

115TH CONGRESS
1ST SESSION

H. R. 4239

To distribute revenues from oil and gas leasing on the outer Continental Shelf to certain coastal States, to require sale of approved offshore oil and gas leases, to promote offshore wind lease sales, and to empower States to manage the development and production of oil and gas on available Federal land, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 3, 2017

Mr. SCALISE (for himself, Mr. BISHOP of Utah, Mr. GONZALEZ of Texas, and Mr. CUELLAR) introduced the following bill; which was referred to the Committee on Natural Resources

A BILL

To distribute revenues from oil and gas leasing on the outer Continental Shelf to certain coastal States, to require sale of approved offshore oil and gas leases, to promote offshore wind lease sales, and to empower States to manage the development and production of oil and gas on available Federal land, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Strengthening the Economy with Critical Untapped Re-

1 sources to Expand American Energy Act” or the “SE-
2 CURE American Energy Act”.

3 (b) TABLE OF CONTENTS.—The table of contents for
4 this Act is the following:

Sec. 1. Short title; table of contents.

TITLE I—OFFSHORE

Sec. 101. Short title.

Sec. 102. Disposition of revenues from oil and gas leasing on the outer Continental Shelf to producing States.

Sec. 103. Limitations on the amount of distributed qualified outer Continental Shelf revenues under the Gulf of Mexico Energy Security Act of 2006.

Sec. 104. Limitation of authority of the President to withdraw areas of the outer Continental Shelf from oil and gas leasing.

Sec. 105. Modification to the outer Continental Shelf leasing program.

Sec. 106. Inspection fee collection.

Sec. 107. Arctic rule shall have no force or effect.

Sec. 108. Application of outer Continental Shelf Lands Act with respect to territories of the United States.

Sec. 109. Wind lease sales on the outer Continental Shelf.

Sec. 110. Reducing permitting delays for taking of marine mammals.

TITLE II—ONSHORE

Sec. 201. Short title.

Sec. 202. Cooperative federalism in oil and gas permitting on available Federal land.

Sec. 203. Conveyance to certain States of property interest in State share of royalties and other payments.

Sec. 204. Permitting on non-Federal surface estate.

Sec. 205. State and Tribal authority for hydraulic fracturing regulation.

Sec. 206. Review of Integrated Activity Plan for the National Petroleum Reserve in Alaska.

5 **TITLE I—OFFSHORE**

6 **SEC. 101. SHORT TITLE.**

7 This title may be cited as the “Accessing Strategic
8 Resources Offshore Act” or the “ASTRO Act”.

1 **SEC. 102. DISPOSITION OF REVENUES FROM OIL AND GAS**
2 **LEASING ON THE OUTER CONTINENTAL**
3 **SHELF TO PRODUCING STATES.**

4 Section 9 of the Outer Continental Shelf Lands Act
5 (43 U.S.C. 1338) is amended—

6 (1) by striking “All rentals” and inserting the
7 following:

8 “(a) IN GENERAL.—Except as otherwise provided in
9 this section, all rentals”; and

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

11 “(b) DISTRIBUTION OF REVENUE TO PRODUCING
12 STATES.—

13 “(1) DEFINITIONS.—In this subsection:

14 “(A) COVERED PLANNING AREA.—

15 “(i) IN GENERAL.—Subject to clause
16 (ii), the term ‘covered planning area’
17 means each of the following planning
18 areas, as such planning areas are generally
19 depicted in the later of the 2017–2022
20 Outer Continental Shelf Oil and Gas Leas-
21 ing Proposed Final Program, dated 16 No-
22 vember, 2016, or a subsequent oil and gas
23 leasing program developed under section
24 18 of the Outer Continental Shelf Lands
25 Act (43 U.S.C. 1344):

26 “(I) Mid-Atlantic.

1 “(II) South Atlantic.

2 “(III) Any planning area located
3 off the coast of Alaska.

4 “(ii) EXCLUSIONS.—The term ‘cov-
5 ered planning area’ does not include any
6 area in the Atlantic—

7 “(I) north of the southernmost
8 lateral seaward administrative bound-
9 ary of the State of Maryland; or

10 “(II) south of the northernmost
11 lateral seaward administrative bound-
12 ary of the State of Florida.

13 “(B) PRODUCING STATE.—The term ‘pro-
14 ducing State’ means each of the following
15 States:

16 “(i) Virginia.

17 “(ii) North Carolina.

18 “(iii) South Carolina.

19 “(iv) Georgia.

20 “(v) Alaska.

21 “(C) QUALIFIED REVENUES.—

22 “(i) IN GENERAL.—The term ‘quali-
23 fied revenues’ means revenues derived from
24 rentals, royalties, bonus bids, and other
25 sums due and payable to the United States

1 under oil and gas leases entered into on or
2 after the date of the enactment of this Act
3 for an area in a covered planning area.

4 “(ii) EXCLUSIONS.—The term ‘quali-
5 fied revenues’ does not include—

6 “(I) revenues from the forfeiture
7 of a bond or other surety securing ob-
8 ligations other than royalties, civil
9 penalties, or royalties taken by the
10 Secretary in-kind and not sold;

11 “(II) revenues generated from
12 leases subject to section 8(g); and

13 “(III) the portion of rental reve-
14 nues in excess of those that would
15 have been collected at the rental rates
16 in effect before August 5, 1993.

17 “(2) DEPOSIT OF QUALIFIED REVENUES.—

18 “(A) PHASE I.—With respect to qualified
19 revenues under leases awarded under the first
20 leasing program approved under section 18(a)
21 that takes effect after the date of the enact-
22 ment of this section, the Secretary of the Treas-
23 ury shall deposit or allocate, as applicable—

24 “(i) 87.5 percent into the general
25 fund of the Treasury; and

1 “(ii) 12.5 percent to States in accord-
2 ance with paragraph (3).

3 “(B) PHASE II.—With respect to qualified
4 revenues under leases awarded under the sec-
5 ond leasing program approved under section
6 18(a) that takes effect after the date of the en-
7 actment of this section, the Secretary of the
8 Treasury shall deposit or allocate, as applica-
9 ble—

10 “(i) 75 percent into the general fund
11 of the Treasury; and

12 “(ii) 25 percent to States in accord-
13 ance with paragraph (3).

14 “(C) PHASE III.—With respect to qualified
15 revenues under leases awarded under the third
16 leasing program approved under section 18(a)
17 that takes effect after the date of the enact-
18 ment of this section and under any such leasing
19 program subsequent to such third leasing pro-
20 gram, the Secretary of the Treasury shall de-
21 posit or allocate, as applicable—

22 “(i) 50 percent into the general fund
23 of the Treasury; and

1 “(ii) 50 percent into a special account
2 in the Treasury from which the Secretary
3 of the Treasury shall disburse—

4 “(I) 75 percent to States in ac-
5 cordance with paragraph (3);

6 “(II) 12.5 percent to the Sec-
7 retary of Transportation for energy
8 infrastructure development in coastal
9 ports; and

10 “(III) 12.5 percent to the Sec-
11 retary of the Interior for units of the
12 National Park System.

