

109TH CONGRESS
1ST SESSION

S. 1891

To authorize the leasing, development, production, and economically feasible and prudent transportation of oil and gas in and from the Coastal Plain, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 19, 2005

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

A BILL

To authorize the leasing, development, production, and economically feasible and prudent transportation of oil and gas in and from the Coastal Plain, 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 “Arctic Coastal Plain
5 Domestic Energy Security Act of 2005”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

1 (1) COASTAL PLAIN.—The term “Coastal
2 Plain” means that area identified as the “1002
3 Coastal Plain Area” on the map.

4 (2) FEDERAL AGREEMENT.—The term “Fed-
5 eral Agreement” means the Federal Agreement and
6 Grant Right-of-Way for the Trans-Alaska Pipeline
7 issued on January 23, 1974, in accordance with sec-
8 tion 28 of the Mineral Leasing Act (30 U.S.C. 185)
9 and the Trans-Alaska Pipeline Authorization Act
10 (43 U.S.C. 1651 et seq.).

11 (3) FINAL STATEMENT.—The term “Final
12 Statement” means the final legislative environmental
13 impact statement on the Coastal Plain, dated April
14 1987, and prepared pursuant to section 1002 of the
15 Alaska National Interest Lands Conservation Act
16 (16 U.S.C. 3142) and section 102(2)(C) of the Na-
17 tional Environmental Policy Act of 1969 (42 U.S.C.
18 4332(2)(C)).

19 (4) MAP.—The term “map” means the map en-
20 titled “Arctic National Wildlife Refuge”, dated Sep-
21 tember 2005, and prepared by the United States Ge-
22 ological Survey.

23 (5) SECRETARY.—The term “Secretary” means
24 the Secretary of the Interior (or the designee of the
25 Secretary), acting through the Director of the Bu-

reau of Land Management in consultation with the
Director of the United States Fish and Wildlife
Service and in coordination with a State coordinator
appointed by the Governor of the State of Alaska.

**SEC. 3. LEASING PROGRAM FOR LAND WITHIN THE COAST-
AL PLAIN.**

(a) IN GENERAL.—

(1) AUTHORIZATION.—Congress authorizes the
leasing, development, production, and economically
feasible and prudent transportation of oil and gas in
and from the Coastal Plain.

(2) ACTIONS.—The Secretary shall take such
actions as are necessary—

(A) to establish and implement, in accord-
ance with this Act, a competitive oil and gas
leasing program that will result in an environ-
mentally sound program for the exploration, de-
velopment, and production of the oil and gas re-
sources of the Coastal Plain while taking into
consideration the interests and concerns of resi-
dents of the Coastal Plain, which is the home-
land of the Kaktovikmiut Inupiat; and

(B) to administer this Act through regula-
tions, lease terms, conditions, restrictions, pro-

hibitions, stipulations, and other provisions
that—

(i) ensure the oil and gas exploration,
development, and production activities on
the Coastal Plain will result in no signifi-
cant adverse effect on fish and wildlife,
their habitat, subsistence resources, and
the environment; and

(ii) require the application of the best
commercially available technology for oil
and gas exploration, development, and pro-
duction to all exploration, development,
and production operations under this Act
in a manner that ensures the receipt of
fair market value by the public for the
mineral resources to be leased.

(b) REPEAL.—

(1) REPEAL.—Section 1003 of the Alaska Na-
tional Interest Lands Conservation Act (16 U.S.C.
3143) is repealed.

(2) CONFORMING AMENDMENT.—The table of
contents contained in section 1 of that Act (16
U.S.C. 3101 note) is amended by striking the item
relating to section 1003.

1 (c) COMPLIANCE WITH REQUIREMENTS UNDER CER-
2 TAIN OTHER LAWS.—

3 (1) COMPATIBILITY.—For purposes of the Na-
4 tional Wildlife Refuge System Administration Act of
5 1966 (16 U.S.C. 668dd et seq.)—

6 (A) the oil and gas leasing program and
7 activities authorized by this section in the
8 Coastal Plain shall be considered to be compat-
9 ible with the purposes for which the Arctic Na-
10 tional Wildlife Refuge was established; and

11 (B) no further findings or decisions shall
12 be required to implement that program and
13 those activities.

