### Calendar No. 217

114TH CONGRESS 1ST SESSION

# S. 2011

[Report No. 114-137]

To provide for reforms of the administration of the Outer Continental Shelf of the United States, and for other purposes.

#### IN THE SENATE OF THE UNITED STATES

**SEPTEMBER 9, 2015** 

Ms. Murkowski, from the Committee on Energy and Natural Resources, reported the following original bill; which was read twice and placed on the calendar

## A BILL

To provide for reforms of the administration of the Outer Continental Shelf of the United States, 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; TABLE OF CONTENTS.
- 4 (a) Short Title.—This Act may be cited as the
- 5 "Offshore Production and Energizing National Security
- 6 Act of 2015".

#### 1 (b) Table of Contents for

#### 2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definition of Secretary.

# TITLE I—THE GULF OF MEXICO OFFSHORE ENERGY AND JOBS ACT OF 2015

- Sec. 101. Outer Continental Shelf leasing program reforms.
- Sec. 102. Moratorium on oil and gas leasing in certain areas of the Gulf of Mexico.
- Sec. 103. Requirement to implement proposed 2017–2022 oil and gas leasing program.
- Sec. 104. Disposition of outer Continental Shelf revenues to Gulf producing States.
- Sec. 105. National defense.
- Sec. 106. Environmental impact statement requirement.
- Sec. 107. State authorization.
- Sec. 108. Air emissions from outer Continental Shelf activities.
- Sec. 109. Offshore certainty.
- Sec. 110. Continuous operations rule.
- Sec. 111. GAO report on cumulative cost of regulation for offshore energy production.

# TITLE II— THE ALASKA OUTER CONTINENTAL SHELF LEASE SALE ACT

- Sec. 201. Lease sales in Nearshore Beaufort Sea Planning Area, Cook Inlet Planning Area.
- Sec. 202. Lease terms of certain Chukchi and Beaufort leases.
- Sec. 203. Distribution of revenue to Alaska.
- Sec. 204. Inclusion of Beaufort, Nearshore Beaufort, Cook Inlet, and Chukchi lease sales in 5-year leasing programs.
- Sec. 205. North Slope science initiative.

#### TITLE III—THE SOUTHERN ATLANTIC ENERGY SECURITY ACT

- Sec. 301. Definitions.
- Sec. 302. Preserving coastal viewsheds.
- Sec. 303. 2017–2022 leasing program.
- Sec. 304. Balancing of military and energy production goals.
- Sec. 305. Disposition of revenues to Atlantic States.
- Sec. 306. Enhancing geological and geophysical education for America's energy future.
- Sec. 307. Atlantic regional office.

#### TITLE IV—TRIBAL RESILIENCE PROGRAM

- Sec. 401. Tribal Resilience Program.
- Sec. 402. Tribal Resilience Fund.

#### TITLE V—MISCELLANEOUS

- Sec. 501. Access to markets.
- Sec. 502. Reports.

#### SEC. 2. DEFINITION OF SECRETARY.

| 2 | In | this | Act, | the | term | "Secretary" | means | the | Sec- |
|---|----|------|------|-----|------|-------------|-------|-----|------|
|---|----|------|------|-----|------|-------------|-------|-----|------|

3 retary of the Interior.

### 4 TITLE I—THE GULF OF MEXICO

### 5 **OFFSHORE ENERGY AND**

### 6 **JOBS ACT OF 2015**

#### 7 SEC. 101. OUTER CONTINENTAL SHELF LEASING PROGRAM

- 8 REFORMS.
- 9 Section 18(a) of the Outer Continental Shelf Lands
- 10 Act (43 U.S.C. 1344(a)) is amended by adding at the end
- 11 the following:
- 12 "(5)(A) In this paragraph, the term 'available
- unleased acreage' means that portion of the outer
- 14 Continental Shelf that is not under lease at the time
- of a proposed lease sale, and that has not otherwise
- been made unavailable for leasing by law in the Gulf
- of Mexico.
- 18 "(B) In each oil and gas leasing program under
- this section, the Secretary shall make available for
- leasing, and conduct lease sales including, the avail-
- able unleased acreage within each outer Continental
- 22 Shelf planning area in the Gulf of Mexico considered
- to have the largest undiscovered, technically recover-
- able oil and gas resources (on a total btu basis)
- based on the most recent national geologic assess-
- 26 ment of the outer Continental Shelf, with an empha-

| 1  | sis on offering the most geologically prospective    |
|----|--|
| 2  | parts of the planning area.                          |
| 3  | "(6)(A) The Secretary shall include in each          |
| 4  | proposed oil and gas leasing program under this sec- |
| 5  | tion any State subdivision of an outer Continental   |
| 6  | Shelf planning area in the Gulf of Mexico that the   |
| 7  | Governor of the State that represents that subdivi-  |
| 8  | sion requests be made available for leasing.         |
| 9  | "(B) The Secretary may not remove a subdivi-         |
| 10 | sion described in subparagraph (A) from the pro-     |
| 11 | gram until publication of the final program.         |
| 12 | "(7)(A) The Secretary shall make available for       |
| 13 | leasing under each 5-year oil and gas leasing pro-   |
| 14 | gram under this section any outer Continental Shelf  |
| 15 | planning area in the Gulf of Mexico that—            |
| 16 | "(i) is estimated to contain more than               |
| 17 | 2,500,000,000 barrels of oil; or                     |
| 18 | "(ii) is estimated to contain more than              |
| 19 | 7,500,000,000,000 cubic feet of natural gas.         |
| 20 | "(B) To determine which planning areas meet          |
| 21 | the criteria described in subparagraph (A), the Sec- |
| 22 | retary shall use the document entitled 'Bureau of    |
| 23 | Ocean Energy Management Assessment of Undis-         |
|    |  |