13 “(3) ALLOCATION TO PRODUCING STATES.—

14 “(A) IN GENERAL.—Subject to subpara-
15 graph (B), the Secretary of the Treasury shall
16 allocate the qualified revenues distributed to
17 States under paragraph (2) to each producing
18 State in an amount based on a formula estab-
19 lished by the Secretary of the Interior, by regu-
20 lation, that—

21 “(i) is inversely proportional to the re-
22 spective distances between—

23 “(I) the point on the coastline of
24 the producing State that is closest to

1 the geographical center of the applica-
2 ble leased tract; and

3 “(II) the geographical center of
4 that leased tract;

5 “(ii) does not allocate qualified reve-
6 nues to any producing State that is further
7 than 200 nautical miles from the leased
8 tract; and

9 “(iii) allocates not less than 10 per-
10 cent of qualified revenues to each pro-
11 ducing State that is 200 or fewer nautical
12 miles from the leased tract.

13 “(B) PAYMENTS TO COASTAL POLITICAL
14 SUBDIVISIONS.—

15 “(i) IN GENERAL.—The Secretary of
16 the Treasury shall pay 20 percent of the
17 allocable share of each producing State de-
18 termined under this paragraph to the
19 coastal political subdivisions of the pro-
20 ducing State.

21 “(ii) ALLOCATION.—The amount paid
22 by the Secretary of the Treasury to coastal
23 political subdivisions shall be allocated to
24 each coastal political subdivision in accord-

1 ance with subparagraphs (B) and (E) of
2 section 31(b)(4).

3 “(iii) DEFINITION OF COASTAL POLIT-
4 ICAL SUBDIVISION.—In this subparagraph,
5 the term ‘coastal political subdivision’
6 means—

7 “(I) with respect to a contiguous
8 coastal State, a political subdivision of
9 such State, any part of which is—

10 “(aa) within the coastal zone
11 of the State (as defined in sec-
12 tion 304 of the Coastal Zone
13 Management Act of 1972 (16
14 U.S.C. 1453)); and

15 “(bb) not more than 200
16 nautical miles from the geo-
17 graphic center of any leased
18 tract; and

19 “(II) with respect to a noncontig-
20 uous coastal State—

21 “(aa) a county-equivalent
22 subdivision of the State for
23 which—

24 “(AA) all or part lies
25 within the coastal zone of

1 the State (as defined in sec-
2 tion 304 of the Coastal Zone
3 Management Act of 1972
4 (16 U.S.C. 1453)); and

5 “(BB) the closest coast-
6 al point is not more than
7 200 nautical miles from the
8 geographical center of any
9 leased tract on the outer
10 Continental Shelf; or

11 “(bb) a municipal subdivi-
12 sion of the State for which—

13 “(AA) the closest point
14 is more than 200 nautical
15 miles from the geographical
16 center of a leased tract on
17 the outer Continental Shelf;
18 and

19 “(BB) the State has
20 determined to be a signifi-
21 cant staging area for oil and
22 gas servicing, supply vessels,
23 operations, suppliers, or
24 workers.

1 “(4) ADMINISTRATION.—Amounts made avail-
2 able under paragraph (2)(B) shall—

3 “(A) be made available, without further
4 appropriation, in accordance with this sub-
5 section;

6 “(B) remain available until expended;

7 “(C) be in addition to any amounts appro-
8 priated under—

9 “(i) chapter 2003 of title 54, United
10 States Code;

11 “(ii) any other provision of this Act;
12 and

13 “(iii) any other provision of law; and

14 “(D) be made available during the fiscal
15 year immediately following the fiscal year in
16 which such amounts were received.”.

17 **SEC. 103. LIMITATIONS ON THE AMOUNT OF DISTRIBUTED**
18 **QUALIFIED OUTER CONTINENTAL SHELF**
19 **REVENUES UNDER THE GULF OF MEXICO EN-**
20 **ERGY SECURITY ACT OF 2006.**

21 Section 105(f)(1) of the Gulf of Mexico Energy Secu-
22 rity Act of 2006 (43 U.S.C. 1331 note) is amended to
23 read as follows:

24 “(1) IN GENERAL.—The total amount of quali-
25 fied outer Continental Shelf revenues described in

1 section 102(9)(A)(ii) that are made available under
 2 subsection (a)(2) shall remain available until ex-
 3 pended and shall not exceed—

4 “(A) for each of fiscal years 2019 through
 5 2028, \$500,000,000; and

6 “(B) for each of fiscal years 2029 through
 7 2059, \$749,800,000.”.

8 **SEC. 104. LIMITATION OF AUTHORITY OF THE PRESIDENT**
 9 **TO WITHDRAW AREAS OF THE OUTER CONTI-**
 10 **NENTAL SHELF FROM OIL AND GAS LEASING.**

11 (a) LIMITATION ON WITHDRAWAL FROM DISPOSI-
 12 TION OF LANDS ON THE OUTER CONTINENTAL SHELF.—
 13 Section 12 of the Outer Continental Shelf Lands Act (43
 14 U.S.C. 1341) is amended by amending subsection (a) to
 15 read as follows:

16 “(a) LIMITATION ON WITHDRAWAL.—

17 “(1) IN GENERAL.—Except as otherwise pro-
 18 vided in this section, no lands of the outer Conti-
 19 nental Shelf may be withdrawn from disposition ex-
 20 cept by an Act of Congress.

21 “(2) NATIONAL MARINE SANCTUARIES.—The
 22 President may withdraw from disposition any of the
 23 unleased lands of the outer Continental Shelf located
 24 in a national marine sanctuary designated in accord-

1 ance with the National Marine Sanctuaries Act (16
2 U.S.C. 1431 et seq.) or otherwise by statute.

3 “(3) EXISTING WITHDRAWALS.—

4 “(A) IN GENERAL.—Except for the with-
5 drawals listed in subparagraph (B), any with-
6 drawal from disposition of lands on the outer
7 Continental Shelf before the date of the enact-
8 ment of this subsection shall have no force or
9 effect.

10 “(B) EXCEPTIONS.—Subparagraph (A)
11 shall not apply to the following withdrawals:

12 “(i) Any withdrawal in a national ma-
13 rine sanctuary designated in accordance
14 with the National Marine Sanctuaries Act.

15 “(ii) Any withdrawal in a national
16 monument declared under section 320301
17 of title 54, United States Code, or the Act
18 of June 8, 1906 (ch. 3060; 34 Stat. 225).

19 “(iii) Any withdrawal in the North
20 Aleutian Basin Planning Area, including
21 Bristol Bay.”.

22 (b) TERMINATION OF AUTHORITY TO ESTABLISH
23 MARINE NATIONAL MONUMENTS.—Section 320301 of
24 title 54, United States Code, is amended by adding at the
25 end the following:

1 “(e) LIMITATION ON MARINE NATIONAL MONU-
2 MENTS.—

3 “(1) IN GENERAL.—Notwithstanding sub-
4 sections (a) and (b), the President may not declare
5 or reserve any ocean waters (as such term is defined
6 in section 3 of the Marine Protection, Research, and
7 Sanctuaries Act of 1972 (33 U.S.C. 1402)) or lands
8 beneath ocean waters as a national monument.

9 “(2) MARINE NATIONAL MONUMENTS DES-
10 IGNATED BEFORE THE DATE OF THE ENACTMENT
11 OF THIS SUBSECTION.—This subsection shall not af-
12 fect any national monument designated by the Presi-
13 dent before the date of the enactment of this Act.”.

