

119TH CONGRESS
2D SESSION

S. 5378

To provide for the disposition of surrendered offshore wind energy lease areas, and for other purposes.

IN THE SENATE OF THE UNITED STATES

AUGUST 7, 2026

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

A BILL

To provide for the disposition of surrendered offshore wind energy lease areas, 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 “Outer Continental
5 Shelf Lease Restoration Act of 2026”.

6 **SEC. 2. DISPOSITION OF SURRENDERED OFFSHORE WIND**
7 **ENERGY LEASE AREAS.**

8 (a) DEFINITIONS.—In this Act:

9 (1) ADJACENT LEASE.—The term “adjacent
10 lease” means—

1 (A) a covered lease that shares not less
2 than 1 boundary point with a terminated lease
3 area; or

4 (B) a covered lease acquired by a lease-
5 holder during the same lease sale as the termi-
6 nated lease area.

7 (2) COVERED ENTITY.—The term “covered en-
8 tity”, with respect to the surrender of a covered
9 lease, means a lessee (including any parent, sub-
10 sidiary, successor, or affiliate of that lessee) that
11 was party to the surrender of that covered lease.

12 (3) COVERED LEASE.—The term “covered
13 lease” means a lease issued pursuant to section 8(p)
14 of the Outer Continental Shelf Lands Act (43
15 U.S.C. 1337(p)) for wind energy development.

16 (4) OCS BLOCK.—The term “OCS block”
17 means a block, or a portion of a block, as delineated
18 on the official Outer Continental Shelf protraction
19 diagrams and lease maps maintained by the Marine
20 Minerals Administration.

21 (5) PER-ACRE PRICE.—The term “per-acre
22 price”, with respect to a covered lease, means the
23 amount equal to the per-acre minimum bid price
24 outlined in the Final Sale Notice for a covered lease.

1 (6) SECRETARY.—The term “Secretary” means
2 the Secretary of the Interior.

3 (7) SURRENDER.—The term “surrender”
4 means the termination, cancellation, or relinquish-
5 ment, whether characterized as voluntary or other-
6 wise, of a covered lease, including termination ef-
7 fected through a settlement agreement, memo-
8 randum of agreement, or other negotiated instru-
9 ment between a lessee and the Secretary occurring
10 on or after January 20, 2025.

11 (8) TERMINATED LEASE AREA.—The term “ter-
12 minated lease area” means acreage on the Outer
13 Continental Shelf the use or potential use of which
14 for wind energy development was terminated by the
15 surrender of a covered lease.

16 (b) RATIFICATION OF PRIOR ENVIRONMENTAL RE-
17 VIEWS.—

18 (1) IN GENERAL.—Congress ratifies and ap-
19 proves the environmental reviews, analyses, and con-
20 sultations conducted in connection with the designa-
21 tion of each terminated lease area as a wind energy
22 area and the issuance of the applicable surrendered
23 covered lease, including any environmental impact
24 statement, environmental assessment, record of deci-
25 sion, and consultation required under—

1 (A) section 7 of the Endangered Species
2 Act of 1973 (16 U.S.C. 1536); or

3 (B) the Marine Mammal Protection Act of
4 1972 (16 U.S.C. 1361 et seq.).

5 (2) EFFECT.—The reviews, analyses, and con-
6 sultations described in paragraph (1) are considered
7 to satisfy all requirements of the National Environ-
8 mental Policy Act of 1969 (42 U.S.C. 4321 et seq.)
9 and any other provision of Federal law applicable to
10 the issuance or vesting of a covered lease under sub-
11 section (c), and no additional review, analysis, or
12 consultation shall be required as a condition of, or
13 to give effect to, a conveyance pursuant to this Act.

14 (3) PROJECT-LEVEL REVIEW PRESERVED.—
15 Nothing in this subsection affects the environmental
16 review, analysis, or consultation otherwise required
17 in connection with the review and approval of a site
18 assessment plan, construction and operations plan,
19 or general activities plan submitted for a covered
20 lease vested pursuant to this Act.

21 (c) CONVEYANCE TO HOLDERS OF ADJACENT
22 LEASES.—

23 (1) OFFER.—Effective on the date of enact-
24 ment of this Act (or, for the surrender of a covered
25 lease occurring after that date of enactment, on the

1 applicable date of surrender), each holder of an ad-
2 jacent lease (referred to in this subsection as an
3 “adjacent leaseholder”) shall gain the right to ac-
4 quire an applicable terminated lease area, or the ap-
5 portioned share of that terminated lease area as de-
6 termined under paragraph (4), at a price equal to
7 the per-acre price multiplied by the acreage of the
8 offered terminated lease area.

9 (2) ISSUANCE AND VESTING.—

10 (A) ISSUANCE.—On submission of the
11 amount described in paragraph (1) by an adja-
12 cent leaseholder to the Treasury of the United
13 States, the Secretary shall issue a lease of the
14 terminated lease area, or the apportioned share
15 of that terminated lease area as determined
16 under paragraph (4), to the applicable adjacent
17 leaseholder without any further action, ap-
18 proval, execution, or issuance required by the
19 Secretary.

