

118TH CONGRESS
1ST SESSION

S. 620

To provide for the distribution of certain outer Continental Shelf revenues to the State of Alaska, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 2, 2023

Ms. MURKOWSKI (for herself and Mr. SULLIVAN) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To provide for the distribution of certain outer Continental Shelf revenues to the State of Alaska, 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 “Alaska Offshore Parity
5 Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) COASTAL POLITICAL SUBDIVISION.—The
9 term “coastal political subdivision” means—

1 (A) a county-equivalent subdivision of the
2 State—

3 (i) all or part of which lies within the
4 coastal zone (as defined in section 304 of
5 the Coastal Zone Management Act of 1972
6 (16 U.S.C. 1453)) of the State; and

7 (ii) the closest coastal point of which
8 is not more than 200 nautical miles from
9 the geographical center of any leased tract
10 in the Alaska outer Continental Shelf re-
11 gion; and

12 (B) a municipal subdivision of the State
13 that is determined by the State to be a signifi-
14 cant staging area for oil and gas servicing, sup-
15 ply vessels, operations, suppliers, or workers.

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

20 (3) QUALIFIED REVENUES.—

21 (A) IN GENERAL.—The term “qualified
22 revenues” means all revenues derived from all
23 rentals, royalties, bonus bids, and other sums
24 due and payable to the United States from en-

1 ergy development in the Alaska outer Conti-
2 nental Shelf region.

3 (B) EXCLUSIONS.—The term “qualified
4 revenues” does not include—

5 (i) revenues generated from leases
6 subject to section 8(g) of the Outer Conti-
7 nental Shelf Lands Act (43 U.S.C.
8 1337(g)); or

9 (ii) revenues from the forfeiture of a
10 bond or other surety securing obligations
11 other than royalties, civil penalties, or roy-
12 alties taken by the Secretary in-kind and
13 not sold.

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

16 (5) STATE.—The term “State” means the State
17 of Alaska.

18 **SEC. 3. DISPOSITION OF QUALIFIED REVENUES IN ALASKA.**

19 (a) IN GENERAL.—Notwithstanding section 9 of the
20 Outer Continental Shelf Lands Act (43 U.S.C. 1338) and
21 subject to the other provisions of this section, for fiscal
22 year 2024 and each fiscal year thereafter, the Secretary
23 of the Treasury shall deposit—

24 (1) 50 percent of qualified revenues in the gen-
25 eral fund of the Treasury;

1 (2) 30 percent of qualified revenues in a special
2 account in the Treasury, to be distributed by the
3 Secretary to the State;

4 (3) 7.5 percent of qualified revenues in a spe-
5 cial account in the Treasury, to be distributed by the
6 Secretary to coastal political subdivisions; and

7 (4) 12.5 percent of qualified revenues in the
8 National Oceans and Coastal Security Fund estab-
9 lished under section 904(a) of the National Oceans
10 and Coastal Security Act (16 U.S.C. 7503(a)).

11 (b) ALLOCATION AMONG COASTAL POLITICAL SUB-
12 DIVISIONS.—Of the amount paid by the Secretary to
13 coastal political subdivisions under subsection (a)(3)—

14 (1) 90 percent shall be allocated among costal
15 political subdivisions described in section 2(1)(A) in
16 amounts (based on a formula established by the Sec-
17 retary by regulation) that are inversely proportional
18 to the respective distances between the point in each
19 coastal political subdivision that is closest to the geo-
20 graphic center of the applicable leased tract and not
21 more than 200 miles from the geographic center of
22 the leased tract; and

23 (2) 10 percent shall be divided equally among
24 each coastal political subdivision described in section
25 2(1)(B).

1 (c) TIMING.—The amounts required to be deposited
2 under subsection (a) for the applicable fiscal year shall
3 be made available in accordance with that subsection dur-
4 ing the fiscal year immediately following the applicable fis-
5 cal year.