14 **SEC. 105. MODIFICATION TO THE OUTER CONTINENTAL**
15 **SHELF LEASING PROGRAM.**

16 Section 18(e) of the Outer Continental Shelf Lands
17 Act (43 U.S.C. 1344(e)) is amended by adding at the end
18 the following: “The Secretary shall include in any such
19 revised leasing program each unexecuted lease sale that
20 was included in the most recent leasing program and the
21 Secretary shall execute each such lease sale as close as
22 practicable to the time specified in the most recent leasing
23 program. Section 102(2)(C) of the National Environ-
24 mental Policy Act of 1969 (42 U.S.C. 4332) shall be
25 deemed to have been satisfied with respect to the execution

1 of such unexecuted lease sales if the Secretary, in the Sec-
 2 retary's sole discretion, determines that such section was
 3 satisfied with respect to such unexecuted lease sales for
 4 the most recent leasing program.”.

5 **SEC. 106. INSPECTION FEE COLLECTION.**

6 Section 22 of the Outer Continental Shelf Lands Act
 7 (43 U.S.C. 1348) is amended by adding at the end the
 8 following:

9 “(g) INSPECTION FEES.—

10 “(1) ESTABLISHMENT.—The Secretary of the
 11 Interior shall collect from the operators of facilities
 12 subject to inspection under subsection (c) non-re-
 13 fundable fees for such inspections—

14 “(A) at an aggregate level equal to the
 15 amount necessary to offset the annual expenses
 16 of inspections of outer Continental Shelf facili-
 17 ties (including mobile offshore drilling units) by
 18 the Secretary of the Interior; and

19 “(B) using a schedule that reflects the dif-
 20 ferences in complexity among the classes of fa-
 21 cilities to be inspected.

22 “(2) OCEAN ENERGY SAFETY FUND.—There is
 23 established in the Treasury a fund, to be known as
 24 the ‘Ocean Energy Enforcement Fund’ (referred to
 25 in this subsection as the ‘Fund’), into which shall be

1 deposited all amounts collected as fees under para-
2 graph (1) and which shall be available as provided
3 under paragraph (3).

4 “(3) AVAILABILITY OF FEES.—

5 “(A) IN GENERAL.—Notwithstanding sec-
6 tion 3302 of title 31, United States Code, all
7 amounts deposited in the Fund—

8 “(i) shall be credited as offsetting col-
9 lections;

10 “(ii) shall be available for expenditure
11 for purposes of carrying out inspections of
12 outer Continental Shelf facilities (including
13 mobile offshore drilling units) and the ad-
14 ministration of the inspection program
15 under this section;

16 “(iii) shall be available only to the ex-
17 tent provided for in advance in an appro-
18 priations Act; and

19 “(iv) shall remain available until ex-
20 pended.

21 “(B) USE FOR FIELD OFFICES.—Not less
22 than 75 percent of amounts in the Fund may
23 be appropriated for use only for the respective
24 Department of the Interior field offices where
25 the amounts were originally assessed as fees.

1 “(4) INITIAL FEES.—Fees shall be established
2 under this subsection for the fiscal year in which
3 this subsection takes effect and the subsequent 10
4 years, and shall not be raised, except as determined
5 by the Secretary to be appropriate as an adjustment
6 equal to the percentage by which the Consumer
7 Price Index for the month of June of the calendar
8 year preceding the adjustment exceeds the Consumer
9 Price Index for the month of June of the calendar
10 year in which the claim was determined or last ad-
11 justed.

12 “(5) ANNUAL FEES.—Annual fees shall be col-
13 lected under this subsection for facilities that are
14 above the waterline, excluding drilling rigs, and are
15 in place at the start of the fiscal year. Fees for fiscal
16 year 2019 shall be—

17 “(A) \$10,500 for facilities with no wells,
18 but with processing equipment or gathering
19 lines;

20 “(B) \$17,000 for facilities with 1 to 10
21 wells, with any combination of active or inactive
22 wells; and

23 “(C) \$31,500 for facilities with more than
24 10 wells, with any combination of active or in-
25 active wells.

1 “(6) FEES FOR DRILLING RIGS.—Fees shall be
2 collected under this subsection for drilling rigs on a
3 per inspection basis. Fees for fiscal year 2019 shall
4 be—

5 “(A) \$30,500 per inspection for rigs oper-
6 ating in water depths of 1,000 feet or more;
7 and

8 “(B) \$16,700 per inspection for rigs oper-
9 ating in water depths of less than 1,000 feet.

10 “(7) BILLING.—The Secretary shall bill des-
11 ignated operators under paragraph (5) annually,
12 with payment required within 30 days of billing. The
13 Secretary shall bill designated operators under para-
14 graph (6) within 30 days of the end of the month
15 in which the inspection occurred, with payment re-
16 quired within 30 days after billing.

17 “(8) ANNUAL REPORTS.—

18 “(A) IN GENERAL.—Not later than 60
19 days after the end of each fiscal year beginning
20 with fiscal year 2019, the Secretary shall sub-
21 mit to the Committee on Energy and Natural
22 Resources of the Senate and the Committee on
23 Natural Resources of the House of Representa-
24 tives a report on the operation of the Fund dur-
25 ing the fiscal year.

1 “(B) CONTENTS.—Each report shall in-
2 clude, for the fiscal year covered by the report,
3 the following:

4 “(i) A statement of the amounts de-
5 posited into the Fund.

6 “(ii) A description of the expenditures
7 made from the Fund for the fiscal year, in-
8 cluding the purpose of the expenditures
9 and the additional hiring of personnel.

10 “(iii) A statement of the balance re-
11 maining in the Fund at the end of the fis-
12 cal year.

13 “(iv) An accounting of pace of permit
14 approvals.

15 “(v) If fee increases are proposed, a
16 proper accounting of the potential adverse
17 economic impacts such fee increases will
18 have on offshore economic activity and
19 overall production.

20 “(vi) Recommendations to increase
21 the efficacy and efficiency of offshore in-
22 spections.

23 “(vii) Any corrective actions levied
24 upon offshore inspectors as a result of any
25 form of misconduct.

1 “(9) SUNSET.—No fee may be collected under
 2 this subsection for any fiscal year after fiscal year
 3 2029.”.

4 **SEC. 107. ARCTIC RULE SHALL HAVE NO FORCE OR EF-**
 5 **FFECT.**

6 The rule entitled “Oil and Gas and Sulfur Operations
 7 on the Outer Continental Shelf—Requirements for Ex-
 8 ploratory Drilling on the Arctic Outer Continental Shelf”
 9 and published in the Federal Register on July 15, 2016
 10 (81 Fed. Reg. 46478), shall have no force or effect.

11 **SEC. 108. APPLICATION OF OUTER CONTINENTAL SHELF**
 12 **LANDS ACT WITH RESPECT TO TERRITORIES**
 13 **OF THE UNITED STATES.**

14 (a) IN GENERAL.—Section 2 of the Outer Conti-
 15 nental Shelf Lands Act (43 U.S.C. 1331) is amended—

16 (1) in paragraph (a), by inserting after “con-
 17 trol” the following: “or lying within exclusive eco-
 18 nomic zone of the United States”;

19 (2) in paragraph (p), by striking “and” after
 20 the semicolon at the end;

21 (3) in paragraph (q), by striking the period at
 22 the end and inserting “; and”; and

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

24 “(r) The term ‘State’ includes each territory of the
 25 United States.”.

