

111TH CONGRESS
2D SESSION

H. R. 5973

To amend the Outer Continental Shelf Lands Act and the Gulf of Mexico Energy Security Act of 2006 to increase the percentage of revenues from new offshore leases that will be shared with coastal States to 50 percent.

IN THE HOUSE OF REPRESENTATIVES

JULY 29, 2010

Mr. POE of Texas (for himself, Mr. OLSON, Mr. BRIGHT, Mr. PAUL, Mr. SCALISE, Mr. BONNER, Mr. BARTON of Texas, and Mr. CAO) introduced the following bill; which was referred to the Committee on Natural Resources

A BILL

To amend the Outer Continental Shelf Lands Act and the Gulf of Mexico Energy Security Act of 2006 to increase the percentage of revenues from new offshore leases that will be shared with coastal States to 50 percent.

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 “Offshore Lease Fair-
5 ness Act”.

1 **SEC. 2. INCREASED REVENUE SHARING WITH STATES FOR**
2 **LEASES WITHIN 3 MILES OF THE COAST LINE.**

3 (a) LEASES FOR ACTIVITIES AUTHORIZED IN OCS
4 LANDS ACT.—Section 8(g)(2) of the Outer Continental
5 Shelf Lands Act (43 U.S.C. 1337(g)(2)) is amended by
6 inserting after “27 percent of those revenues,” the fol-
7 lowing: “or, for leases entered into after the date of enact-
8 ment of the Offshore Lease Fairness Act, 50 percent of
9 those revenues,”

10 (b) LEASES FOR ENERGY-RELATED ACTIVITIES.—
11 Section 8(p)(2)(B) of the Outer Continental Shelf Lands
12 Act (43 U.S.C. 1337(p)(2)(B)) is amended by inserting
13 after “27 percent of the revenues received by the Federal
14 Government as a result of payments under this section”
15 the following: “, or, for any lease, easement, or right-of-
16 way granted after the date of enactment of the Offshore
17 Lease Fairness Act, 50 percent of those revenues,”.

18 **SEC. 3. INCREASED REVENUE SHARING WITH STATES FOR**
19 **LEASES BEYOND 3 MILES OF THE COAST**
20 **LINE.**

21 (a) DEFINITION OF NEW OUTER CONTINENTAL
22 SHELF REVENUES.—Section 102 of the Gulf of Mexico
23 Energy Security Act of 2006 (Public Law 109–432; 43
24 U.S.C. 1331 note) is amended—

25 (1) by redesignating paragraphs (9) through
26 (11) as paragraphs (10) through (12), respectively;

(2) by inserting after paragraph (8) the following new paragraph:

“(9) NEW OUTER CONTINENTAL SHELF REVENUES.—

“(A) IN GENERAL.—The term ‘new outer Continental Shelf revenues’ means all rentals, royalties, bonus bids, and other sums received by the United States from leases entered into after the period described in paragraph (10)(A)(i) for areas on the outer Continental Shelf (as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)).

“(B) EXCLUSIONS.—The term ‘new outer Continental Shelf revenues’ does not include revenues and other amounts described in paragraph (10)(B).”;

(3) in subparagraph (A) of paragraph (10) (as redesignated by paragraph (1) of this subsection)—

(A) in clause (i), by striking “due and payable to the United States” and all that follows through “on or after the date of enactment of this Act” and inserting “received by the United States from leases entered into in the period beginning on December 20, 2006, and ending on

1 the date of enactment of the Offshore Lease
2 Fairness Act”; and

3 (B) in clause (ii), by striking “on or after
4 the date of enactment of this Act” and insert-
5 ing “in the period described in clause (i)”.

6 (b) DISPOSITION OF NEW OUTER CONTINENTAL
7 SHELF REVENUES.—The Gulf of Mexico Energy Security
8 Act of 2006 (Public Law 109–432; 43 U.S.C. 1331 note)
9 is amended by adding at the end the following new sec-
10 tions:

11 **“SEC. 106. DISPOSITION OF NEW OUTER CONTINENTAL**
12 **SHELF REVENUES.**

13 “(a) DISPOSITION OF REVENUES.—Notwithstanding
14 section 9 of the Outer Continental Shelf Lands Act (43
15 U.S.C. 1338) and subject to the other provisions of this
16 section, for fiscal year 2010 and each fiscal year there-
17 after—

18 “(1) 50 percent of new outer Continental Shelf
19 revenues shall be deposited in the general fund of
20 the Treasury; and

21 “(2) 50 percent of new outer Continental Shelf
22 revenues shall be deposited in a special account in
23 the Treasury, and the Secretary of the Treasury
24 shall disburse such amount to coastal States under
25 subsection (b).

1 “(b) ALLOCATION AMONG COASTAL STATES.—The
2 amount made available under subsection (a)(2) shall be
3 allocated to coastal States using rules substantially similar
4 to the rules in paragraphs (1) and (2) of section 105(b),
5 except that—

6 “(1) references in such paragraphs to Gulf pro-
7 ducing States shall be treated as references to coast-
8 al States; and

9 “(2) new outer Continental Shelf revenues from
10 leases in the Gulf of Mexico, the Atlantic Ocean, the
11 Pacific Ocean, and the Arctic Ocean may only be al-
12 located to States that are in, or that border on, the
13 Gulf of Mexico, the Atlantic Ocean, the Pacific
14 Ocean, and the Arctic Ocean, respectively.

15 **“SEC. 107. TIMING AND ADMINISTRATION OF DISPOSITION**
16 **OF REVENUES.**

17 “(a) TIMING.—Amounts required to be deposited
18 under sections 105(a)(2) and 106(a)(2) for a fiscal year
19 shall be made available in accordance with those sections
20 for the subsequent fiscal year.

21 “(b) ADMINISTRATION.—Amounts made available
22 under sections 105(a)(2) and 106(a)(2) shall—

23 “(1) be made available, without further appro-
24 priation, in accordance with this section;

25 “(2) remain available until expended; and

1 “(3) be in addition to any amounts appro-
2 priated under—

3 “(A) the Outer Continental Shelf Lands
4 Act (43 U.S.C. 1331 et seq.);

5 “(B) the Land and Water Conservation
6 Fund Act of 1965 (16 U.S.C. 4601–4 et seq.);

7 or

8 “(C) any other provision of law.”.

9 (c) CONFORMING AMENDMENT.—Section 105 of the
10 Gulf of Mexico Energy Security Act of 2006 (Public Law
11 109–432; 43 U.S.C. 1331 note) is amended—

12 (1) by striking subsections (c) and (e); and

13 (2) by redesignating subsections (d) and (f) as
14 subsections (c) and (d), respectively.

○