14 (2) ADEQUACY OF THE DEPARTMENT OF THE
15 INTERIOR'S LEGISLATIVE ENVIRONMENTAL IMPACT
16 STATEMENT.—The Final Statement shall be consid-
17 ered to satisfy the requirements under the National
18 Environmental Policy Act of 1969 (42 U.S.C. 4321
19 et seq.) that apply with respect to prelease activities,
20 including actions authorized to be taken by the Sec-
21 retary to develop and promulgate the regulations for
22 the establishment of a leasing program authorized
23 by this Act before the conduct of the first lease sale.

24 (3) COMPLIANCE WITH NEPA FOR OTHER AC-
25 TIONS.—

1 (A) IN GENERAL.—Before conducting the
2 first lease sale under this Act, the Secretary
3 shall prepare an environmental impact state-
4 ment in accordance with the National Environ-
5 mental Policy Act of 1969 (42 U.S.C. 4321 et
6 seq.) with respect to the actions authorized by
7 this Act that are not referred to in paragraph
8 (2).

9 (B) IDENTIFICATION AND ANALYSIS.—
10 Notwithstanding any other provision of law, in
11 carrying out this paragraph, the Secretary shall
12 not be required—

13 (i) to identify nonleasing alternative
14 courses of action; or

15 (ii) to analyze the environmental ef-
16 fects of those courses of action.

17 (C) IDENTIFICATION OF PREFERRED AC-
18 TION.—Not later than 18 months after the date
19 of enactment of this Act, the Secretary shall—

20 (i) identify only a preferred action and
21 a single leasing alternative for the first
22 lease sale authorized under this Act; and

23 (ii) analyze the environmental effects
24 and potential mitigation measures for
25 those 2 alternatives.

1 (D) PUBLIC COMMENTS.—In carrying out
 2 this paragraph, the Secretary shall consider
 3 only public comments that specifically address
 4 the preferred action of the Secretary that are
 5 filed not later than 20 days after the date of
 6 publication of an environmental analysis.

7 (E) EFFECT OF COMPLIANCE.—Notwith-
 8 standing any other provision of law, compliance
 9 with this paragraph shall be considered to sat-
 10 isfy all requirements for the analysis and con-
 11 sideration of the environmental effects of pro-
 12 posed leasing under this Act.

13 (d) RELATIONSHIP TO STATE AND LOCAL AUTHOR-
 14 ITY.—Nothing in this Act expands or limits any State or
 15 local regulatory authority.

16 (e) SPECIAL AREAS.—

17 (1) DESIGNATION.—

18 (A) IN GENERAL.—The Secretary, after
 19 consultation with the State of Alaska, the City
 20 of Kaktovik, Alaska, and the North Slope Bor-
 21 ough, Alaska, may designate not more than
 22 45,000 acres of the Coastal Plain as a special
 23 area if the Secretary determines that the special
 24 area would be of such unique character and in-

terest as to require special management and regulatory protection.

(B) SADLEROCHIT SPRING AREA.—The Secretary shall designate as a special area in accordance with subparagraph (A) the Sadlerochit Spring area, comprising approximately 4,000 acres as depicted on the map.

(2) MANAGEMENT.—The Secretary shall manage each special area designated under this subsection in a manner that—

(A) respects and protects the Native people of the area; and

(B) preserves the unique and diverse character of the area, including fish, wildlife, subsistence resources, and cultural values of the area.

(3) EXCLUSION FROM LEASING OR SURFACE OCCUPANCY.—

(A) IN GENERAL.—The Secretary may exclude any special area designated under this subsection from leasing.

(B) NO SURFACE OCCUPANCY.—If the Secretary leases all or a portion of a special area for the purposes of oil and gas exploration, development, production, and related activities,

1 there shall be no surface occupancy of the land
2 comprising the special area.

3 (4) DIRECTIONAL DRILLING.—Notwithstanding
4 any other provision of this subsection, the Secretary
5 may lease all or a portion of a special area under
6 terms that permit the use of horizontal drilling tech-
7 nology from sites on leases located outside the spe-
8 cial area.