1 (b) EXCLUSIONS.—

2 (1) Section 4(a) of the Outer Continental Shelf
3 Lands Act (43 U.S.C. 1333) is amended by adding
4 at the end the following:

5 “(4) This section shall not apply to the terri-
6 tories and possessions of the United States.”.

7 (2) Section 18 of the Outer Continental Shelf
8 Lands Act (43 U.S.C. 1344) is amended by adding
9 at the end the following:

10 “(i) This section shall not apply to the scheduling of
11 lease sales in the outer Continental Shelf adjacent to the
12 territories and possessions of the United States.”.

13 (c) EXPLORATION LICENSES AND LEASES.—Section
14 8(k) of the Outer Continental Shelf Lands Act (43 U.S.C.
15 1337) is amended by adding at the end the following:

16 “(3) EXPLORATION LICENSES AND LEASES ON
17 OUTER CONTINENTAL SHELF ADJACENT TO TERRI-
18 TORIES AND POSSESSIONS.—

19 “(A) IN GENERAL.—The Secretary is au-
20 thorized to grant to any qualified applicant an
21 exploration license which will provide the exclu-
22 sive right to explore for minerals, other than
23 oil, gas, and sulphur, in an area lying within
24 the United States exclusive economic zone and

1 the outer Continental Shelf adjacent to any ter-
2 ritory or possession of the United States.

3 “(B) APPLICATION.—Subsection (a) shall
4 not apply to any area conveyed by Congress to
5 a territorial government for administration.

6 “(C) EXPLORATION LICENSE DURATION.—
7 Exploration licenses granted under this para-
8 graph will be issued for a period pursuant to
9 regulations prescribed by the Secretary.

10 “(D) LEASE.—Upon showing to the satis-
11 faction of the Secretary that valuable mineral
12 deposits have been discovered by the licensee
13 within the area described by the exploration li-
14 cense of the licensee, the licensee will be enti-
15 tled to a lease for any or all of that area at a
16 royalty rate established by regulation and lease
17 terms.

18 “(E) LEASE DURATION.—Leases under
19 this section will be issued for a period estab-
20 lished by regulation with a preferential right in
21 the lessee to renew.”.

1 **SEC. 109. WIND LEASE SALES ON THE OUTER CONTI-**
2 **NENTAL SHELF.**

3 The Outer Continental Shelf Lands Act (43 U.S.C.
4 1331 et seq.) is amended by adding at the end the fol-
5 lowing:

6 **“SEC. 33. WIND LEASE SALES ON THE OUTER CONTINENTAL**
7 **SHELF.**

8 “(a) AUTHORIZATION.—The Secretary may conduct
9 wind lease sales on the outer Continental Shelf.

10 “(b) WIND LEASE SALE PROCEDURE.—Any wind
11 lease sale conducted under this section shall be considered
12 a lease under section 8(p).

13 “(c) WIND LEASE SALE OFF COAST OF CALI-
14 FORNIA.—The Secretary, in consultation with the Sec-
15 retary of Defense, shall offer a wind lease sale on the outer
16 Continental shelf off the coast of California as soon as
17 practicable, but not later than one year after the date of
18 enactment of this section.

19 “(d) WIND LEASE SALES OFF COAST OF PUERTO
20 RICO, VIRGIN ISLANDS OF THE UNITED STATES, AND
21 GUAM.—

22 “(1) STUDY ON FEASIBILITY OF CONDUCTING
23 WIND LEASE SALES OFF COAST OF PUERTO RICO,
24 VIRGIN ISLANDS OF THE UNITED STATES, AND
25 GUAM.—

1 “(A) STUDY.—The Director of the Bureau
2 of Ocean Energy Management shall conduct a
3 study on the feasibility, including the long term
4 economic feasibility, of conducting wind lease
5 sales on the outer Continental Shelf off the
6 coast of Puerto Rico, the Virgin Islands of the
7 United States, and Guam.

8 “(B) SUBMISSION OF RESULTS.—Not later
9 than 180 days after the date of the enactment
10 of this section, the Director of the Bureau of
11 Ocean Energy Management shall submit to
12 Congress the results of the study conducted
13 under subparagraph (A).

14 “(2) WIND LEASE SALES CONDITIONAL UPON
15 RESULTS OF STUDY.—

16 “(A) WIND LEASE SALE OFF COAST OF
17 PUERTO RICO.—If the study required under
18 paragraph (1)(A) concludes that a wind lease
19 sale on the outer Continental Shelf off the coast
20 of Puerto Rico is feasible, then the Secretary
21 shall offer a wind lease sale on the outer Conti-
22 nental shelf off the coast of Puerto Rico as soon
23 as practicable, but not later than one year after
24 the date of the enactment of this section.

1 “(B) WIND LEASE SALE OFF COAST OF
2 VIRGIN ISLANDS OF THE UNITED STATES.—If
3 the study required under paragraph (1)(A) con-
4 cludes that a wind lease sale on the outer Con-
5 tinental Shelf off the coast of the Virgin Islands
6 of the United States is feasible, then the Sec-
7 retary shall offer a wind lease sale on the outer
8 Continental shelf off the coast of the Virgin Is-
9 lands of the United States as soon as prac-
10 ticable, but not later than one year after the
11 date of the enactment of this section.

12 “(C) WIND LEASE SALE OFF COAST OF
13 GUAM.—If the study required under paragraph
14 (1)(A) concludes that a wind lease sale on the
15 outer Continental Shelf off the coast of Guam
16 is feasible, then the Secretary shall offer a wind
17 lease sale on the outer Continental shelf off the
18 coast of Guam as soon as practicable, but not
19 later than one year after the date of the enact-
20 ment of this section.

21 “(e) WIND LEASE SALE OFF COAST OF HAWAII.—

22 “(1) STUDY ON FEASIBILITY OF CONDUCTING
23 WIND LEASE SALES OFF COAST OF THE STATE OF
24 HAWAII.—

1 “(A) STUDY.—The Secretary, in consulta-
 2 tion with the Secretary of Defense, shall con-
 3 duct a study on the feasibility of conducting
 4 wind lease sales on the outer Continental Shelf
 5 off the coast of the State of Hawaii.

6 “(B) SUBMISSION OF RESULTS.—Not later
 7 than 180 days after the date of the enactment
 8 of this section, the Secretary shall submit to
 9 Congress the results of the study conducted
 10 under subparagraph (A).

11 “(2) WIND LEASE SALES CONDITIONAL UPON
 12 RESULTS OF STUDY.—If the study required under
 13 paragraph (1)(A) concludes that a wind lease sale on
 14 the outer Continental Shelf off the coast of the State
 15 of Hawaii is feasible, then the Secretary shall offer
 16 a wind lease sale on the outer Continental shelf off
 17 the coast of the State of Hawaii as soon as prac-
 18 ticable, but not later than one year after the date of
 19 the enactment of this section.”.

