20, 1983; and

19                 (B) any revision or replacement for the  
20                 agreement described in subparagraph (A) that  
21                 is agreed to by the Secretary of Defense and  
22                 the Secretary during the period beginning on  
23                 July 21, 1983, and ending on the day before  
24                 the date of issuance of the lease under which

1 the exploration, development, or production is  
2 conducted.

3 **SEC. 6. DISPOSITION OF REVENUES.**

4 (a) IN GENERAL.—Notwithstanding section 9 of the  
5 Outer Continental Shelf Lands Act (43 U.S.C. 1338), for  
6 each of fiscal years 2017 through 2022, the Secretary  
7 shall deposit—

8 (1) 50 percent of any qualified revenues in the  
9 general fund of the Treasury; and

10 (2) 50 percent of any qualified revenues in a  
11 special account in the Treasury from which the Sec-  
12 retary shall disburse amounts to the States in ac-  
13 cordance with subsection (b).

14 (b) ALLOCATION TO STATES.—

15 (1) IN GENERAL.—Subject to paragraphs (2)  
16 and (3), effective for each of fiscal years 2017  
17 through 2022, the Secretary of the Treasury shall  
18 allocate the qualified revenues described in sub-  
19 section (a)(2) to each State in amounts (based on a  
20 formula established by the Secretary, by regulation)  
21 that are inversely proportional to the respective dis-  
22 tances between—

23 (A) the point on the coastline of each State  
24 that is closest to the geographical center of the  
25 applicable leased tract; and

1 (B) the geographical center of that leased  
2 tract.

3 (2) MINIMUM ALLOCATION.—The amount allo-  
4 cated to a State for each fiscal year under para-  
5 graph (1) shall be not less than 10 percent of the  
6 amounts available under subsection (a)(2).

7 (3) MANDATE.—Of the amounts received by a  
8 State under paragraph (1), the State shall use, at  
9 the discretion of the Governor of the State—

10 (A) 10 percent—

11 (i) to enhance State land and water  
12 conservation efforts;

13 (ii) to improve State public transpor-  
14 tation projects;

15 (iii) to establish alternative, renew-  
16 able, and clean energy production and gen-  
17 eration within each State; and

18 (iv) to enhance beach nourishment  
19 and costal dredging;

20 (B) 2.5 percent to enhance geological and  
21 geophysical education for the energy future of  
22 the United States in accordance with section 7.



1 **SEC. 7. ENHANCING GEOLOGICAL AND GEOPHYSICAL EDU-**  
 2 **CATION FOR AMERICA'S ENERGY FUTURE.**

3 (a) IN GENERAL.—The Secretary, acting through the  
 4 Director, shall partner with institutions of higher edu-  
 5 cation selected under subsection (c) to facilitate the prac-  
 6 tical study of geological and geophysical sciences of areas  
 7 on the Atlantic region of the outer Continental Shelf and  
 8 elsewhere on the Continental Shelf of the United States.

9 (b) FOCUS.—Activities conducted by institutions of  
 10 higher education under this section shall focus all geologi-  
 11 cal and geophysical scientific research on obtaining a bet-  
 12 ter understanding of hydrocarbon potential in the South  
 13 Atlantic planning area while fostering the study of the ge-  
 14 ological and geophysical sciences at institutions of higher  
 15 education in the United States.

16 (c) SELECTION OF INSTITUTIONS.—

17 (1) SELECTION.—Not later than 180 days after  
 18 the date of enactment of this Act, the Governor of  
 19 each State may nominate for participation in a part-  
 20 nership—

21 (A) 1 institution of higher education lo-  
 22 cated in the State; and

23 (B) 1 institution of higher education that  
 24 is a historically Black college or university (as  
 25 defined in section 631(a) of the Higher Edu-

1 cation Act of 1965 (20 U.S.C. 1132(a))) lo-  
2 cated in the State.

3 (2) PREFERENCE.—In making nominations  
4 under paragraph (1), each Governor shall give pref-  
5 erence to those institutions of higher education  
6 that—

7 (A) demonstrate a vigorous rate of admis-  
8 sions of veterans of the Armed Forces of the  
9 United States; and

10 (B) meet the criteria described in para-  
11 graph (3).

12 (3) CRITERIA.—The Governor shall select as a  
13 partner any institution of higher education nomi-  
14 nated under paragraph (1) that the Governor deter-  
15 mines demonstrates excellence in 1 or more of the  
16 following criteria:

17 (A) Geophysical sciences curriculum.

18 (B) Engineering curriculum.

19 (C) Information technology or other tech-  
20 nical studies related to seismic research, includ-  
21 ing data processing.

22 (d) RESEARCH AUTHORITY.—

23 (1) IN GENERAL.—Except as provided in para-  
24 graph (2), an institution of higher education selected  
25 under subsection (c)(3) may conduct research under

1 this section on the expiration of the 30-day period  
2 beginning on the date on which the institution of  
3 higher education submits to the South Atlantic Re-  
4 gional Director of the Bureau of Ocean Energy  
5 Management a notice of the research.

6 (2) PERMIT REQUIRED.—An institution of high-  
7 er education may not conduct research under this  
8 section that uses any solid or liquid explosive, except  
9 as authorized by a permit issued by the Director.

10 (e) DATA.—

11 (1) IN GENERAL.—The geological and geo-  
12 physical activities conducted under this section—

13 (A) shall be considered to be scientific re-  
14 search and data produced by the activities;

15 (B) shall not be used or shared for com-  
16 mercial purposes;

17 (C) shall not be produced for proprietary  
18 use or sale; and

19 (D) shall be made available by the Director  
20 to the public.

21 (2) SUBMISSION OF DATA TO BOEM.—Not later  
22 than 60 days after completion of initial analysis of  
23 data collected under this section by an institution of  
24 higher education selected under subsection (c)(3),  
25 the institution of higher education shall share with

1 the Director any data collected requested by the Di-  
2 rector.

3 (3) FEES.—The Director may not charge any  
4 fee for the provision of data produced in research  
5 under this section, other than a data reprocessing  
6 fee to pay the cost of duplicating the data.

7 (f) REPORT.—Not less frequently than once every  
8 180 days, the Director shall submit to the Committee on  
9 Energy and Natural Resources of the Senate and the  
10 Committee on Natural Resources of the House of Rep-  
11 resentatives a report on the data derived from partner-  
12 ships under this section.

13 **SEC. 8. ATLANTIC REGIONAL OFFICE.**

14 Not later than the last day of the outer Continental  
15 Shelf leasing program for fiscal years 2012 through 2017  
16 prepared under section 18 of the Outer Continental Shelf  
17 Lands Act (43 U.S.C. 1344), the Director shall establish  
18 an Atlantic regional office in an area that is—

19 (1) included in the outer Continental Shelf leas-  
20 ing program for fiscal years 2017 through 2022 pre-  
21 pared under section 18 of that Act (43 U.S.C.  
22 1344); and

23 (2) determined by the Director to have the  
24 highest potential for resource development.

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