covered Technically Recoverable Oil and Gas Re-

24

| 1  | sources of the Nation's Outer Continental Shelf,         |
|----|--|
| 2  | 2011'.''.  |
| 3  | SEC. 102. MORATORIUM ON OIL AND GAS LEASING IN CER-      |
| 4  | TAIN AREAS OF THE GULF OF MEXICO.                        |
| 5  | (a) Definition of Military Mission Line.—Sec-            |
| 6  | tion 102 of the Gulf of Mexico Energy Security Act of    |
| 7  | 2006 (43 U.S.C. 1331 note; Public Law 109–432) is        |
| 8  | amended by striking paragraph (8) and inserting the fol- |
| 9  | lowing:  |
| 10 | "(8) MILITARY MISSION LINE.—The term 'Mili-              |
| 11 | tary Mission Line' means the western border of the       |
| 12 | Eastern Planning Area extending from the State of        |
| 13 | Florida waters to the point that is 50 miles south       |
| 14 | in the Gulf of Mexico.".                                 |
| 15 | (b) Moratorium.—Section 104(a) of the Gulf of            |
| 16 | Mexico Energy Security Act of 2006 (43 U.S.C. 1331       |
| 17 | note; Public Law 109–432) is amended—                    |
| 18 | (1) in paragraph (2), by striking "125" and in-          |
| 19 | serting "50"; and  |
| 20 | (2) by striking paragraph (3) and inserting the          |
| 21 | following:   |
| 22 | "(3) any area in the Central Planning Area               |
| 23 | that is within—  |
| 24 | "(A) the 181 Area: and                                   |

| "(B) 50 miles off the coastline of the State                |
|---|
| of Florida.".   |
| SEC. 103. REQUIREMENT TO IMPLEMENT PROPOSED 2017-           |
| 2022 OIL AND GAS LEASING PROGRAM.                           |
| (a) In General.—Except as otherwise provided in             |
| this title and the amendments made by this title, the Sec-  |
| retary shall implement the Proposed Final Outer Conti-      |
| nental Shelf Oil & Gas Leasing Program (2017–2022) in       |
| accordance with the schedule for conducting oil and gas     |
| lease sales set forth in that proposed program, the Outer   |
| Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), and   |
| other applicable law.                                       |
| (b) Modified and Additional Lease Sales.—                   |
| Notwithstanding subsection (a) and the schedule of lease    |
| sales in the Proposed Final Outer Continental Shelf Oil     |
| & Gas Leasing Program (2017–2022), the Secretary shall      |
| conduct under the Outer Continental Shelf Lands Act (43     |
| U.S.C. 1331 et seq.) certain oil and gas lease sales in OCS |
| Planning Areas in accordance with the schedule set forth    |
| in following table:   |
|   |

| Lease Sale No. | OCS Planning Area      | Fiscal<br>Year |
|----------------|------------------------|----------------|
| 301            | Eastern Gulf of Mexico | 2019           |

| 1  | (c) Lease Sales Described.—For purposes of sub-   |
|--|---|
| 2  | section (b), lease sale numbers 300, 301, and 302 shall   |
| 3  | be conducted—   |
| 4  | (1) for lease tracts in the Eastern Planning  |
| 5  | Area, as determined by and at the discretion of the   |
| 6  | Secretary, subject to subparagraph (3);   |
| 7  | (2) during the year specified for each such lease   |
| 8  | sale in the table contained in subsection (b); and  |
| 9  | (3) in accordance with the applicable provisions  |
| 10   | of this title.  |
| 11   | SEC. 104. DISPOSITION OF OUTER CONTINENTAL SHELF  |
|  |   |
| 12   | REVENUES TO GULF PRODUCING STATES.  |
| 12<br>13   | (a) Definitions.—Section 102 of the Gulf of Mexico  |
|  |   |
| 13   | (a) Definitions.—Section 102 of the Gulf of Mexico  |
| 13<br>14   | (a) Definitions.—Section 102 of the Gulf of Mexico Energy Security Act of 2006 (43 U.S.C. 1331 note; Public   |
| 13<br>14<br>15                                     | (a) Definitions.—Section 102 of the Gulf of Mexico<br>Energy Security Act of 2006 (43 U.S.C. 1331 note; Public<br>Law 109–432) is amended—  |
| 13<br>14<br>15<br>16                               | (a) Definitions.—Section 102 of the Gulf of Mexico Energy Security Act of 2006 (43 U.S.C. 1331 note; Public Law 109–432) is amended—  (1) by striking paragraph (7) and inserting the   |
| 13<br>14<br>15<br>16<br>17                         | (a) Definitions.—Section 102 of the Gulf of Mexico Energy Security Act of 2006 (43 U.S.C. 1331 note; Public Law 109–432) is amended—  (1) by striking paragraph (7) and inserting the following:  |
| 13<br>14<br>15<br>16<br>17                         | (a) Definitions.—Section 102 of the Gulf of Mexico Energy Security Act of 2006 (43 U.S.C. 1331 note; Public Law 109–432) is amended—  (1) by striking paragraph (7) and inserting the following:  "(7) Gulf producing state.—The term 'Gulf   |
| 13<br>14<br>15<br>16<br>17<br>18                   | (a) Definitions.—Section 102 of the Gulf of Mexico Energy Security Act of 2006 (43 U.S.C. 1331 note; Public Law 109–432) is amended—  (1) by striking paragraph (7) and inserting the following:  "(7) Gulf producing state.—The term 'Gulf producing State' means—   |
| 13<br>14<br>15<br>16<br>17<br>18<br>19<br>20       | (a) Definitions.—Section 102 of the Gulf of Mexico Energy Security Act of 2006 (43 U.S.C. 1331 note; Public Law 109–432) is amended—  (1) by striking paragraph (7) and inserting the following:  "(7) Gulf producing state.—The term 'Gulf producing State' means—  "(A) each of the States of Alabama, Lou-                                     |
| 13<br>14<br>15<br>16<br>17<br>18<br>19<br>20<br>21 | (a) Definitions.—Section 102 of the Gulf of Mexico Energy Security Act of 2006 (43 U.S.C. 1331 note; Public Law 109–432) is amended—  (1) by striking paragraph (7) and inserting the following:  "(7) Gulf producing state.—The term 'Gulf producing State' means—  "(A) each of the States of Alabama, Lou- isiana, Mississippi, and Texas; and |