20 (B) VESTING.—A lease issued to an appli-
21 cable leaseholder under subparagraph (A) shall
22 be considered vested in that applicable lease-
23 holder.

24 (3) TERMS.—A lease issued and vested under
25 paragraph (2) shall be subject to the same terms,

conditions, and stipulations as are applicable to the applicable adjacent lease of the adjacent leaseholder, with a term commencing on the date of vesting under that paragraph.

(4) APPORTIONMENT AMONG MULTIPLE ADJACENT LEASEHOLDERS.—

(A) IN GENERAL.—If a terminated lease area shares a boundary with more than 1 adjacent lease—

(i) each OCS block within the terminated lease area shall be assigned to the adjacent lease whose boundary is nearest to the geographic center of that OCS block, determined by a line of equidistance where a block lies equidistant from 2 or more adjacent leases;

(ii) the apportioned share offered to each adjacent leaseholder shall consist of the OCS blocks assigned under clause (i); and

(iii) each adjacent leaseholder may exercise the right to acquire the applicable OCS blocks assigned under clause (i) independently of any other adjacent leaseholder.

1 (B) UNCLAIMED SHARE.—If an adjacent
2 leaseholder does not submit payment of the
3 amount described in paragraph (1), the termi-
4 nated lease area or apportioned share of that
5 terminated lease area offered to that adjacent
6 leaseholder shall be made available and disposed
7 of pursuant to subsection (d).

8 (d) DISPOSITION OF UNCLAIMED AREAS.—

9 (1) IN GENERAL.—A terminated lease area or
10 the apportioned share of a terminated lease area
11 that is not issued and vested under subsection (c)
12 shall be returned to the inventory of areas available
13 for leasing pursuant to section 8(p) of the Outer
14 Continental Shelf Lands Act (43 U.S.C. 1337(p)).

15 (2) LEASE SALE.—

16 (A) IN GENERAL.—Not later than 90 days
17 after a terminated lease area or apportioned
18 share of a terminated lease area is returned to
19 inventory under paragraph (1), the Secretary
20 shall offer the terminated lease area or appor-
21 tioned share of a terminated lease area for
22 lease.

23 (B) TERMS AND CONDITIONS.—A termi-
24 nated lease area or apportioned share of a ter-
25 minated lease area offered under subparagraph

1 (A) shall be offered with the same terms and
 2 conditions, including financial terms, under
 3 which the area was most recently offered before
 4 the surrender of the applicable covered lease.

5 (3) INELIGIBILITY OF COVERED ENTITIES.—A
 6 covered entity that has surrendered a terminated
 7 lease area is ineligible to acquire, bid for, or hold
 8 any interest in that terminated lease area pursuant
 9 to the conveyance or disposition requirements of
 10 subsection (c), this subsection, or any other applica-
 11 ble law.

12 (e) LIMITATIONS ON OIL AND GAS LEASING AND
 13 PERMITTING.—

14 (1) IN GENERAL.—Except as provided in para-
 15 graph (2), the Secretary may not issue any new oil
 16 or gas lease under section 8(a) of the Outer Conti-
 17 nental Shelf Lands Act (43 U.S.C. 1337(a)), or
 18 issue any new permit for oil or gas exploration, de-
 19 velopment, or production activity on the Outer Con-
 20 tinental Shelf pursuant to that Act, until—

21 (A) each conveyance of a terminated lease
 22 area for which payment has been made under
 23 subsection (c) has been given full effect; and

24 (B) the Secretary has offered under sub-
 25 section (d) every terminated lease area or ap-

1 portioned share of a terminated lease area that
2 was unclaimed.

3 (2) EXCEPTION.—The limitations described in
4 paragraph (1) shall not apply to the extent nec-
5 essary to comply with an obligation under a lease or
6 permit issued before the date of enactment of this
7 Act.

8 (f) EFFECT ON SETTLEMENT AGREEMENTS.—

9 (1) IN GENERAL.—A conveyance under sub-
10 section (c) or a disposition under subsection (d) shall
11 not—

12 (A) reinstate any covered lease held by a
13 covered entity before the surrender of the cov-
14 ered lease;

15 (B) restore any right of a covered entity in
16 a terminated lease area; or

17 (C) entitle a covered entity to any addi-
18 tional payment.

19 (2) CONSIDERATION.—Nothing in this Act shall
20 require the return of any consideration paid by a
21 covered entity in connection with the surrender of a
22 covered lease.

23 (g) JUDICIAL REVIEW.—

1 (1) IN GENERAL.—No court shall have jurisdic-
2 tion to review any conveyance, vesting, apportion-
3 ment, or disposition under this Act.

4 (2) JURISDICTION.—

5 (A) IN GENERAL.—The United States
6 Court of Appeals for the District of Columbia
7 Circuit shall have original and exclusive juris-
8 diction over any claim alleging—

9 (i) the invalidity of this Act; or

10 (ii) that an action taken pursuant to
11 this Act is beyond the scope of authority
12 conferred by this Act.

13 (B) DEADLINE.—A claim described in sub-
14 paragraph (A) shall be filed by not later than
15 90 days after the date of enactment of this Act,
16 or the date that the challenged action is taken,
17 as applicable.

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