9 (f) LIMITATION ON CLOSED AREAS.—The Secretary
10 may not close land within the Coastal Plain to oil and gas
11 leasing or to exploration, development, or production ex-
12 cept in accordance with this Act.

13 (g) REGULATIONS.—

14 (1) IN GENERAL.—Not later than 15 months
15 after the date of enactment of this Act, in consulta-
16 tion with appropriate agencies of the State of Alas-
17 ka, the North Slope Borough, Alaska, and the City
18 of Kaktovik, Alaska (to ensure that impacts on the
19 residents of the Coastal Plain are considered), the
20 Secretary shall issue such regulations as are nec-
21 essary to carry out this Act, including rules and reg-
22 ulations relating to protection of the fish and wild-
23 life, fish and wildlife habitat, subsistence resources,
24 and environment of the Coastal Plain.

1 (2) REVISION OF REGULATIONS.—The Sec-
2 retary shall periodically review and, as appropriate,
3 revise the rules and regulations issued under para-
4 graph (1) to reflect any significant biological, envi-
5 ronmental, or engineering data that come to the at-
6 tention of the Secretary.

7 **SEC. 4. LEASE SALES.**

8 (a) IN GENERAL.—Land may be leased pursuant to
9 this Act to any person qualified to obtain a lease for depos-
10 its of oil and gas under the Mineral Leasing Act (30
11 U.S.C. 181 et seq.).

12 (b) PROCEDURES.—The Secretary shall, by regula-
13 tion, establish procedures for—

14 (1) receipt and consideration of sealed nomina-
15 tions for any area in the Coastal Plain for inclusion
16 in, or exclusion (as provided in subsection (c)) from,
17 a lease sale;

18 (2) the holding of lease sales after that nomina-
19 tion process; and

20 (3) public notice of and comment on designa-
21 tion of areas to be included in, or excluded from, a
22 lease sale.

23 (c) LEASE SALE BIDS.—Bidding for leases under
24 this Act shall be by sealed competitive cash bonus bids.

1 (d) ACREAGE MINIMUM IN FIRST SALE.—For the
 2 first lease sale under this Act, the Secretary shall offer
 3 for lease those tracts the Secretary considers to have the
 4 greatest potential for the discovery of hydrocarbons, tak-
 5 ing into consideration nominations received pursuant to
 6 subsection (b)(1), but in no case less than 200,000 acres.

7 (e) TIMING OF LEASE SALES.—The Secretary
 8 shall—

9 (1) not later than 22 months after the date of
 10 enactment of this Act, conduct the first lease sale
 11 under this Act;

12 (2) not later than September 30, 2010, conduct
 13 a second lease sale under this Act; and

14 (3) conduct additional sales at appropriate in-
 15 tervals if, as determined by the Secretary, sufficient
 16 interest in development exists to warrant the con-
 17 duct of the additional sales.

18 **SEC. 5. GRANT OF LEASES BY THE SECRETARY.**

19 (a) IN GENERAL.—Upon payment by a lessee of such
 20 bonus as may be accepted by the Secretary, the Secretary
 21 may grant to the highest responsible qualified bidder in
 22 a lease sale conducted pursuant to section 4 a lease for
 23 any land on the Coastal Plain.

24 (b) SUBSEQUENT TRANSFERS.—

1 (1) IN GENERAL.—No lease issued under this
2 Act may be sold, exchanged, assigned, sublet, or oth-
3 erwise transferred except with the approval of the
4 Secretary.

5 (2) CONDITION FOR APPROVAL.—Before grant-
6 ing any approval described in paragraph (1), the
7 Secretary shall consult with, and give due consider-
8 ation to the opinion of, the Attorney General.

