

116TH CONGRESS
2D SESSION

S. 3485

To expand the Outer Continental Shelf Lands Act to expand revenue sharing for offshore wind, to reauthorize the National Oceans and Coastal Security Act, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 12, 2020

Mr. WHITEHOUSE (for himself, Mr. CASSIDY, and Mr. KING) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To expand the Outer Continental Shelf Lands Act to expand revenue sharing for offshore wind, to reauthorize the National Oceans and Coastal Security Act, 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 “Opening Federal Fi-
5 nancial Sharing to Heighten Opportunities for Renewable
6 Energy Act of 2020” or the “OFFSHORE Act of 2020”.

1 **SEC. 2. NATIONAL OCEANS AND COASTAL SECURITY FUND.**

2 (a) REPEAL OF AUTHORIZATION OF APPROPRIA-
 3 TIONS FOR FISCAL YEARS 2017, 2018, AND 2019.—Sec-
 4 tion 908 of the National Oceans and Coastal Security Act
 5 (16 U.S.C. 7507) is repealed.

6 (b) DEPOSITS.—Section 904 of the National Oceans
 7 and Coastal Security Act (16 U.S.C. 7503) is amended—

8 (1) in subsection (b), by striking paragraph (1)
 9 and inserting the following:

10 “(1) IN GENERAL.—The Fund shall consist of
 11 such amounts as—

12 “(A) are deposited in the Fund under sub-
 13 paragraph (C) of section 8(p)(2) of the Outer
 14 Continental Shelf Lands Act (43 U.S.C.
 15 1337(p)(2)); or

16 “(B) are appropriated or otherwise made
 17 available for the Fund.”; and

18 (2) in subsection (d), in the matter preceding
 19 paragraph (1), by inserting “, and amounts appro-
 20 priated or otherwise made available for,” before “the
 21 Fund”.

1 **SEC. 3. EXTENSION OF CONSTITUTION, LAWS, AND JURIS-**
 2 **DICTION OF THE UNITED STATES TO ENERGY**
 3 **FACILITIES AND DEVICES ON THE OUTER**
 4 **CONTINENTAL SHELF.**

5 Section 4(a)(1) of the Outer Continental Shelf Lands
 6 Act (43 U.S.C. 1333(a)(1)) is amended—

7 (1) by inserting “or producing or supporting
 8 the production of energy from sources other than oil
 9 and gas” before “, or any such installation”;

10 (2) by inserting “or transmitting energy” after
 11 “transporting such resources”; and

12 (3) in the proviso, by inserting “and other en-
 13 ergy” after “That mineral”.

14 **SEC. 4. PARITY IN OFFSHORE WIND REVENUE SHARING.**

15 Section 8(p)(2) of the Outer Continental Shelf Lands
 16 Act (43 U.S.C. 1337(p)(2)) is amended—

17 (1) in subparagraph (A), by striking “(A) The
 18 Secretary” and inserting the following:

19 “(A) IN GENERAL.—Subject to subpara-
 20 graphs (B) and (C), the Secretary”;

21 (2) in subparagraph (B), by striking “(B) The
 22 Secretary” and inserting the following:

23 “(B) DISPOSITION OF REVENUES FOR
 24 PROJECTS LOCATED WITHIN 3 NAUTICAL MILES
 25 SEAWARD OF STATE SUBMERGED LAND.—The
 26 Secretary”; and

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

2 “(C) DISPOSITION OF REVENUES FOR OFF-
3 SHORE WIND PROJECTS IN CERTAIN AREAS.—

4 “(i) DEFINITIONS.—In this subpara-
5 graph:

6 “(I) COVERED OFFSHORE WIND
7 PROJECT.—The term ‘covered off-
8 shore wind project’ means a wind-
9 powered electric generation project in
10 a wind energy area on the outer Con-
11 tinental Shelf that is not wholly or
12 partially located within an area sub-
13 ject to subparagraph (B).

14 “(II) ELIGIBLE STATE.—The
15 term ‘eligible State’ means a State a
16 point on the coastline of which is lo-
17 cated within 75 miles of the geo-
18 graphic center of the covered offshore
19 wind project.