20 **SEC. 110. REDUCING PERMITTING DELAYS FOR TAKING OF**
 21 **MARINE MAMMALS.**

22 (a) ADDRESSING PERMITS FOR TAKING OF MARINE
 23 MAMMALS.—Section 101(a)(5)(D) of the Marine Mammal
 24 Protection Act of 1972 (16 U.S.C. 1371(a)(5)(D)) is
 25 amended as follows:

1 (1) In clause (i)—

2 (A) by striking “citizens of the United
3 States” and inserting “persons”;

4 (B) by striking “within a specific geo-
5 graphic region”;

6 (C) by striking “of small numbers”;

7 (D) by striking “such citizens” and insert-
8 ing “such persons”; and

9 (E) by striking “within that region”.

10 (2) In clause (ii)—

11 (A) in subclause (I), by striking “, and
12 other means of effecting the least practicable
13 impact on such species or stock and its habi-
14 tat”;

15 (B) in subclause (III), by striking “re-
16 quirements pertaining to the monitoring and re-
17 porting of such taking by harassment, includ-
18 ing” and inserting “efficient and practical re-
19 quirements pertaining to the monitoring of such
20 taking by harassment while the activity is being
21 conducted and the reporting of such taking, in-
22 cluding, as the Secretary determines nec-
23 essary,”; and

24 (C) by adding at the end the following:

1 “Any condition imposed pursuant to subclause (I), (II),
2 or (III) may not result in more than a minor change to
3 the specified activity and may not alter the basic design,
4 location, scope, duration, or timing of the specified activ-
5 ity.”.

6 (3) In clause (iii), by striking “receiving an ap-
7 plication under this subparagraph” and inserting
8 “an application is accepted or required to be consid-
9 ered complete under subclause (I)(aa), (II)(aa), or
10 (IV) of clause (viii), as applicable,”.

11 (4) In clause (vi), by striking “a determination
12 of ‘least practicable adverse impact on such species
13 or stock’ under clause (i)(I)” and inserting “condi-
14 tions imposed under subclause (I), (II), or (III) of
15 clause (ii)”.

16 (5) By adding at the end the following:

17 “(viii)(I) The Secretary shall—

18 “(aa) accept as complete a written request for
19 authorization under this subparagraph for incidental
20 taking described in clause (i), by not later than 45
21 days after the date of submission of the request; or

22 “(bb) provide to the requester, by not later than
23 15 days after the date of submission of the request,
24 a written notice describing any additional informa-
25 tion required to complete the request.

1 “(II) If the Secretary provides notice under subclause
2 (I)(bb), the Secretary shall, by not later than 30 days after
3 the date of submission of the additional information de-
4 scribed in the notice—

5 “(aa) accept the written request for authoriza-
6 tion under this subparagraph for incidental taking
7 described in clause (i); or

8 “(bb) deny the request and provide the re-
9 requester a written explanation of the reasons for the
10 denial.

11 “(III) The Secretary may not under this subpara-
12 graph make a second request for information, request that
13 the requester withdraw and resubmit the request, or other-
14 wise delay a decision on the request.

15 “(IV) If the Secretary fails to respond to a request
16 for authorization under this subparagraph in the manner
17 provided in subclause (I) or (II), the request shall be con-
18 sidered to be complete.

19 “(ix)(I) At least 90 days before the date of the expira-
20 tion of any authorization issued under this subparagraph,
21 the holder of such authorization may apply for a one-year
22 extension of such authorization. The Secretary shall grant
23 such extension within 14 days after the date of such re-
24 quest on the same terms and without further review if
25 there has been no substantial change in the activity car-

1 ried out under such authorization nor in the status of the
2 marine mammal species or stock, as applicable, as re-
3 ported in the final annual stock assessment reports for
4 such species or stock.

5 “(II) In subclause (I) the term ‘substantial change’
6 means a change that prevents the Secretary from making
7 the required findings to issue an authorization under
8 clause (i) with respect to such species or stock.

9 “(III) The Secretary shall notify the applicant of
10 such substantial changes with specificity and in writing
11 within 14 days after the applicant’s submittal of the exten-
12 sion request.

13 “(x) If the Secretary fails to make the required find-
14 ings and, as appropriate, issue the authorization within
15 120 days after the application is accepted or required to
16 be considered complete under subclause (I)(aa), (II)(aa),
17 or (III) of clause (viii), as applicable, the authorization
18 is deemed to have been issued on the terms stated in the
19 application and without further process or restrictions
20 under this Act.”.

21 (b) REMOVING DUPLICATIONS.—Section
22 101(a)(5)(D) of the Marine Mammal Protection Act of
23 1972 (16 U.S.C. 1371(a)(5)(D)), as amended by sub-
24 section (a), is further amended by adding at the end the
25 following:

1 “(xi) Any taking of a marine mammal in compliance
 2 with an authorization under this subparagraph is exempt
 3 from the prohibition on taking in section 9 of the Endan-
 4 gered Species Act of 1973 (16 U.S.C. 1538). Any Federal
 5 agency authorizing, funding, or carrying out an action
 6 that results in such taking, and any agency action author-
 7 izing such taking, is exempt from the requirement to con-
 8 sult regarding potential impacts to marine mammal spe-
 9 cies or designated critical habitat under section 7(a)(2)
 10 of such Act (16 U.S.C. 1536(a)(2)).”.

11 **TITLE II—ONSHORE**

12 **SEC. 201. SHORT TITLE.**

13 This title may be cited as the “Opportunities for the
 14 Nation and States to Harness Onshore Resources for En-
 15 ergy Act” or the “ONSHORE Act”.

16 **SEC. 202. COOPERATIVE FEDERALISM IN OIL AND GAS PER- 17 MITTING ON AVAILABLE FEDERAL LAND.**

18 (a) IN GENERAL.—The Mineral Leasing Act (30
 19 U.S.C. 181 et seq.) is amended—

20 (1) by redesignating section 44 as section 47;

21 and

22 (2) by adding after section 43 the following new
 23 section:

1 **“SEC. 44. COOPERATIVE FEDERALISM IN OIL AND GAS PER-**
2 **MITTING ON AVAILABLE FEDERAL LAND.**

3 “(a) AUTHORIZATIONS.—

4 “(1) IN GENERAL.—Upon receipt of an applica-
5 tion under subsection (b), the Secretary may dele-
6 gate to a State exclusive authority—

7 “(A) to issue an APD on available Federal
8 land; or

9 “(B) to approve drilling plans on available
10 Federal land.

11 “(2) SUNDRY NOTICES.—Any authorization
12 under paragraph (1) may, upon the request of the
13 State, include authority to issue sundry notices.

14 “(3) INSPECTION AND ENFORCEMENT.—Any
15 authorization under paragraph (1) may, upon the re-
16 quest of the State, include authorization to inspect
17 and enforce an APD or drilling plan, as applicable.

18 “(b) STATE APPLICATION PROCESS.—

19 “(1) SUBMISSION OF APPLICATION.—A State
20 may submit an application under subparagraph (A)
21 or (B) of subsection (a)(1) to the Secretary at such
22 time and in such manner as the Secretary may re-
23 quire.

24 “(2) CONTENT OF APPLICATION.—An applica-
25 tion submitted under this subsection shall include—

1 “(A) a description of the State program
2 that the State proposes to administer under
3 State law; and

4 “(B) a statement from the Governor or at-
5 torney general of such State that the laws of
6 such State provide adequate authority to carry
7 out the State program.

