

110TH CONGRESS  
2D SESSION

# S. 3147

To authorize the State of Virginia to petition for authorization to conduct natural gas exploration and drilling activities in the coastal zone of the State.

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## IN THE SENATE OF THE UNITED STATES

JUNE 18, 2008

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

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## A BILL

To authorize the State of Virginia to petition for authorization to conduct natural gas exploration and drilling activities in the coastal zone of the State.

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. AVAILABILITY OF CERTAIN AREAS FOR LEAS-**  
4 **ING.**

5 Section 8 of the Outer Continental Shelf Lands Act  
6 (43 U.S.C. 1337) is amended by adding at the end the  
7 following:

8 “(q) AVAILABILITY OF CERTAIN AREAS FOR LEAS-  
9 ING.—

1 “(1) DEFINITIONS.—In this subsection:

2 “(A) ATLANTIC COASTAL STATE.—The  
3 term ‘Atlantic Coastal State’ means each of the  
4 States of Maine, New Hampshire, Massachu-  
5 setts, Connecticut, Rhode Island, Delaware,  
6 New York, New Jersey, Maryland, Virginia,  
7 North Carolina, South Carolina, Georgia, and  
8 Florida.

9 “(B) GOVERNOR.—The term ‘Governor’  
10 means the Governor of the State.

11 “(C) QUALIFIED REVENUES.—The term  
12 ‘qualified revenues’ means all rentals, royalties,  
13 bonus bids, and other sums due and payable to  
14 the United States from leases entered into on  
15 or after the date of enactment of this Act for  
16 natural gas exploration and extraction activities  
17 authorized by the Secretary under this sub-  
18 section.

19 “(D) STATE.—The term ‘State’ means the  
20 State of Virginia.

21 “(2) PETITION.—

22 “(A) IN GENERAL.—The Governor may  
23 submit to the Secretary—

24 “(i) a petition requesting that the  
25 Secretary issue leases authorizing the con-

duct of natural gas exploration activities only to ascertain the presence or absence of a natural gas reserve in any area that is at least 50 miles beyond the coastal zone of the State; and

“(ii) if a petition for exploration by the State described in clause (i) has been approved in accordance with paragraph (3) and the geological finding of the exploration justifies extraction, a second petition requesting that the Secretary issue leases authorizing the conduct of natural gas extraction activities in any area that is at least 50 miles beyond the coastal zone of the State.

“(B) CONTENTS.—In any petition under subparagraph (A), the Governor shall include a detailed plan of the proposed exploration and subsequent extraction activities, as applicable.

“(3) ACTION BY SECRETARY.—

“(A) IN GENERAL.—Subject to subparagraph (F), as soon as practicable after the date of receipt of a petition under paragraph (2), the Secretary shall approve or deny the petition.

1           “(B) REQUIREMENTS FOR EXPLO-  
2 RATION.—The Secretary shall not approve a pe-  
3 tition submitted under paragraph (2)(A)(i) un-  
4 less the State legislature has enacted legislation  
5 supporting exploration for natural gas in the  
6 coastal zone of the State.

7           “(C) REQUIREMENTS FOR EXTRACTION.—  
8 The Secretary shall not approve a petition sub-  
9 mitted under paragraph (2)(A)(ii) unless the  
10 State legislature has enacted legislation sup-  
11 porting extraction for natural gas in the coastal  
12 zone of the State.

13           “(D) CONSISTENCY WITH LEGISLATION.—  
14 The plan provided in the petition under para-  
15 graph (2)(B) shall be consistent with the legis-  
16 lation described in subparagraph (B) or (C), as  
17 applicable.

18           “(E) COMMENTS FROM ATLANTIC COASTAL  
19 STATES.—On receipt of a petition under para-  
20 graph (2), the Secretary shall—

21           “(i) provide Atlantic Coastal States  
22 with an opportunity to provide to the Sec-  
23 retary comments on the petition; and

1                   “(ii) take into consideration, but not  
2                   be bound by, any comments received under  
3                   clause (i).

4                   “(F) CONFLICTS WITH MILITARY OPER-  
5                   ATIONS.—The Secretary shall not approve a pe-  
6                   tition for a drilling activity under this para-  
7                   graph if the drilling activity would conflict with  
8                   any military operation, as determined by the  
9                   Secretary of Defense.

10                  “(4) DISPOSITION OF REVENUES.—Notwith-  
11                  standing section 9, for each applicable fiscal year,  
12                  the Secretary of the Treasury shall deposit—

13                         “(A) 50 percent of qualified revenues in a  
14                         Clean Energy Fund in the Treasury, which  
15                         shall be established by the Secretary; and

16                         “(B) 50 percent of qualified revenues in a  
17                         special account in the Treasury from which the  
18                         Secretary shall disburse—

19                                 “(i) 75 percent to the State;

20                                 “(ii) 12.5 percent to provide financial  
21                                 assistance to States in accordance with  
22                                 section 6 of the Land and Water Conserva-  
23                                 tion Fund Act of 1965 (16 U.S.C. 460l–8),  
24                                 which shall be considered income to the  
25                                 Land and Water Conservation Fund for

1 purposes of section 2 of that Act (16  
2 U.S.C. 4601–5); and

3 “(iii) 12.5 percent to a reserve fund to  
4 be used to mitigate for any environmental  
5 damage that occurs as a result of extrac-  
6 tion activities authorized under this sub-  
7 section, regardless of whether the damage  
8 is—

9 “(I) reasonably foreseeable; or

10 “(II) caused by negligence, nat-  
11 ural disasters, or other acts.”.

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