20 “(ii) REQUIREMENT.—

21 “(I) IN GENERAL.—Of the oper-
22 ating fees, rentals, bonuses, royalties,
23 and other payments that are paid to
24 the Secretary under subparagraph (A)
25 from covered offshore wind projects—

1 “(aa) 50 percent shall be de-
2 posited in the Treasury and cred-
3 ited to miscellaneous receipts;

4 “(bb) 12.5 percent shall be
5 deposited in the National Oceans
6 and Coastal Security Fund estab-
7 lished under section 904(a) of
8 the National Oceans and Coastal
9 Security Act (16 U.S.C.
10 7503(a)); and

11 “(cc) 37.5 percent shall be
12 deposited in a special account in
13 the Treasury, from which the
14 Secretary, subject to subclause
15 (II), shall disburse to each eligi-
16 ble State an amount (based on a
17 formula established by the Sec-
18 retary of the Interior by rule-
19 making not later than 180 days
20 after the date of enactment of
21 the OFFSHORE Act of 2020)
22 that is inversely proportional to
23 the respective distances be-
24 tween—

1 “(AA) the point on the
 2 coastline of each eligible
 3 State that is closest to the
 4 geographic center of the ap-
 5 plicable leased tract; and

6 “(BB) the geographic
 7 center of the leased tract.

8 “(II) MINIMUM ALLOCATION.—

9 The amount allocated to an eligible
 10 State each fiscal year under item (cc)
 11 of subclause (I) shall be at least 10
 12 percent of the amounts available
 13 under that item.

14 “(iii) TIMING.—The amounts required
 15 to be deposited under item (cc) of clause
 16 (ii)(I) for the applicable fiscal year shall be
 17 made available in accordance with that
 18 item during the fiscal year immediately fol-
 19 lowing the applicable fiscal year.

20 “(iv) AUTHORIZED USES.—

21 “(I) IN GENERAL.—Subject to
 22 subclause (II), each State shall use all
 23 amounts received under clause
 24 (ii)(I)(cc) in accordance with all appli-

1 cable Federal and State laws, only for
2 one or more of the following purposes:

3 “(aa) Projects and activities
4 for the purposes of coastal pro-
5 tection, including conservation,
6 coastal restoration, hurricane
7 protection, and infrastructure di-
8 rectly affected by coastal wetland
9 losses.

10 “(bb) Mitigation of damage
11 to fish, wildlife, or natural re-
12 sources.

13 “(cc) Implementation of a
14 federally approved marine, coast-
15 al, or comprehensive conservation
16 management plan.

17 “(dd) Mitigation of the im-
18 pact of outer Continental Shelf
19 activities through the funding of
20 onshore infrastructure projects.

21 “(ee) Planning assistance
22 and the administrative costs of
23 complying with this section.

24 “(II) LIMITATION.—Of the
25 amounts received by a State under

1 clause (ii)(I)(cc), not more than 3 per-
 2 cent shall be used for the purposes de-
 3 scribed in subclause (I)(ee).

4 “(v) ADMINISTRATION.—Subject to
 5 clause (vi)(III), amounts made available
 6 under clause (ii)(I) shall—

7 “(I) be made available, without
 8 further appropriation, in accordance
 9 with this paragraph;

10 “(II) remain available until ex-
 11 pended; and

12 “(III) be in addition to any
 13 amount appropriated under any other
 14 Act.

15 “(vi) REPORTING REQUIREMENT.—

16 “(I) IN GENERAL.—Not later
 17 than 180 days after the end of each
 18 fiscal year, the Governor of each eligi-
 19 ble State that receives amounts under
 20 clause (ii)(I)(cc) for the applicable fis-
 21 cal year shall submit to the Secretary
 22 a report that describes the use of the
 23 amounts by the eligible State during
 24 the period covered by the report.

“(II) PUBLIC AVAILABILITY.—On receipt of a report under subclause (I), the Secretary shall make the report available to the public on the website of the Department of the Interior.

“(III) LIMITATION.—If the Governor of an eligible State that receives amounts under clause (ii)(I)(cc) for the applicable fiscal year fails to submit the report required under subclause (I) by the deadline specified in that subclause, any amounts that would otherwise be provided to the eligible State under clause (ii)(I)(cc) for the succeeding fiscal year shall be deposited in the National Oceans and Coastal Security Fund established under section 904(a) of the National Oceans and Coastal Security Act (16 U.S.C. 7503(a)).”.

SEC. 5. EXEMPTION OF CERTAIN PAYMENTS FROM SEQUESTRATION.

(a) IN GENERAL.—Section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985

1 (2 U.S.C. 905(g)(1)(A)) is amended by inserting after
2 “Payments to Social Security Trust Funds (28–0404–0–
3 1–651).” the following:

4 “Payments to States pursuant to subpara-
5 graph (C)(ii)(I)(cc) of section 8(p)(2) of the
6 Outer Continental Shelf Lands Act (43 U.S.C.
7 1337(p)(2)).”.

8 (b) APPLICABILITY.—The amendment made by this
9 section shall apply to any sequestration order issued under
10 the Balanced Budget and Emergency Deficit Control Act
11 of 1985 (2 U.S.C. 900 et seq.) on or after the date of
12 enactment of this Act.

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