112TH CONGRESS  
2D SESSION  
S. 3284

To amend the Outer Continental Shelf Lands Act to provide for the inclusion of areas off the coast of South Carolina in the outer Continental Shelf leasing program for fiscal years 2012 through 2017, and for other purposes.

IN THE SENATE OF THE UNITED STATES  
JUNE 11, 2012
Mr. GRAHAM introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL  
To amend the Outer Continental Shelf Lands Act to provide for the inclusion of areas off the coast of South Carolina in the outer Continental Shelf leasing program for fiscal years 2012 through 2017, 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 “South Carolina Off-
5 shore Drilling Act”.


SEC. 2. OUTER CONTINENTAL SHELF OIL AND GAS LEASING OFF THE COAST OF SOUTH CAROLINA.

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

“(i) LEASING OFF THE COAST OF SOUTH CAROLINA.—

“(1) DEFINITIONS.—In this subsection:

“(A) QUALIFIED REVENUES.—The term ‘qualified revenues’ means all rentals, royalties, bonus bids, and other sums due and payable to the United States under a lease sale conducted under this subsection.

“(B) STATE.—The term ‘State’ means the State of South Carolina.

“(2) AUTHORIZATION OF LEASE SALES.—The Secretary shall include in the schedule of proposed lease sales under the outer Continental Shelf leasing program for fiscal years 2012 through 2017 prepared under this section any areas located within the administrative boundaries of the State that are more than 50 miles off the coast of the State.

“(3) LEASING OF ADDITIONAL AREAS.—

“(A) PETITION.—The Governor of South Carolina, with the concurrence of the State legislature, may submit to the Secretary a petition
requesting that the Secretary make available for leasing any portion of the area within the administrative boundaries of the State that is more than 10, but less than 50, miles off the coast of the State.

“(B) ACTION BY SECRETARY.—Notwithstanding any other provision of law, the Secretary shall—

“(i) not later than 90 days after the date of receipt of a petition under subparagraph (A), approve the petition; and

“(ii) on approval of the petition, make the area available for leasing in accordance with this subsection and any other applicable provision of law.

“(C) FAILURE TO ACT.—If the Secretary fails to approve a petition in accordance with subparagraph (B), the petition shall be considered to be approved as of the date that is 90 days after the date of receipt of the petition.

“(D) TREATMENT.—Not later than 180 days after the date on which a petition is approved, or considered to be approved, under subparagraph (A) or (B), the Secretary shall—
“(i) treat the petition as a proposed revision to a leasing program under this section; and

“(ii) except as provided in subparagraph (E), initiate a new 5-year outer Continental Shelf oil and gas leasing program to replace the outer Continental Shelf oil and gas leasing program in effect as of that date, which shall include any lease sale for any area covered by the petition.

“(E) INCLUSION IN SUBSEQUENT PLANS.—

“(i) IN GENERAL.—If there are less than 18 months remaining in the 5-year outer Continental Shelf oil and gas leasing program described in subparagraph (D)(ii), the Secretary, without consultation with any State, shall include the areas covered by the petition in lease sales under the proposed 5-year outer Continental Shelf oil and gas leasing program.

“(ii) ENVIRONMENTAL ASSESSMENT.—Before modifying a 5-year outer Continental Shelf oil and gas leasing program for the next 5-year period, the Sec-
retary shall complete an environmental assessment that describes any anticipated environmental effect of leasing in the area covered by the petition.

“(4) PROHIBITION ON LEASING CERTAIN AREAS.—

“(A) PETITION.—The Governor of the State, with the concurrence of the State legislature, may submit to the Secretary a petition requesting that the Secretary prohibit the leasing of areas within the administrative boundaries of the State that are more than 50, but less than 100, miles off the coast of the State.

“(B) ACTION BY SECRETARY.—Not later than 90 days after the date of receipt of a petition under subparagraph (A), the Secretary shall approve the petition.”.

SEC. 3. DISPOSITION OF QUALIFIED OUTER CONTINENTAL SHELF REVENUES.

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

“(j) REVENUE SHARING FOR ADDITIONAL AREAS.—

“(1) BONUS BIDS.—If the Governor or legislature of a coastal State requests the Secretary to
allow leasing in an outer Continental Shelf area and
the Secretary allows the leasing, the coastal State
shall, without further appropriation or action, re-
ceive 37.5 percent of any bonus bid paid for leasing
rights in the area.

“(2) POST LEASING REVENUES.—In addition to
bonus bids under paragraph (1), a State described
in paragraph (1) shall receive, from leasing of the
area, 37.5 percent of—

“(A) any lease rental payments;
“(B) any lease royalty payments;
“(C) any royalty proceeds from a sale of
royalties taken in kind by the Secretary; and
“(D) any other revenues from a bidding
system under section 8.

“(3) ALLOCATION AMONG COASTAL POLITICAL
SUBDIVISIONS OF STATES.—The Secretary shall pay
20 percent of the allocable share of each coastal
State, as determined under this subsection, directly
to certain coastal political subdivisions of the coastal
State.

“(4) CONSERVATION ROYALTIES.—After mak-
ing distributions in accordance with paragraphs (1)
through (3), the Secretary shall, without further ap-
propriation or action, distribute a conservation roy-
alty equal to 12.5 percent of Federal royalty reve-
nues derived from an area leased under this section
from all areas leased under this section for any year,
into the land and water conservation fund estab-
lished under section 2 of the Land and Water Con-
servation Fund Act of 1965 (16 U.S.C. 460l–5) to
provide financial assistance to States under section
6 of that Act (16 U.S.C. 460l–8).

“(5) DEFICIT REDUCTION.—After making dis-
tributions in accordance with paragraphs (1)
through (4), the Secretary shall, without further ap-
propriation or action, distribute an amount equal to
50 percent of Federal royalty revenues derived from
all areas leased under this section for any year, into
direct Federal deficit reduction.”.

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