8 “(3) DEADLINE FOR APPROVAL OR DIS-
9 APPROVAL.—Not later than 180 days after the date
10 of receipt of an application under this subsection,
11 the Secretary shall approve or disapprove such appli-
12 cation.

13 “(4) CRITERIA FOR APPROVAL.—The Secretary
14 may approve an application received under this sub-
15 section only if the Secretary has—

16 “(A) determined that the State applicant
17 would be at least as effective as the Secretary
18 in issuing APDs or in approving drilling plans,
19 as applicable;

20 “(B) determined that the State program of
21 the State applicant—

22 “(i) complies with this Act; and

23 “(ii) provides for the termination or
24 modification of an issued APD or approved

1 drilling plan, as applicable, for cause, in-
2 cluding for—

3 “(I) the violation of any condi-
4 tion of the issued APD or approved
5 drilling plan;

6 “(II) obtaining the issued APD
7 or approved drilling plan by misrepre-
8 sentation; or

9 “(III) failure to fully disclose in
10 the application all relevant facts;

11 “(C) determined that the State applicant
12 has sufficient administrative and technical per-
13 sonnel and sufficient funding to carry out the
14 State program;

15 “(D) provided notice to the public, solicited
16 public comment, and held a public hearing with-
17 in the State;

18 “(E) determined that approval of the ap-
19 plication would not result in decreased royalty
20 payments owed to the United States under sec-
21 tion 35(a), except as provided in subsection (e)
22 of that section; and

23 “(F) in the case of a State applicant seek-
24 ing authority under subsection (a)(3) to inspect
25 and enforce APDs or drilling plans, as applica-

1 ble, entered into a memorandum of under-
2 standing with a State applicant that delineates
3 the Federal and State responsibilities with re-
4 spect to such inspection and enforcement.

5 “(5) DISAPPROVAL.—If the Secretary dis-
6 approves an application submitted under this sub-
7 section, then the Secretary shall—

8 “(A) notify, in writing, the State applicant
9 of the reason for the disapproval and any revi-
10 sions or modifications necessary to obtain ap-
11 proval; and

12 “(B) provide any additional information,
13 data, or analysis upon which the disapproval is
14 based.

15 “(6) RESUBMITTAL OF APPLICATION.—A State
16 may resubmit an application under this subsection
17 at any time.

18 “(7) STATE MEMORANDUM OF UNDER-
19 STANDING.—Before a State submits an application
20 under this subsection, the Secretary may, at the re-
21 quest of a State, enter into a memorandum of un-
22 derstanding with the State regarding the proposed
23 State program—

24 “(A) to delineate the Federal and State re-
25 sponsibilities for oil and gas regulations;

1 “(B) to provide technical assistance; and

2 “(C) to share best management practices.

3 “(c) ADMINISTRATIVE FEES FOR APDS.—

4 “(1) IN GENERAL.—A State for which authority
5 has been delegated under subsection (a)(1)(A) may
6 collect a fee for each application for an APD that
7 is submitted to the State.

8 “(2) NO COLLECTION OF FEE BY SEC-
9 RETARY.—The Secretary may not collect a fee from
10 the applicant or from the State for an application
11 for an APD that is submitted to a State for which
12 authority has been delegated under section
13 44(a)(1)(A).

14 “(3) FEE AMOUNT.—The fee collected under
15 paragraph (1) shall be less than or equal to the
16 amount of the fee collected by the Secretary under
17 section 35(d)(2) from States for which authority has
18 not been delegated under subsection (a)(1)(A).

19 “(4) USE.—A State shall use 100 percent of
20 the fees collected under this subsection for the ad-
21 ministration of the approved State program of the
22 State.

23 “(d) VOLUNTARY TERMINATION OF AUTHORITY.—A
24 State may voluntarily terminate any authority delegated
25 to such State under subsection (a) upon providing written

1 notice to the Secretary 60 days in advance. Upon expira-
2 tion of such 60-day period, the Secretary shall resume any
3 activities for which authority was delegated to the State
4 under subsection (a).

5 “(e) APPEAL OF DENIAL OF APPLICATION FOR APD
6 OR APPLICATION FOR APPROVAL OF DRILLING PLAN.—

7 “(1) IN GENERAL.—If a State for which the
8 Secretary has delegated authority under subsection
9 (a)(1) denies an application for an APD or an appli-
10 cation for approval of a drilling plan, the applicant
11 may appeal such decision to the Department of the
12 Interior Office of Hearings and Appeals.

13 “(2) FEE ALLOWED.—The Secretary may
14 charge the applicant a fee for the appeal referred to
15 in paragraph (1).

16 “(f) FEDERAL ADMINISTRATION OF STATE PRO-
17 GRAM.—

18 “(1) NOTIFICATION.—If the Secretary has rea-
19 son to believe that a State is not administering or
20 enforcing an approved State program, the Secretary
21 shall notify the relevant State regulatory authority
22 of any possible deficiencies.

23 “(2) STATE RESPONSE.—Not later than 30
24 days after the date on which a State receives notifi-

1 cation of a possible deficiency under paragraph (1),
2 the State shall—

3 “(A) take appropriate action to correct the
4 possible deficiency; and

5 “(B) notify the Secretary of the action in
6 writing.

7 “(3) DETERMINATION.—

8 “(A) IN GENERAL.—On expiration of the
9 30-day period referred to in paragraph (2), if
10 the Secretary determines that a violation of all
11 or any part of an approved State program has
12 resulted from a failure of the State to admin-
13 ister or enforce the approved State program of
14 the State or that the State has not dem-
15 onstrated its capability and intent to administer
16 or enforce such a program, the Secretary shall
17 issue public notice of such a determination.

18 “(B) APPEAL.—A State may appeal the
19 determination of the Secretary under subpara-
20 graph (A) in the applicable United States Dis-
21 trict Court. The Secretary may not resume ac-
22 tivities under paragraph (4) pending the resolu-
23 tion of the appeal.

24 “(4) RESUMPTION BY SECRETARY.—If the Sec-
25 retary has made a determination under paragraph

1 (3), the Secretary shall resume any activities for
2 which authority was delegated to the State during
3 the period—

4 “(A) beginning on the date on which the
5 Secretary issues the public notice under para-
6 graph (3); and

7 “(B) ending on the date on which the Sec-
8 retary determines that the State will administer
9 or enforce, as applicable, the approved State
10 program of the State.

11 “(5) STANDING.—States with approved regu-
12 latory programs shall have standing to sue the Sec-
13 retary for any action taken under this subsection.

14 “(g) DEFINITIONS.—In this section:

15 “(1) AVAILABLE FEDERAL LAND.—The term
16 ‘available Federal land’ means any Federal land
17 that—

18 “(A) is located within the boundaries of a
19 State;

20 “(B) is not held by the United States in
21 trust for the benefit of a federally recognized
22 Indian Tribe or a member of such an Indian
23 Tribe;

24 “(C) is not a unit of the National Park
25 System;

1 “(D) is not a unit of the National Wildlife
2 Refuge System, except for the portion of such
3 unit for which oil and gas drilling is allowed
4 under law;

5 “(E) is not a congressionally approved wil-
6 derness area under the Wilderness Act (16
7 U.S.C. 1131 et seq.); and

8 “(F) has been identified as land available
9 for lease or has been leased for the exploration,
10 development, and production of oil and gas—

11 “(i) by the Bureau of Land Manage-
12 ment under—

13 “(I) a resource management plan
14 under the process provided for in the
15 Federal Land Policy and Management
16 Act of 1976 (43 U.S.C. 1701 et seq.);
17 or

18 “(II) an integrated activity plan
19 with respect to the National Petro-
20 leum Reserve in Alaska; or

21 “(ii) by the Forest Service under a
22 National Forest management plan under
23 the Forest and Rangeland Renewable Re-
24 sources Planning Act of 1974 (16 U.S.C.
25 1600 et seq.).