| 1  | (A) in clause (i)(II), by striking "and" at   |
|----|---|
| 2  | the end; and                                  |
| 3  | (B) by striking clause (ii) and inserting the |
| 4  | following:                                    |
| 5  | "(ii) in the case of fiscal year 2017         |
| 6  | and each fiscal year thereafter, all rentals, |
| 7  | royalties, bonus bids, and other sums due     |
| 8  | and payable to the United States received     |
| 9  | on or after October 1, 2016, from leases      |
| 10 | entered into on or after December 20,         |
| 11 | 2006 in—                                      |
| 12 | "(I) areas in the 181 Area lo-                |
| 13 | cated in the Eastern Planning Region;         |
| 14 | "(II) the 181 South Area;                     |
| 15 | "(III) the Central Planning Area,             |
| 16 | as described in paragraph (6)(A)(ii);         |
| 17 | and   |
| 18 | "(IV) the Western Planning                    |
| 19 | Area, as described in paragraph               |
| 20 | (6)(A)(iii); and                              |
| 21 | "(iii) in the case of fiscal year 2017        |
| 22 | and each fiscal year thereafter, all eligible |
| 23 | rentals, royalties, bonus bids, and other     |
| 24 | sums due and payable to the United States     |
| 25 | from leases entered into on or after Octo-    |

| 1  | ber 1, 2016, in the Eastern Planning Area,            |
|----|---|
| 2  | as described in paragraph (6)(A)(i).".                |
| 3  | (b) Disposition of Revenues.—Section 105(a) of        |
| 4  | the Gulf of Mexico Energy Security Act of 2006 (43    |
| 5  | U.S.C. 1331 note; Public Law 109–432) is amended—     |
| 6  | (1) in paragraph (1), by striking "and" at the        |
| 7  | end;  |
| 8  | (2) by striking paragraph (2) and inserting the       |
| 9  | following:  |
| 10 | "(2) in the case of qualified outer Continental       |
| 11 | Shelf revenues described in section 102(9)(A)(ii)     |
| 12 | generated from outer Continental Shelf areas adja-    |
| 13 | cent to the Gulf producing States described in sec-   |
| 14 | tion $102(7)(A)$ , 50 percent in a special account in |
| 15 | the Treasury from which the Secretary shall dis-      |
| 16 | burse—  |
| 17 | "(A) 75 percent to those Gulf producing               |
| 18 | States in accordance with subsection (b); and         |
| 19 | "(B) 25 percent to provide financial assist-          |
| 20 | ance to States in accordance with section             |
| 21 | 200305 of title 54, United States Code, which         |
| 22 | shall be considered income to the Land and            |
| 23 | Water Conservation Fund for purposes of sec-          |
| 24 | tion 200302 of that title."; and                      |
| 25 | (3) by adding at the end the following:               |

| 1  | "(3) in the case of qualified outer Continental        |
|----|--|
| 2  | Shelf revenues described in section 102(9)(A)(iii)     |
| 3  | generated from outer Continental Shelf areas adja-     |
| 4  | cent to the Gulf producing States described in sec-    |
| 5  | tion 102(7), 50 percent in a special account in the    |
| 6  | Treasury from which the Secretary shall disburse—      |
| 7  | "(A) 75 percent to those Gulf producing                |
| 8  | States in accordance with subsection (b); and          |
| 9  | "(B) 25 percent to provide financial assist-           |
| 10 | ance to States in accordance with section              |
| 11 | 200305 of title 54, United States Code, which          |
| 12 | shall be considered income to the Land and             |
| 13 | Water Conservation Fund for purposes of sec-           |
| 14 | tion 200302 of that title.".                           |
| 15 | (e) Allocation Among Gulf Producing                    |
| 16 | STATES.—Section 105(b)(2) of the Gulf of Mexico Energy |
| 17 | Security Act of 2006 (43 U.S.C. 1331 note; Public Law  |
| 18 | 109–432) is amended—                                   |
| 19 | (1) subparagraph (A)—                                  |
| 20 | (A) in clauses (i) and (ii), by inserting ",           |
| 21 | as described in section 102(7)(A)," after "Gulf        |
| 22 | producing State" each place it appears;                |
| 23 | (B) in clause (i), by striking "and" at the            |
| 24 | end;   |

