

110TH CONGRESS
2D SESSION

S. 3146

To authorize the exploration of oil and natural gas in coastal areas to reduce the dependence of the United States on foreign energy sources, and to reduce gasoline and natural gas prices.

IN THE SENATE OF THE UNITED STATES

JUNE 18, 2008

Mr. VITTER introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To authorize the exploration of oil and natural gas in coastal areas to reduce the dependence of the United States on foreign energy sources, and to reduce gasoline and natural gas prices.

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 “Energy Needed Off-
5 shore Under Gas Hikes Act”.

6 **SEC. 2. OIL AND NATURAL GAS LEASING IN NEW PRO-**
7 **DUCING AREAS.**

8 (a) DEFINITIONS.—In this section:

1 (1) ELIGIBLE PRODUCING STATE.—The term
2 “eligible producing State” means—

3 (A) a new producing State; and

4 (B) any other producing State that has,
5 within the offshore administrative boundaries
6 beyond the submerged land of a State, areas
7 available for oil leasing, natural gas leasing, or
8 both.

9 (2) NEW PRODUCING AREA.—The term “new
10 producing area” means an area that is—

11 (A) within the offshore administrative
12 boundaries beyond the submerged land of a
13 State; and

14 (B) not available for oil or natural gas
15 leasing as of the date of enactment of this Act.

16 (3) NEW PRODUCING STATE.—The term “new
17 producing State” means a State with respect to
18 which a petition has been approved by the Secretary
19 under subsection (b).

20 (4) QUALIFIED REVENUES.—The term “quali-
21 fied revenues” means all rentals, royalties, bonus
22 bids, and other sums due and payable to the United
23 States from leases entered into on or after the date
24 of enactment of this Act for new producing areas.

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

3 (b) PETITION FOR LEASING NEW PRODUCING
4 AREAS.—

5 (1) IN GENERAL.—Notwithstanding any other
6 provision of law, during any period in which the
7 price per gallon of regular gasoline is equal to or
8 greater than \$5, the Governor of a State, with the
9 concurrence of the State legislature, may submit to
10 the Secretary a petition requesting that the Sec-
11 retary make a new producing area of the State eligi-
12 ble for oil leasing, gas leasing, or both, as deter-
13 mined by the State, in accordance with the Outer
14 Continental Shelf Lands Act (43 U.S.C. 1331 et
15 seq.) and the Mineral Leasing Act (30 U.S.C. 181
16 et seq.).

17 (2) NATURAL GAS LEASING ONLY.—The Gov-
18 ernor of a State, with the concurrence of the State
19 legislature, may, in a petition submitted under para-
20 graph (1), make a request to allow natural gas leas-
21 ing only.

22 (3) ACTION BY SECRETARY.—As soon as prac-
23 ticable after the date on which the Secretary receives
24 a petition under paragraph (1), the Secretary shall
25 approve or disapprove the petition.

1 (c) DISPOSITION OF QUALIFIED OUTER CONTI-
 2 NENTAL SHELF REVENUES FROM ELIGIBLE PRODUCING
 3 STATES.—Notwithstanding section 9 of the Outer Conti-
 4 nental Shelf Lands Act (43 U.S.C. 1338), for each appli-
 5 cable fiscal year, the Secretary of the Treasury shall de-
 6 posit—

7 (1) 45 percent of qualified revenues in the gen-
 8 eral fund of the Treasury; and

9 (2) 55 percent of qualified revenues in a special
 10 account in the Treasury, from which the Secretary
 11 shall disburse—

12 (A) 37.5 percent to eligible producing
 13 States for new producing areas, to be allocated
 14 in accordance with subsection (d)(1);

15 (B) 12.5 percent to provide financial as-
 16 sistance to States in accordance with section 6
 17 of the Land and Water Conservation Fund Act
 18 of 1965 (16 U.S.C. 460l–8); and

19 (C) 5 percent to States for historic off-
 20 shore production distribution.

21 (d) ALLOCATION TO ELIGIBLE PRODUCING
 22 STATES.—

23 (1) IN GENERAL.—The amount made available
 24 under subsection (c)(2)(A) shall be allocated to eligi-
 25 ble producing States in amounts (based on a for-

1 mula established by the Secretary by regulation)
2 that are inversely proportional to the respective dis-
3 tances between the point on the coastline of each eli-
4 gible producing State that is closest to the geo-
5 graphic center of the applicable leased tract and the
6 geographic center of the leased tract, as determined
7 by the Secretary.

8 (2) USE.—Amounts allocated to an eligible pro-
9 ducing State under paragraph (1) shall be used to
10 address the impacts of any oil and natural gas ex-
11 ploration and production activities under this sec-
12 tion.

13 (e) EFFECT.—Nothing in this section affects—

14 (1) the amount of funds otherwise dedicated to
15 the land and water conservation fund established
16 under section 2 of the Land and Water Conservation
17 Fund Act of 1965 (16 U.S.C. 460l–5); or

18 (2) any authority that permits energy produc-
19 tion under any other provision of law.

○