1 “(2) DRILLING PLAN.—The term ‘drilling plan’
2 means a plan described under section 3162.3–1(e) of
3 title 43, Code of Federal Regulations (or successor
4 regulation).

5 “(3) APD.—The term ‘APD’ means a permit—

6 “(A) that grants authority to drill for oil
7 and gas; and

8 “(B) for which an application has been re-
9 ceived that contains—

10 “(i) a drilling plan;

11 “(ii) a surface use plan of operations
12 described under section 3162.3–1(f) of title
13 43, Code of Federal Regulations (or suc-
14 cessor regulation);

15 “(iii) evidence of bond coverage; and

16 “(iv) such other information as may
17 be required by applicable orders and no-
18 tices.

19 “(4) SECRETARY.—The term ‘Secretary’ means
20 the Secretary of the Interior.

21 “(5) STATE.—The term ‘State’ means each of
22 the several States.

23 “(6) STATE APPLICANT.—The term ‘State ap-
24 plicant’ means a State that has submitted an appli-
25 cation under subsection (b).

1 “(7) STATE PROGRAM.—The term ‘State pro-
2 gram’ means a program that provides for a State
3 to—

4 “(A) issue APDs or approve drilling plans,
5 as applicable, on available Federal land; and

6 “(B) impose sanctions for violations of
7 State laws, regulations, or any condition of an
8 issued APD or approved drilling plan, as appli-
9 cable.

10 “(8) SUNDRY NOTICE.—The term ‘sundry no-
11 tice’ means a written request—

12 “(A) to perform work not covered under an
13 APD or drilling plan; or

14 “(B) for a change to operations covered
15 under an APD or drilling plan.”.

16 (b) INSPECTION FEES.—Section 108 of the Federal
17 Oil and Gas Royalty Management Act of 1982 (30 U.S.C.
18 1718) is amended by adding at the end the following:

19 “(d) INSPECTION FEES FOR CERTAIN STATES.—

20 “(1) IN GENERAL.—The Secretary shall collect
21 nonrefundable inspection fees in the amount speci-
22 fied in paragraph (2), from each designated operator
23 under each oil and gas lease on Federal or Indian
24 land that is subject to inspection under subsection
25 (b) and that is located in a State for which the Sec-

1 retary has delegated authority under section
2 44(a)(1)(A) of the Mineral Leasing Act.

3 “(2) AMOUNT.—The amount of the fees col-
4 lected under paragraph (1) shall be—

5 “(A) \$700 for each lease or unit or
6 communitization agreement with no active or
7 inactive wells, but with surface use, disturbance
8 or reclamation;

9 “(B) \$1,225 for each lease or unit or
10 communitization agreement with 1 to 10 wells,
11 with any combination of active or inactive wells;

12 “(C) \$4,900 for each lease or unit or
13 communitization agreement with 11 to 50 wells,
14 with any combination of active or inactive wells;
15 and

16 “(D) \$9,800 for each lease or unit or
17 communitization agreement with more than 50
18 wells, with any combination of active or inactive
19 wells.

20 “(3) ONSHORE ENERGY SAFETY FUND.—There
21 is established in the Treasury a fund, to be known
22 as the ‘Onshore Energy Safety Fund’ (referred to in
23 this subsection as the ‘Fund’), into which shall be
24 deposited all amounts collected as fees under para-

graph (1) and which shall be available as provided under paragraph (4).

“(4) AVAILABILITY OF FEES.—Notwithstanding section 3302 of title 31, United States Code, all amounts deposited in the Fund—

“(A) shall be credited as offsetting collections;

“(B) shall be available for expenditure for purposes of carrying out inspections of onshore oil and gas operations in those States for which the Secretary has delegated authority under section 44(a)(1)(A) of the Mineral Leasing Act;

“(C) shall be available only to the extent provided for in advance in an appropriations Act; and

“(D) shall remain available until expended.

“(5) PAYMENT DUE DATE.—The Secretary shall require payment of any fee assessed under this subsection within 30 days after the Secretary provides notice of the assessment of the fee.

“(6) PENALTY.—If a designated operator assessed a fee under this subsection fails to pay the full amount of the fee as prescribed in this subsection, the Secretary may, in addition to utilizing any other applicable enforcement authority, assess

1 civil penalties against the operator under section 109
2 in the same manner as if this section were a mineral
3 leasing law.

4 “(7) NOTIFICATION TO STATE OF NONCOMPLI-
5 ANCE.—If, on the basis of any inspection under sub-
6 section (b), the Secretary determines that an oper-
7 ator is in noncompliance with the requirements of
8 mineral leasing laws and this chapter, the Secretary
9 shall notify the State of such noncompliance imme-
10 diately.”.

11 (c) EXISTING AUTHORITIES.—Section 390(a) of the
12 Energy Policy Act of 2005 (42 U.S.C. 15942(a)) is
13 amended—

14 (1) by striking “Action by the Secretary” and
15 inserting “The Secretary”;

16 (2) by striking “with respect to any of the ac-
17 tivities described in subsection (b) shall be subject to
18 a rebuttable presumption that the use of” and in-
19 serting “shall apply”; and

20 (3) by striking “would apply if the activity” and
21 inserting “for each action described in subsection (b)
22 if the action”.

1 **SEC. 203. CONVEYANCE TO CERTAIN STATES OF PROPERTY**
2 **INTEREST IN STATE SHARE OF ROYALTIES**
3 **AND OTHER PAYMENTS.**

4 (a) IN GENERAL.—Section 35 of the Mineral Leasing
5 Act (30 U.S.C. 191) is amended—

6 (1) in the first sentence of subsection (a), by
7 striking “shall be paid into the Treasury” and in-
8 serting “shall, except as provided in subsection (e),
9 be paid into the Treasury”;

10 (2) in subsection (c)(1), by inserting “and ex-
11 cept as provided in subsection (e)” before “, any
12 rentals”; and

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

14 “(e) CONVEYANCE TO CERTAIN STATES OF PROP-
15 ERTY INTEREST IN STATE SHARE.—

16 “(1) IN GENERAL.—Notwithstanding any other
17 provision of law, on request of a State and in lieu
18 of any payments to the State under subsection (a),
19 the Secretary of the Interior shall convey to the
20 State all right, title, and interest in and to the per-
21 centage specified in that subsection for that State
22 that would otherwise be required to be paid into the
23 Treasury under that subsection.

24 “(2) AMOUNT.—Notwithstanding any other
25 provision of law, after a conveyance to a State under
26 paragraph (1), any person shall pay directly to the

1 State any amount owed by the person for which the
2 right, title, and interest has been conveyed to the
3 State under this subsection.