| 1  | (C) in clause (ii), by striking the period at            |
|----|--|
| 2  | the end and inserting "; and"; and                       |
| 3  | (D) by adding at the end the following:                  |
| 4  | "(iii) the amount made available                         |
| 5  | under subsection (a)(3)(A) from any lease                |
| 6  | entered into within the Eastern Planning                 |
| 7  | Area, as described in section 102(6)(A)(i),              |
| 8  | shall be allocated to each Gulf producing                |
| 9  | State, as described in section 102(7), in                |
| 10 | amounts that are inversely proportional to               |
| 11 | the respective distances between the point               |
| 12 | on the coastline of each Gulf producing                  |
| 13 | State, as described in section 102(7), that              |
| 14 | is closest to the geographic center of each              |
| 15 | historical lease site and the geographic                 |
| 16 | center of the historical lease site, as deter-           |
| 17 | mined by the Secretary."; and                            |
| 18 | (2) in subparagraph (B), by striking "each fis-          |
| 19 | cal year under subparagraph (A)" and inserting "de-      |
| 20 | scribed in section 102(7)(A) each fiscal year under      |
| 21 | clauses (i) and (ii) of subparagraph (A)".               |
| 22 | (d) Limitation on Amount of Distributed                  |
| 23 | QUALIFIED OUTER CONTINENTAL SHELF REVENUES.—             |
| 24 | Section 105(f) of the Gulf of Mexico Energy Security Act |
| 25 | of 2006 (43 U.S.C. 1331 note; Public Law 109-432) is     |

amended by striking paragraph (1) and inserting the fol-2 lowing: 3 "(1) IN GENERAL.—Subject to paragraph (2), the total amount of qualified outer Continental Shelf 4 5 revenues described in section 102(9)(A)(ii) that are 6 made available under subsection (a)(2)(A) shall not 7 exceed— "(A) for fiscal year 2017, \$500,000,000; 8 9 "(B) for each of fiscal years 2018 through 10 2025, \$699,000,000; and 11 "(C) for each of fiscal years 2026 through 12 2055, \$999,000,000.". 13 SEC. 105. NATIONAL DEFENSE. 14 (a) NATIONAL DEFENSE AREAS.—Nothing in this 15 title or an amendment made by this title affects the authority of the Secretary of Defense, with the approval of 16 the President, to designate national defense areas on the 18 outer Continental Shelf pursuant to section 12(d) of the 19 Outer Continental Shelf Lands Act (43 U.S.C. 1341(d)). 20 (b) Prohibition on Conflicts With Military 21 OPERATIONS.—No person may engage in any exploration, 22 development, or production of oil or natural gas on the 23 outer Continental Shelf under a lease issued under this title that would conflict with any military operation, as

determined in accordance with—

- 1 (1) the agreement entitled "Memorandum of 2 Agreement between the Department of Defense and 3 the Department of the Interior on Mutual Concerns 4 on the Outer Continental Shelf" signed July 20,
- 6 (2) any revision or replacement of that agree7 ment that is agreed to by the Secretary of Defense
  8 and the Secretary after that date but before the date
  9 of issuance of the lease under which the exploration,
  10 development, or production is conducted.

#### 11 SEC. 106. ENVIRONMENTAL IMPACT STATEMENT REQUIRE-

12 MENT.

1983; and

- 13 (a) In General.—For purposes of this title and in
- 14 order to conduct lease sales in accordance with the lease
- 15 sale schedule established by this title, the Secretary shall
- 16 prepare a multisale environmental impact statement under
- 17 section 102 of the National Environmental Policy Act of
- 18 1969 (42 U.S.C. 4332) for all lease sales required under
- 19 this title that are not included in the Proposed Final
- 20 Outer Continental Shelf Oil & Gas Leasing Program
- 21 (2017–2022).
- 22 (b) ACTIONS TO BE CONSIDERED.—Notwithstanding
- 23 section 102 of the National Environmental Policy Act of
- 24 1969 (42 U.S.C. 4332), with respect to the statement de-
- 25 scribed in subsection (a), the Secretary—

| 1  | (1) shall not be required—                               |
|----|--|
| 2  | (A) to identify nonleasing alternative                   |
| 3  | courses of action; or                                    |
| 4  | (B) to analyze the environmental effects of              |
| 5  | any alternative courses of action; and                   |
| 6  | (2) shall only be required—                              |
| 7  | (A) to identify—   |
| 8  | (i) a preferred action for leasing; and                  |
| 9  | (ii) not more than 1 alternative leas-                   |
| 10 | ing proposal; and  |
| 11 | (B) to analyze the environmental effects                 |
| 12 | and potential mitigation measures for the pre-           |
| 13 | ferred action and alternative leasing proposal           |
| 14 | identified under subparagraph (A).                       |
| 15 | SEC. 107. STATE AUTHORIZATION.                           |
| 16 | Prior to publishing the programmatic environmental       |
| 17 | impact statement relating to any Proposed Final Outer    |
| 18 | Continental Shelf Oil and Gas Leasing Program, a State   |
| 19 | shall have the option to enter into the offshore oil and |
| 20 | gas leasing and development program described in that    |
| 21 | Proposed Final Outer Continental Shelf Oil and Gas Leas- |
| 22 | ing Program if—  |
| 23 | (1) the legislature of that State enacts a law           |
| 24 | approving entering into the program; and                 |