9 **SEC. 6. LEASE TERMS AND CONDITIONS.**

10 (a) IN GENERAL.—An oil or gas lease issued pursu-
11 ant to this Act shall—

12 (1) provide for the payment of a royalty of not
13 less than 12½ percent of the amount or value of the
14 production removed or sold from the lease, as deter-
15 mined by the Secretary in accordance with regula-
16 tions applicable to other Federal oil and gas leases;

17 (2) provide that the Secretary may close, on a
18 seasonal basis, such portions of the Coastal Plain to
19 exploratory drilling activities as are necessary to
20 protect caribou calving areas and other species of
21 fish and wildlife;

22 (3) require that each lessee of land within the
23 Coastal Plain shall be fully responsible and liable for
24 the reclamation of land within the Coastal Plain and
25 any other Federal land that is adversely affected in

1 connection with exploration, development, produc-
2 tion, or transportation activities conducted under the
3 lease and within the Coastal Plain by the lessee or
4 by any of the subcontractors or agents of the lessee;

5 (4) provide that the lessee may not delegate or
6 convey, by contract or otherwise, that reclamation
7 responsibility and liability to another person without
8 the express written approval of the Secretary;

9 (5) provide that the standard of reclamation for
10 land required to be reclaimed under this Act shall
11 be, to the maximum extent practicable—

12 (A) a condition capable of supporting the
13 uses that the land was capable of supporting
14 prior to any exploration, development, or pro-
15 duction activities; or

16 (B) upon application by the lessee, to a
17 higher or better standard, as approved by the
18 Secretary;

19 (6) contain terms and conditions relating to
20 protection of fish and wildlife, fish and wildlife habi-
21 tat, subsistence resources, and the environment as
22 required under section 3(a)(2);

23 (7) provide that each lessee, and each agent
24 and contractor of a lessee, use their best efforts to
25 provide a fair share of employment and contracting

1 for Alaska Natives and Alaska Native Corporations
2 from throughout the State, as determined by the
3 level of obligation previously agreed to in the Fed-
4 eral Agreement; and

5 (8) contain such other provisions as the Sec-
6 retary determines to be necessary to ensure compli-
7 ance with this Act and regulations issued under this
8 Act.

9 (b) PROJECT LABOR AGREEMENTS.—The Secretary,
10 as a term and condition of each lease under this Act, and
11 in recognizing the proprietary interest of the Federal Gov-
12 ernment in labor stability and in the ability of construction
13 labor and management to meet the particular needs and
14 conditions of projects to be developed under the leases
15 issued pursuant to this Act (including the special concerns
16 of the parties to those leases), shall require that each les-
17 see, and each agent and contractor of a lessee, under this
18 Act negotiate to obtain a project labor agreement for the
19 employment of laborers and mechanics on production,
20 maintenance, and construction under the lease.

21 **SEC. 7. COASTAL PLAIN ENVIRONMENTAL PROTECTION.**

22 (a) NO SIGNIFICANT ADVERSE EFFECT STANDARD
23 TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—
24 In accordance with section 3, the Secretary shall admin-
25 ister this Act through regulations, lease terms, conditions,

1 restrictions, prohibitions, stipulations, and other provi-
2 sions that—

3 (1) ensure, to the maximum extent practicable,
4 that oil and gas exploration, development, and pro-
5 duction activities on the Coastal Plain will result in
6 no significant adverse effect on fish and wildlife, fish
7 and wildlife habitat, and the environment;

8 (2) require the application of the best commer-
9 cially available technology for oil and gas explo-
10 ration, development, and production on all new ex-
11 ploration, development, and production operations;
12 and

13 (3) ensure, to the maximum extent practicable,
14 that the maximum surface acreage covered in con-
15 nection with the leasing program by production and
16 support facilities, including airstrips and any areas
17 covered by gravel berms or piers for support of pipe-
18 lines, does not exceed 2,000 acres on the Coastal
19 Plain.

20 (b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—

21 The Secretary shall require, with respect to any proposed
22 drilling and related activities on the Coastal Plain, that—

23 (1) a site-specific analysis be made of the prob-
24 able effects, if any, that the drilling or related activi-
25 ties will have on fish and wildlife, fish and wildlife

1 habitat, subsistence resources, subsistence uses, and
 2 the environment;

3 (2) a plan be implemented to avoid, minimize,
 4 and mitigate (in that order and to the maximum ex-
 5 tent practicable) any significant adverse effect iden-
 6 tified under paragraph (1); and

7 (3) the development of the plan occur after con-
 8 sultation with—

9 (A) each agency having jurisdiction over
 10 matters mitigated by the plan;

11 (B) the State of Alaska;

12 (C) the City of Kaktovik, Alaska; and

13 (D) North Slope Borough, Alaska.