6 (d) AUTHORIZED USES.—

7 (1) IN GENERAL.—Subject to paragraph (2),
8 the State shall use all amounts received under sub-
9 section (a)(2) in accordance with all applicable Fed-
10 eral and State laws, for 1 or more of the following
11 purposes:

12 (A) Projects and activities for the purposes
13 of coastal protection, conservation, and restora-
14 tion, including onshore infrastructure and relo-
15 cation of communities directly affected by
16 coastal erosion, melting permafrost, or climate
17 change-related losses.

18 (B) Mitigation of damage to fish, wildlife,
19 or natural resources.

20 (C) Mitigation of the impact of outer Con-
21 tinental Shelf activities through the funding of
22 onshore infrastructure projects and related
23 rights-of-way.

1 (D) Adaptation planning, vulnerability as-
2 sessments, and emergency preparedness assist-
3 ance to build healthy and resilient communities.

4 (E) Installation and operation of energy
5 systems to reduce energy costs and greenhouse
6 gas emissions compared to systems in use as of
7 the date of enactment of this Act.

8 (F) Programs at institutions of higher edu-
9 cation in the State.

10 (G) Other purposes, as determined by the
11 Governor of the State, with approval from the
12 State legislature.

13 (H) Planning assistance and the adminis-
14 trative costs of complying with this section.

15 (2) LIMITATION.—Not more than 3 percent of
16 amounts received by the State under subsection
17 (a)(2) may be used for the purposes described in
18 paragraph (1)(H).

19 (e) ADMINISTRATION.—Amounts made available
20 under paragraphs (2) and (3) of subsection (a) shall—

21 (1) be made available, without further appro-
22 priation, in accordance with this section;

23 (2) remain available until expended; and

24 (3) be in addition to any amounts appropriated
25 under any other provision of law.

1 (f) REPORTING REQUIREMENT FOR FISCAL YEAR
2 2025 AND THEREAFTER.—

3 (1) IN GENERAL.—Beginning with fiscal year
4 2025, not later than 180 days after the end of each
5 fiscal year in which the State receives amounts
6 under subsection (a)(2), the State shall submit to
7 the Secretary a report that describes the use of the
8 amounts by the State during the preceding fiscal
9 year covered by the report.

10 (2) PUBLIC AVAILABILITY.—On receipt of a re-
11 port required under paragraph (1), the Secretary
12 shall make the report available to the public on the
13 website of the Department of the Interior.

14 (3) LIMITATION.—If the State fails to submit
15 the report required under paragraph (1) by the
16 deadline specified in that paragraph, any amounts
17 that would otherwise be provided to the State under
18 subsection (a)(2) for the succeeding fiscal year shall
19 be withheld for the succeeding fiscal year until the
20 date on which the report is submitted.

21 (4) CONTENTS OF REPORT.—Each report re-
22 quired under paragraph (1) shall include, for each
23 project funded in whole or in part using amounts re-
24 ceived under subsection (a)(2)—

1 (A) the name and description of the
2 project;

3 (B) the amount received under subsection
4 (a)(2) that is allocated to the project; and

5 (C) a description of how each project is
6 consistent with the authorized uses under sub-
7 section (d).

8 (5) CLARIFICATION.—Nothing in this sub-
9 section—

10 (A) requires or provides authority for the
11 Secretary to delay, modify, or withhold payment
12 under this subsection, other than for failure to
13 submit a report as required under this sub-
14 section;

15 (B) requires or provides authority for the
16 Secretary to review or approve uses of funds re-
17 ported under this subsection;

18 (C) requires or provides authority for the
19 Secretary to approve individual projects that re-
20 ceive funds reported under this subsection;

21 (D) requires the State to obtain the ap-
22 proval of, or review by, the Secretary prior to
23 spending funds disbursed under subsection
24 (a)(2);

1 (E) requires or provides authority for the
2 Secretary to issue guidance relating to the con-
3 tents of, or to determine the completeness of,
4 the report required under this subsection;

5 (F) requires the State to obligate or ex-
6 pend funds disbursed under subsection (a)(2)
7 by a certain date; or

8 (G) requires or provides authority for the
9 Secretary to request the State to return unobli-
10 gated funds.

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