| 1  | (2) that resolution is signed by the Governor of      |
|----|---|
| 2  | the State.  |
| 3  | SEC. 108. AIR EMISSIONS FROM OUTER CONTINENTAL        |
| 4  | SHELF ACTIVITIES.                                     |
| 5  | Section 328 of the Clean Air Act (42 U.S.C. 7627)     |
| 6  | is amended—   |
| 7  | (1) in subsection (a), in the first sentence, by      |
| 8  | striking ", and along the United States Gulf Coast    |
| 9  | off the State of Florida eastward of longitude 87 de- |
| 10 | grees and 30 minutes"; and                            |
| 11 | (2) in subsection (b), by inserting "the United       |
| 12 | States Gulf Coast off the State of Florida," after    |
| 13 | "Mississippi,".                                       |
| 14 | SEC. 109. OFFSHORE CERTAINTY.                         |
| 15 | (a) Definitions.—In this section:                     |
| 16 | (1) Harassment.—The term "harassment"                 |
| 17 | has the meaning given the term in section 3 of the    |
| 18 | Marine Mammal Protection Act of 1972 (16 U.S.C.       |
| 19 | 1362).  |
| 20 | (2) Request for incidental harassment                 |
| 21 | AUTHORIZATION.—The term "request for incidental       |
| 22 | harassment authorization" means a request sub-        |
| 23 | mitted to the Secretary by a United States citizen    |
| 24 | who engages in a specified activity within a specific |

1 geographic region for the incidental, but not inten-2 tional, taking by harassment of marine mammals. (3) Secretary.—The term "Secretary" means 3 the Secretary of Commerce or the Secretary of the 5 Interior, as applicable. 6 (b) Requests for Incidental Harassment Au-THORIZATION.—The Secretary shall— 7 8 (1) accept as adequate and complete a written 9 request for incidental harassment authorization not 10 later than 45 days after the date of submission of 11 the request for incidental harassment authorization; 12 or 13 (2) provide to the requester, not later than 30 14 days after the date of submission of the request for 15 incidental harassment authorization, a written notice 16 of any additional information required to complete 17 the request for incidental harassment authorization. 18 (c) ACTION ON SUBMISSION OF ADDITIONAL INFOR-19 MATION.— 20 (1) In General.—Subject to paragraph (2), 21 not later than 30 days after receipt of the additional 22 information requested under subsection (b)(2), the 23 Secretary shall provide the requestor a written deter-24 mination as to whether the request for incidental

harassment authorization is adequate and complete.

25

- 1 (2) Reason for Denial.—If the Secretary de-
- 2 termines that the request for incidental harassment
- authorization is not adequate and complete, the re-
- 4 quest shall be considered to be denied and the Sec-
- 5 retary shall include in the written determination pro-
- 6 vided under paragraph (1) an explanation of the rea-
- 7 sons for the denial.
- 8 (d) Failure To Respond.—If the Secretary fails to
- 9 respond to a request for incidental harassment authoriza-
- 10 tion in accordance with an applicable deadline under sub-
- 11 section (b) or (c), the request for incidental harassment
- 12 authorization shall be considered to be adequate and com-
- 13 plete as of the date of the applicable deadline.
- 14 (e) Treatment of Complete Requests for Inci-
- 15 DENTAL HARASSMENT AUTHORIZATION.—Not later than
- 16 45 days after a request for incidental harassment author-
- 17 ization is considered to be adequate and complete under
- 18 subsection (b)(1), (c)(1), or (d), the Secretary shall com-
- 19 ply with the procedures required by section
- 20 101(a)(5)(D)(iii) of the Marine Mammal Protection Act
- 21 of 1972 (16 U.S.C. 1371(a)(5)(D)(iii)).
- 22 (f) Coordination With Endangered Species
- 23 Act of 1973 Reviews.—
- 24 (1) In general.—Issuance of an authorization
- for incidental taking by the Secretary under section

| 1  | 101(a)(5)(D) of the Marine Mammal Protection Act           |
|----|--|
| 2  | of 1972 (16 U.S.C. 1371(a)(5)(D)) shall not be—            |
| 3  | (A) considered to be—                                      |
| 4  | (i) an action likely to jeopardize the                     |
| 5  | continued existence of any endangered spe-                 |
| 6  | cies or threatened species; or                             |
| 7  | (ii) an action likely to result in the de-                 |
| 8  | struction or adverse modification of critical              |
| 9  | habitat; or  |
| 10 | (B) subject to the requirements of section                 |
| 11 | 7 of the Endangered Species Act of 1973 (16                |
| 12 | U.S.C. 1536).  |
| 13 | (2) Not a prohibited taking.—Any taking                    |
| 14 | made in compliance with an authorization for inci-         |
| 15 | dental taking issued by the Secretary under section        |
| 16 | 101(a)(5)(D) of the Marine Mammal Protection Act           |
| 17 | of 1972 (16 U.S.C. 1371(a)(5)(D)) shall not be con-        |
| 18 | sidered to be a prohibited taking of the species           |
| 19 | under section 9(a)(1) of the Endangered Species Act        |
| 20 | of 1973 (16 U.S.C. 1538(a)(1)).                            |
| 21 | SEC. 110. CONTINUOUS OPERATIONS RULE.                      |
| 22 | The Secretary shall amend the regulation issued            |
| 23 | under section 250.180 of title 30, Code of Federal Regula- |
| 24 | tions, so that any requirement in that regulation for con- |