14 (c) REGULATIONS TO PROTECT COASTAL PLAIN
 15 FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS,
 16 AND THE ENVIRONMENT.—Before implementing the leas-
 17 ing program authorized by this Act, the Secretary shall
 18 prepare and issue regulations, lease terms, conditions, re-
 19 strictions, prohibitions, stipulations, and other measures
 20 designed to ensure, to the maximum extent practicable,
 21 that the activities carried out on the Coastal Plain under
 22 this Act are conducted in a manner consistent with the
 23 purposes and environmental requirements of this Act.

24 (d) COMPLIANCE WITH FEDERAL AND STATE ENVI-
 25 RONMENTAL LAWS AND OTHER REQUIREMENTS.—The

1 proposed regulations, lease terms, conditions, restrictions,
2 prohibitions, and stipulations for the leasing program
3 under this Act shall require—

4 (1) compliance with all applicable provisions of
5 Federal and State environmental law (including reg-
6 ulations);

7 (2) implementation of and compliance with—

8 (A) standards that are at least as effective
9 as the safety and environmental mitigation
10 measures, as described in items 1 through 29
11 on pages 167 through 169 of the Final State-
12 ment, on the Coastal Plain;

13 (B) seasonal limitations on exploration, de-
14 velopment, and related activities, as necessary,
15 to avoid significant adverse effects during peri-
16 ods of concentrated fish and wildlife breeding,
17 denning, nesting, spawning, and migration;

18 (C) design safety and construction stand-
19 ards for all pipelines and any access and service
20 roads that minimize, to the maximum extent
21 practicable, adverse effects on—

22 (i) the passage of migratory species
23 (such as caribou); and

1 (ii) the flow of surface water by re-
2 quiring the use of culverts, bridges, and
3 other structural devices;

4 (D) prohibitions on general public access
5 to, and use of, all pipeline access and service
6 roads;

7 (E) stringent reclamation and rehabilita-
8 tion requirements in accordance with this Act
9 for the removal from the Coastal Plain of all oil
10 and gas development and production facilities,
11 structures, and equipment on completion of oil
12 and gas production operations, except in a case
13 in which the Secretary determines that those
14 facilities, structures, or equipment—

15 (i) would assist in the management of
16 the Arctic National Wildlife Refuge; and

17 (ii) are donated to the United States
18 for that purpose;

19 (F) appropriate prohibitions or restrictions
20 on—

21 (i) access by all modes of transpor-
22 tation;

23 (ii) sand and gravel extraction; and

24 (iii) use of explosives;

1 (G) reasonable stipulations for protection
2 of cultural and archaeological resources;

3 (H) measures to protect groundwater and
4 surface water, including—

5 (i) avoidance, to the maximum extent
6 practicable, of springs, streams, and river
7 systems;

8 (ii) the protection of natural surface
9 drainage patterns, wetland, and riparian
10 habitats; and

11 (iii) the regulation of methods or tech-
12 niques for developing or transporting ade-
13 quate supplies of water for exploratory
14 drilling; and

15 (I) research, monitoring, and reporting re-
16 quirements;

17 (3) that exploration activities (except surface
18 geological studies) be limited to the period between
19 approximately November 1 and May 1 of each year
20 and be supported, if necessary, by ice roads, winter
21 trails with adequate snow cover, ice pads, ice air-
22 strips, and air transport methods (except that those
23 exploration activities may be permitted at other
24 times if the Secretary determines that the explo-
25 ration will have no significant adverse effect on fish

1 and wildlife, fish and wildlife habitat, subsistence re-
2 sources, and the environment of the Coastal Plain);

3 (4) consolidation of facility siting;

4 (5) avoidance or reduction of air traffic-related
5 disturbance to fish and wildlife;

6 (6) treatment and disposal of hazardous and
7 toxic wastes, solid wastes, reserve pit fluids, drilling
8 muds and cuttings, and domestic wastewater, includ-
9 ing, in accordance with applicable Federal and State
10 environmental laws (including regulations)—

11 (A) preparation of an annual waste man-
12 agement report;