4 “(3) NOTICE.—The Secretary of the Interior
5 shall promptly provide to each holder of a lease of
6 public land to which subsection (a) applies that is lo-
7 cated in a State to which right, title, and interest is
8 conveyed under this subsection notice that—

9 “(A) the Secretary of the Interior has con-
10 veyed to the State all right, title, and interest
11 in and to the amounts referred to in paragraph
12 (1); and

13 “(B) the leaseholder is required to pay the
14 amounts directly to the State.

15 “(4) REPORT.—A State that has received a
16 conveyance under this subsection shall report month-
17 ly to the Office of Natural Resources Revenue of the
18 Department of the Interior the amount paid to such
19 State pursuant to this subsection.

20 “(5) APPLICATION WITH RESPECT TO
21 FOGRMA.—With respect to the interest conveyed to
22 a State under this subsection from sales, bonuses,
23 royalties (including interest charges), and rentals
24 collected under the Federal Oil and Gas Royalty
25 Management Act of 1983 (30 U.S.C. 1701 et seq.),

1 this subsection shall only apply with respect to
 2 States for which the Secretary has delegated any au-
 3 thority under section 44(a)(1).”.

4 (b) ADMINISTRATIVE COSTS.—Section 35(b) of the
 5 Mineral Leasing Act (30 U.S.C. 191(b)) is amended by
 6 striking “In determining” and inserting “Except with re-
 7 spect to States for which the Secretary has delegated any
 8 authority under section 44(a)(1), in determining”.

9 (c) CONFORMING AMENDMENT.—Section 205(f) of
 10 the Federal Oil and Gas Royalty Management Act of 1982
 11 (30 U.S.C. 1735(f)) is amended by striking “All” in the
 12 seventh sentence and inserting “Subject to subsection (e)
 13 of section 35 of the Mineral Leasing Act (30 U.S.C. 191),
 14 all”.

15 **SEC. 204. PERMITTING ON NON-FEDERAL SURFACE ES-**
 16 **TATE.**

17 The Mineral Leasing Act (30 U.S.C. 181 et seq.) is
 18 amended by inserting after section 44 (as added by section
 19 202(a)(2)) the following:

20 **“SEC. 45. PERMITTING ON NON-FEDERAL SURFACE ESTATE.**

21 “(a) PERMITS NOT REQUIRED FOR CERTAIN ACTIVI-
 22 TIES ON NON-FEDERAL SURFACE ESTATE.—The fol-
 23 lowing activities conducted on non-Federal surface estate
 24 shall not require a Bureau of Land Management drilling
 25 permit under the Federal Oil and Gas Royalty Manage-

1 ment Act of 1982 (30 U.S.C. 1701 et seq.) or section
2 3164.1 of title 43, Code of Federal Regulations (or suc-
3 cessor regulation), and shall not be considered a major
4 Federal action under the National Environmental Policy
5 Act of 1969 (42 U.S.C. 4321 et seq.):

6 “(1) Oil and gas operations for the exploration
7 for or development or production of oil and gas in
8 a lease or unit or communitization agreement in
9 which the United States holds a mineral ownership
10 interest of 50 percent or less.

11 “(2) Oil and gas operations that may have po-
12 tential drainage impacts, as determined by the Bu-
13 reau of Land Management, on oil and gas in which
14 the United States holds a mineral ownership inter-
15 est.

16 “(b) DOI NOTIFICATION.—The Secretary of the In-
17 terior shall provide to each State a map or list indicating
18 Federal mineral ownership within that State.

19 “(c) STATE NOTIFICATION.—Each State that has
20 issued an APD or approved a drilling plan that would im-
21 pact or extract oil and gas owned by the United States
22 shall notify the Secretary of the Interior within 7 days
23 of issuing an APD.

24 “(d) ROYALTIES.—Nothing in this section shall affect
25 the amount of royalties due to the United States under

1 this Act from the production of oil and gas or alter the
 2 Secretary’s authority to conduct audits and collect civil
 3 penalties pursuant to the Federal Oil and Gas Royalty
 4 Management Act of 1982 (30 U.S.C. 1711 et seq.).

5 “(e) APPLICATION.—This section shall only apply
 6 with respect to States for which the Secretary has dele-
 7 gated any authority under section 44(a)(1).”.

8 **SEC. 205. STATE AND TRIBAL AUTHORITY FOR HYDRAULIC**
 9 **FRACTURING REGULATION.**

10 The Mineral Leasing Act (30 U.S.C. 181 et seq.) is
 11 amended by inserting after section 45 (as added by section
 12 204) the following:

13 **“SEC. 46. STATE AND TRIBAL AUTHORITY FOR HYDRAULIC**
 14 **FRACTURING REGULATION.**

15 “(a) IN GENERAL.—The Secretary of the Interior
 16 shall not enforce any Federal regulation, guidance, or per-
 17 mit requirement regarding hydraulic fracturing relating to
 18 oil, gas, or geothermal production activities on or under
 19 any land in any State that has regulations, guidance, or
 20 permit requirements for that activity.

21 “(b) STATE AUTHORITY.—The Secretary of the Inte-
 22 rior shall defer to State regulations, guidance, and permit
 23 requirements for all activities regarding hydraulic frac-
 24 turing relating to oil, gas, or geothermal production activi-
 25 ties on Federal land.

1 “(c) TRANSPARENCY OF STATE REGULATIONS.—

2 “(1) IN GENERAL.—Each State shall submit to
3 the Bureau of Land Management a copy of the reg-
4 ulations of such State that apply to hydraulic frac-
5 turing operations on Federal land, including those
6 that require disclosure of chemicals used in hydrau-
7 lic fracturing operations.

8 “(2) AVAILABILITY.—The Secretary of the In-
9 terior shall make available to the public on the
10 website of the Secretary the regulations submitted
11 under paragraph (1).

12 “(d) TRIBAL AUTHORITY ON TRUST LAND.—The
13 Secretary of the Interior shall not enforce any Federal reg-
14 ulation, guidance, or permit requirement with respect to
15 hydraulic fracturing on any land held in trust or restricted
16 status for the benefit of a federally recognized Indian
17 Tribe or a member of such an Indian Tribe, except with
18 the express consent of the beneficiary on whose behalf
19 such land is held in trust or restricted status.

20 “(e) HYDRAULIC FRACTURING DEFINED.—In this
21 section the term ‘hydraulic fracturing’ means the process
22 of creating small cracks, or fractures, in underground geo-
23 logical formations for well stimulation purposes of bring-
24 ing hydrocarbons into the wellbore and to the surface for
25 capture.”.

1 **SEC. 206. REVIEW OF INTEGRATED ACTIVITY PLAN FOR**
2 **THE NATIONAL PETROLEUM RESERVE IN**
3 **ALASKA.**

4 The Secretary of the Interior shall—

5 (1) conduct a review of the National Petroleum
6 Reserve-Alaska Final Integrated Activity Plan/Envi-
7 ronmental Impact Statement, for which notice of
8 availability was published in the Federal Register on
9 December 28, 2012 (77 Fed. Reg. 76515), to deter-
10 mine which lands within the National Petroleum Re-
11 serve in Alaska should be made available for oil and
12 gas leasing; and

13 (2) make available the lands described in para-
14 graph (1) for oil and gas leasing.

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