| 1  | tinuous operation is for a period of 365 days instead of |
|----|--|
| 2  | 180 days.  |
| 3  | SEC. 111. GAO REPORT ON CUMULATIVE COST OF REGULA-       |
| 4  | TION FOR OFFSHORE ENERGY PRODUCTION                      |
| 5  | The Comptroller General of the United States shall—      |
| 6  | (1) conduct more accurate estimates of the cost          |
| 7  | of complying with major Federal rules relating to        |
| 8  | offshore energy development and production activi-       |
| 9  | ties on the outer Continental Shelf; and                 |
| 10 | (2) submit to the appropriate committees of              |
| 11 | Congress a report describing the results of the esti-    |
| 12 | mates calculated under paragraph (1).                    |
| 13 | TITLE II— THE ALASKA OUTER                               |
| 14 | CONTINENTAL SHELF LEASE                                  |
| 15 | SALE ACT   |
| 16 | SEC. 201. LEASE SALES IN NEARSHORE BEAUFORT SEA          |
| 17 | PLANNING AREA, COOK INLET PLANNING                       |
| 18 | AREA.  |
| 19 | (a) Establishment of Nearshore Beaufort                  |
| 20 | SEA PLANNING AREA.—                                      |
| 21 | (1) In general.—The Secretary shall establish            |
| 22 | a planning area for purposes of conducting lease         |
| 23 | sales under the Outer Continental Shelf Lands Act        |
| 24 | (43 U.S.C. 1331 et seq.), to be known as the "Near-      |

- shore Beaufort Sea Planning Area' and to be defined in accordance with paragraph (2).
- 3 (2) Definition of nearshore beaufort sea
- 4 PLANNING AREA.—The Secretary shall define the
- 5 Nearshore Beaufort Sea Planning Area as the area
- 6 of the outer Continental Shelf (as defined in section
- 7 2 of the Outer Continental Shelf Lands Act (43
- 8 U.S.C. 1331)) consisting of the portion of the Beau-
- 9 fort Planning Area located within 3 nautical miles of
- the seaward boundary of Alaska.
- 11 (b) Lease Sales.—Notwithstanding the schedule of
- 12 lease sales in the Proposed Final Outer Continental Shelf
- 13 Oil & Gas Leasing Program (2017–2022), the Secretary
- 14 shall conduct under the Outer Continental Shelf Lands
- 15 Act (43 U.S.C. 1331 et seq.)—
- 16 (1) in the Nearshore Beaufort Sea Planning
- 17 Area, 1 lease sale in each of fiscal years 2018, 2019,
- 18 and 2020; and
- 19 (2) in the Cook Inlet Planning Area, 1 lease
- sale in each of fiscal years 2018, 2019, and 2020.
- 21 SEC. 202. LEASE TERMS OF CERTAIN CHUKCHI AND BEAU-
- FORT LEASES.
- 23 (a) IN GENERAL.—Section 8(b)(2) of the Outer Con-
- 24 tinental Shelf Lands Act (43 U.S.C. 1337(b)(2)) is
- 25 amended—

| 1  | (1) in subparagraph (A), by striking "or" at       |
|----|--|
| 2  | the end;   |
| 3  | (2) in subparagraph (B), by striking ";" and       |
| 4  | inserting "; or"; and                              |
| 5  | (3) by adding at the end the following:            |
| 6  | "(C) in the case of an oil and gas lease in        |
| 7  | the Beaufort Planning Area or the portion of       |
| 8  | the Chukchi Planning Area that is beyond 3         |
| 9  | nautical miles of the seaward boundary of the      |
| 10 | State of Alaska, 20 years;".                       |
| 11 | (b) Extension of Existing Leases.—                 |
| 12 | (1) IN GENERAL.—The Secretary, with the con-       |
| 13 | sent of the holder of a covered lease described in |
| 14 | paragraph (2), may extend the initial term of the  |
| 15 | covered lease to 20 years.                         |
| 16 | (2) Description of Covered Lease.—                 |
| 17 | (A) In general.—A covered lease re-                |
| 18 | ferred to in paragraph (1) is a lease for oil and  |
| 19 | gas production in effect on the date of enact-     |
| 20 | ment of this Act that was issued under section     |
| 21 | 8 of the Outer Continental Shelf Lands Act (43     |
| 22 | U.S.C. 1337) for a portion of the Beaufort         |
| 23 | Planning Area or Chukchi Planning Area that        |
| 24 | is beyond 3 nautical miles of the seaward          |
|    |  |

boundary of the State.