13 (B) development and implementation of a
14 hazardous materials tracking system; and

15 (C) prohibition on the use of chlorinated
16 solvents;

17 (7) fuel storage and oil spill contingency plan-
18 ning;

19 (8) conduct of periodic field crew environmental
20 briefings;

21 (9) avoidance of significant adverse effects on
22 subsistence hunting, fishing, and trapping;

23 (10) compliance with applicable air and water
24 quality standards;

1 (11) appropriate seasonal and safety zone des-
2 ignations around well sites, within which subsistence
3 hunting and trapping shall be limited; and

4 (12) development and implementation of such
5 other protective environmental requirements, restric-
6 tions, terms, and conditions as the Secretary, after
7 consultation with the State of Alaska, the City of
8 Kaktovik, Alaska, and North Slope Borough, Alaska,
9 determines to be necessary.

10 (e) CONSIDERATIONS.—In preparing and issuing reg-
11 ulations, lease terms, conditions, restrictions, prohibitions,
12 and stipulations under this section, the Secretary shall
13 take into consideration—

14 (1) the stipulations and conditions that govern
15 the National Petroleum Reserve-Alaska leasing pro-
16 gram, as set forth in the 1999 Northeast National
17 Petroleum Reserve-Alaska Final Integrated Activity
18 Plan/Environmental Impact Statement;

19 (2) the environmental protection standards that
20 governed the initial Coastal Plain seismic exploration
21 program under parts 37.31 through 37.33 of title
22 50, Code of Federal Regulations (or successor regu-
23 lations); and

24 (3) the land use stipulations for exploratory
25 drilling on the KIC–ASRC private land described in

1 Appendix 2 of the agreement between Arctic Slope
2 Regional Corporation and the United States dated
3 August 9, 1983.

4 (f) FACILITY CONSOLIDATION PLANNING.—

5 (1) IN GENERAL.—After providing for public
6 notice and comment, the Secretary shall prepare and
7 periodically update a plan to govern, guide, and di-
8 rect the siting and construction of facilities for the
9 exploration, development, production, and transpor-
10 tation of oil and gas resources from the Coastal
11 Plain.

12 (2) OBJECTIVES.—The objectives of the plan
13 shall be—

14 (A) the avoidance of unnecessary duplica-
15 tion of facilities and activities;

16 (B) the encouragement of consolidation of
17 common facilities and activities;

18 (C) the location or confinement of facilities
19 and activities to areas that will minimize impact
20 on fish and wildlife, fish and wildlife habitat,
21 subsistence resources, and the environment;

22 (D) the use of existing facilities, to the
23 maximum extent practicable; and

24 (E) the enhancement of compatibility be-
25 tween wildlife values and development activities.

1 (g) ACCESS TO PUBLIC LAND.—The Secretary
2 shall—

3 (1) manage public land in the Coastal Plain in
4 accordance with subsections (a) and (b) of section
5 811 of the Alaska National Interest Lands Con-
6 servation Act (16 U.S.C. 3121); and

7 (2) ensure that local residents shall have rea-
8 sonable access to public land in the Coastal Plain for
9 traditional uses.

10 **SEC. 8. EXPEDITED JUDICIAL REVIEW.**

11 (a) FILING OF COMPLAINTS.—

12 (1) DEADLINE.—A complaint seeking judicial
13 review of a provision of this Act or an action of the
14 Secretary under this Act shall be filed—

15 (A) except as provided in subparagraph
16 (B), during the 90-day period beginning on the
17 date on which the action being challenged was
18 carried out; or

19 (B) in the case of a complaint based solely
20 on grounds arising after the 90-day period de-
21 scribed in subparagraph (A), by not later than
22 90 days after the date on which the complain-
23 ant knew or reasonably should have known
24 about the grounds for the complaint.

1 (2) VENUE.—A complaint seeking judicial re-
 2 view of a provision of this Act or an action of the
 3 Secretary under this Act shall be filed in the United
 4 States Court of Appeals for the District of Colum-
 5 bia.

6 (3) SCOPE.—

7 (A) IN GENERAL.—Judicial review of a de-
 8 cision of the Secretary relating to a lease sale
 9 under this Act (including an environmental
 10 analysis of such a lease sale) shall be—

11 (i) limited to a review of whether the
 12 decision is in accordance with this Act; and

13 (ii) based on the administrative record
 14 of the decision.

15 (B) PRESUMPTIONS.—Any identification
 16 by the Secretary of a preferred course of action
 17 relating to a lease sale, and any analysis by the
 18 Secretary of environmental effects, under this
 19 Act shall be presumed to be correct unless prov-
 20 en otherwise by clear and convincing evidence.

21 (b) LIMITATION ON OTHER REVIEW.—Any action of
 22 the Secretary that is subject to judicial review under this
 23 section shall not be subject to judicial review in any civil
 24 or criminal proceeding for enforcement.

1 **SEC. 9. FEDERAL AND STATE DISTRIBUTION OF REVENUES.**

2 Notwithstanding any other provision of law, of the
3 amount of adjusted bonus, rental, and royalty revenues
4 from oil and gas leasing and operations under this Act—

5 (1) 50 percent shall be paid semiannually to the
6 State of Alaska; and

7 (2) the balance of the amount shall be deposited
8 in accordance with sections 12 and 13.

9 **SEC. 10. RIGHTS-OF-WAY AND EASEMENTS ACROSS COAST-**
10 **AL PLAIN.**

11 (a) EXEMPTION.—Sections 1101 through 1108 of the
12 Alaska National Interest Lands Conservation Act (16
13 U.S.C. 3161 et seq.) shall not apply to any right-of-way
14 or easement across the Coastal Plain for the transpor-
15 tation of oil and gas issued by the Secretary under section
16 28 of the Mineral Leasing Act (30 U.S.C. 185).

17 (b) TERMS AND CONDITIONS.—The Secretary shall
18 include in any right-of-way or easement described in sub-
19 section (a) such terms and conditions as the Secretary de-
20 termines to be necessary to ensure that the transportation
21 of oil or gas does not significantly adversely affect any
22 fish, wildlife, subsistence resource, or habitat, or the envi-
23 ronment, of the Coastal Plain, including terms and condi-
24 tions requiring facilities to be sited or designed to avoid
25 any unnecessary duplication of roads or pipelines.

1 (c) REGULATIONS.—In promulgating regulations
 2 pursuant to section 3(g), the Secretary shall include provi-
 3 sions for rights-of-way and easements described in sub-
 4 section (a).

5 **SEC. 11. CONVEYANCE.**

6 Notwithstanding section 1302(h)(2) of the Alaska
 7 National Interest Lands Conservation Act (16 U.S.C.
 8 3192(h)(2)), to remove any impediment on a title to land,
 9 and to clarify land ownership patterns in the Coastal
 10 Plain, the Secretary shall—

11 (1) to the extent necessary to fulfill the entitle-
 12 ment of the Kaktovik Inupiat Corporation under sec-
 13 tion 12 of the Alaska Native Claims Settlement Act
 14 (43 U.S.C. 1611), as determined by the Secretary,
 15 convey to that Corporation the surface estate of the
 16 land described in paragraph (1) of Public Land
 17 Order 6959, in accordance with the terms and condi-
 18 tions of the agreement between the Secretary, the
 19 United States Fish and Wildlife Service, the Bureau
 20 of Land Management, and the Kaktovik Inupiat
 21 Corporation, dated January 22, 1993; and

22 (2) convey to the Arctic Slope Regional Cor-
 23 poration the remaining subsurface estate to which
 24 that Corporation is entitled under the agreement be-

1 tween that corporation and the United States, dated
2 August 9, 1983.

3 **SEC. 12. LOCAL GOVERNMENT IMPACT AID AND COMMU-**
4 **NITY SERVICE ASSISTANCE.**

5 (a) ESTABLISHMENT OF FUND.—

6 (1) IN GENERAL.—There is established in the
7 Treasury a fund, to be known as the “Coastal Plain
8 Local Government Impact Aid Assistance Fund”
9 (referred to in this section as the “Fund”).