25

| 1  | (B) Exclusion.—A covered lease referred            |
|----|--|
| 2  | to in paragraph (1) does not include any lease     |
| 3  | in the Nearshore Beaufort Sea Planning Area.       |
| 4  | SEC. 203. DISTRIBUTION OF REVENUE TO ALASKA.       |
| 5  | Section 9 of the Outer Continental Shelf Lands Act |
| 6  | (43 U.S.C. 1338) is amended—                       |
| 7  | (1) by striking "All rentals," and inserting the   |
| 8  | following:   |
| 9  | "(a) In General.—Except as provided in sub-        |
| 10 | sections (b) and (c), all rentals,"; and           |
| 11 | (2) by adding at the end the following:            |
| 12 | "(b) Distribution of Revenue to Alaska.—           |
| 13 | "(1) Definitions.—In this subsection:              |
| 14 | "(A) Coastal political subdivision.—               |
| 15 | The term 'coastal political subdivision' means a   |
| 16 | county-equivalent subdivision of the State—        |
| 17 | "(i) all or part of which lies within the          |
| 18 | coastal zone of the State (as defined in           |
| 19 | section 304 of the Coastal Zone Manage-            |
| 20 | ment Act of 1972 (16 U.S.C. 1453)); and            |
| 21 | "(ii)(I) the closest coastal point of              |
| 22 | which is not more than 200 nautical miles          |
| 23 | from the geographical center of any leased         |
| 24 | tract in the Alaska outer Continental Shelf        |
| 25 | region; or   |

| 1  | "(II)(aa) the closest point of which is        |
|----|--|
| 2  | more than 200 nautical miles from the          |
| 3  | geographical center of a leased tract in the   |
| 4  | Alaska outer Continental Shelf region; and     |
| 5  | "(bb) that is determined by the State          |
| 6  | to be a significant staging area for oil and   |
| 7  | gas servicing, supply vessels, operations,     |
| 8  | suppliers, or workers.                         |
| 9  | "(B) Institution of higher edu-                |
| 10 | CATION.—The term 'institution of higher edu-   |
| 11 | cation' has the meaning given the term in sec- |
| 12 | tion 102 of the Higher Education Act of 1965   |
| 13 | (20 U.S.C. 1002).                              |
| 14 | "(C) QUALIFIED REVENUES.—                      |
| 15 | "(i) In General.—The term 'quali-              |
| 16 | fied revenues' means all revenues derived      |
| 17 | from all rentals, royalties, bonus bids, and   |
| 18 | other sums due and payable to the United       |
| 19 | States from energy development in the          |
| 20 | Alaska outer Continental Shelf region.         |
| 21 | "(ii) Exclusions.—The term 'quali-             |
| 22 | fied revenues' does not include revenues       |
| 23 | generated from leases subject to section       |
| 24 | 8(g).  |

| 1  | "(D) STATE.—The term 'State' means the               |
|----|--|
| 2  | State of Alaska.                                     |
| 3  | "(E) Workforce investment board.—                    |
| 4  | The term 'workforce investment board' means a        |
| 5  | State or local workforce investment board es-        |
| 6  | tablished under subtitle B of title I of the         |
| 7  | Workforce Investment Act of 1998 (29 U.S.C.          |
| 8  | 2811 et seq.).                                       |
| 9  | "(2) FISCAL YEARS 2016–2026.—For each of fis-        |
| 10 | cal years 2016 through 2026, the Secretary shall de- |
| 11 | posit—   |
| 12 | "(A) 75 percent of qualified revenues in             |
| 13 | the general fund of the Treasury;                    |
| 14 | "(B) 7.5 percent of qualified revenues in a          |
| 15 | special account in the Treasury, to be distrib-      |
| 16 | uted by the Secretary to the State;                  |
| 17 | "(C) 7.5 percent of qualified revenues in a          |
| 18 | special account in the Treasury, to be distrib-      |
| 19 | uted by the Secretary to coastal political sub-      |
| 20 | divisions;   |
| 21 | "(D) 2.5 percent of qualified revenues in a          |
| 22 | special account in the Treasury, to be used to       |
| 23 | carry out the North Slope Science Initiative es-     |
| 24 | tablished under section 348(a)(1) of the Energy      |
| 25 | Policy Act of 2005 (42 U.S.C. 15906(a)(1));          |

| 1  | "(E) 2.5 percent of qualified revenues in a        |
|----|--|
| 2  | special account in the Treasury, to be used by     |
| 3  | the Secretary to provide grants on a competitive   |
| 4  | basis to eligible institutions of higher education |
| 5  | and workforce investment boards in the State       |
| 6  | to establish and providing funding for—            |
| 7  | "(i) programs to ensure an adequately              |
| 8  | skilled workforce to construct, operate, or        |
| 9  | maintain oil or gas pipelines; or                  |
| 10 | "(ii) programs to ensure an ade-                   |
| 11 | quately skilled workforce to operate, main-        |
| 12 | tain, and perform all environmental proc-          |
| 13 | esses relating to existing or future oil and       |
| 14 | gas infrastructure;                                |
| 15 | "(F) 2.5 percent of qualified revenues in a        |
| 16 | special account in the Treasury to provide fi-     |
| 17 | nancial assistance for—                            |
| 18 | "(i) offshore leasing and development              |
| 19 | programs in the State; and                         |
| 20 | "(ii) the development of rights-of-way             |
| 21 | for pipelines to transport oil or gas pro-         |
| 22 | duced offshore through land under the ju-          |
| 23 | risdiction of the Secretary in the State;          |
| 24 | and  |