10 (2) DEPOSITS.—

11 (A) IN GENERAL.—Subject to subpara-
12 graph (B), the Secretary of the Treasury shall
13 deposit into the Fund an amount equal to 49
14 percent of the amount of adjusted bonus, rent-
15 al, and royalty revenues from oil and gas leas-
16 ing and operations under this Act.

17 (B) LIMITATION.—The total amount in the
18 Fund shall not exceed \$15,000,000.

19 (3) INVESTMENT.—The Secretary of the Treas-
20 ury shall invest amounts in the Fund in interest-
21 bearing securities of the United States.

22 (4) AVAILABILITY OF FUNDS.—Not later than
23 September 30, 2006, and annually thereafter, the
24 Secretary of the Treasury shall make available to

1 the Secretary not less than \$7,500,000 to provide
 2 assistance to communities under subsection (b).

3 (b) ASSISTANCE.—The Secretary, in cooperation with
 4 the Mayor of the North Slope Borough, shall use amounts
 5 in the Fund to provide assistance to the City of Kaktovik,
 6 Alaska, North Slope Borough, Alaska, and any other bor-
 7 ough, municipal subdivision, village, or other community
 8 in the State of Alaska that is directly impacted by an ex-
 9 ploration for, or the production of, oil or gas on the Coast-
 10 al Plain under this Act, as determined by the Secretary.

11 (c) APPLICATION.—

12 (1) IN GENERAL.—To receive assistance under
 13 subsection (b), a community described in that sub-
 14 section shall submit to the Secretary, or to the
 15 Mayor of the North Slope Borough, an application
 16 in such time, in such manner, and containing such
 17 information as the Secretary may require.

18 (2) ACTION BY NORTH SLOPE BOROUGH.—The
 19 Mayor of the North Slope Borough shall submit to
 20 the Secretary each application received under para-
 21 graph (1) as soon as practicable after the date on
 22 which the application is received.

23 (3) ASSISTANCE OF SECRETARY.—The Sec-
 24 retary shall assist communities in submitting appli-

1 cations under this subsection, to the maximum ex-
 2 tent practicable.

3 (d) USE OF FUNDS.—A community that receives
 4 funds under subsection (b) may use the funds—

5 (1) to plan for mitigation, implement a mitiga-
 6 tion plan, or maintain a mitigation project to ad-
 7 dress the potential effects of oil and gas exploration
 8 and development on environmental, social, cultural,
 9 recreational, and subsistence resources of the com-
 10 munity;

11 (2) to develop, carry out, and maintain—

12 (A) a project to provide new or expanded
 13 public facilities; or

14 (B) services to address the needs and prob-
 15 lems associated with the effects described in
 16 paragraph (1), including firefighting, police,
 17 water and waste treatment, first responder, and
 18 other medical services;

19 (3) to compensate residents of the Coastal
 20 Plain for significant damage to environmental, so-
 21 cial, cultural, recreational, or subsistence resources;
 22 and

23 (4) in the City of Kaktovik, Alaska—

1 (A) to develop a mechanism for providing
2 members of the Kaktovikmiut Inupiat commu-
3 nity an opportunity to—

4 (i) monitor development on the Coast-
5 al Plain; and

6 (ii) provide information and rec-
7 ommendations to the Secretary based on
8 traditional aboriginal knowledge of the nat-
9 ural resources, flora, fauna, and ecological
10 processes of the Coastal Plain; and

11 (B) to establish a local coordination office,
12 to be managed by the Mayor of the North Slope
13 Borough, in coordination with the City of
14 Kaktovik, Alaska—

15 (i) to coordinate with and advise de-
16 velopers on local conditions and the history
17 of areas affected by development;

18 (ii) to provide to the Committee on
19 Resources of the House of Representatives
20 and the Committee on Energy and Natural
21 Resources of the Senate annual reports on
22 the status of the coordination between de-
23 velopers and communities affected by de-
24 velopment;

1 (iii) to collect from residents of the
2 Coastal Plain information regarding the
3 impacts of development on fish, wildlife,
4 habitats, subsistence resources, and the en-
5 vironment of the Coastal Plain; and

6 (iv) to ensure that the information
7 collected under clause (iii) is submitted
8 to—

9 (I) developers; and

10 (II) any appropriate Federal
11 agency.

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