| 1  | "(G) 2.5 percent of qualified revenues in            |
|----|--|
| 2  | the Tribal Resilience Fund established by sec-       |
| 3  | tion 402 of the Offshore Production and Ener-        |
| 4  | gizing National Security Act of 2015.                |
| 5  | "(3) Subsequent fiscal years.—For fiscal             |
| 6  | year 2027 and each subsequent fiscal year, the Sec-  |
| 7  | retary shall deposit—                                |
| 8  | "(A) 50 percent of qualified revenues in             |
| 9  | general fund of the Treasury;                        |
| 10 | "(B) 30 percent of qualified revenues in a           |
| 11 | special account in the Treasury, to be distrib-      |
| 12 | uted by the Secretary to the State;                  |
| 13 | "(C) 12.5 percent of qualified revenues in           |
| 14 | the Tribal Resilience Fund established by sec-       |
| 15 | tion 402 of the Offshore Production and Ener-        |
| 16 | gizing National Security Act of 2015; and            |
| 17 | "(D) 7.5 in a special account in the Treas-          |
| 18 | ury, to be distributed by the Secretary to coast-    |
| 19 | al political subdivisions.                           |
| 20 | "(4) Allocation among coastal political              |
| 21 | SUBDIVISIONS.—Of the amount paid by the Sec-         |
| 22 | retary to coastal political subdivisions under para- |
| 23 | graph (2)(C) or (3)(D)—                              |
| 24 | "(A) 90 percent shall be allocated in                |
| 25 | amounts (based on a formula established by the       |

| 1  | Secretary by regulation) that are inversely pro-     |
|----|--|
| 2  | portional to the respective distances between        |
| 3  | the point in each coastal political subdivision      |
| 4  | that is closest to the geographic center of the      |
| 5  | applicable leased tract and not more than 200        |
| 6  | miles from the geographic center of the leased       |
| 7  | tract; and   |
| 8  | "(B) 10 percent shall be divided equally             |
| 9  | among each coastal political subdivision that—       |
| 10 | "(i) is more than 200 nautical miles                 |
| 11 | from the geographic center of a leased               |
| 12 | tract; and   |
| 13 | "(ii) the State of Alaska determines to              |
| 14 | be a significant staging area for oil and            |
| 15 | gas servicing, supply vessels, operations,           |
| 16 | suppliers, or workers.                               |
| 17 | "(5) Timing.—The amounts required to be de-          |
| 18 | posited under paragraphs (2) and (3) for the appli-  |
| 19 | cable fiscal year shall be made available in accord- |
| 20 | ance with those paragraphs during the fiscal year    |
| 21 | immediately following the applicable fiscal year.    |
| 22 | "(6) Administration.—Amounts made avail-             |
| 23 | able under paragraphs (2) and (3) shall—             |

| 1  | "(A) be made available, without further                      |
|----|--|
| 2  | appropriation, in accordance with this sub-                  |
| 3  | section;   |
| 4  | "(B) remain available until expended; and                    |
| 5  | "(C) be in addition to any amounts appro-                    |
| 6  | priated under any other provision of law.".                  |
| 7  | SEC. 204. INCLUSION OF BEAUFORT, NEARSHORE BEAU-             |
| 8  | FORT, COOK INLET, AND CHUKCHI LEASE                          |
| 9  | SALES IN 5-YEAR LEASING PROGRAMS.                            |
| 10 | Section 18 of the Outer Continental Shelf Lands Act          |
| 11 | (43 U.S.C. 1344) is amended by adding at the end the         |
| 12 | following:   |
| 13 | "(i) Inclusion of Certain Lease Sales.—Effec-                |
| 14 | tive starting with the leasing program for fiscal years      |
| 15 | 2023 through 2027, the Secretary shall include in any        |
| 16 | leasing program prepared in accordance with this section     |
| 17 | provisions for the conduct of at least 3 lease sales in each |
| 18 | of the Beaufort Planning Area and the Chukchi Planning       |
| 19 | Area, and annual lease sales in the Nearshore Beaufort       |
| 20 | Sea Planning Area and the Cook Inlet Planning Area dur-      |
| 21 | ing the term of the leasing program.".                       |
| 22 | SEC. 205. NORTH SLOPE SCIENCE INITIATIVE.                    |
| 23 | Section 348 of the Energy Policy Act of 2005 (42             |
| 24 | U.S.C. 15906) is amended—                                    |
| 25 | (1) in subsection (a)—                                       |

| 1  | (A) in paragraph (1), by inserting "(re-         |
|----|--|
| 2  | ferred to in this section as the 'Secretary')"   |
| 3  | after "Secretary of the Interior"; and           |
| 4  | (B) in paragraph (2), by inserting "(in-         |
| 5  | cluding the Beaufort and Chukchi seas)" after    |
| 6  | "North Slope of Alaska";                         |
| 7  | (2) in subsection (b)—                           |
| 8  | (A) in paragraph (1), by inserting "(in-         |
| 9  | cluding the Beaufort and Chukchi seas)" after    |
| 10 | "North Slope"; and                               |
| 11 | (B) in paragraph (2), by striking "develop       |
| 12 | an understanding of" and inserting "identify";   |
| 13 | and  |
| 14 | (3) in subsection $(e)(2)$ , by inserting "the   |
| 15 | Northwest Arctic Borough, the NANA Regional Cor- |
| 16 | poration," after "Arctic Slope Regional Corpora- |
| 17 | tion,".  |
| 18 | TITLE III—THE SOUTHERN AT-                       |
| 19 | LANTIC ENERGY SECURITY                           |
| 20 | ACT  |
| 21 | SEC. 301. DEFINITIONS.                           |
| 22 | In this title:                                   |
| 23 | (1) Director.—The term "Director" means          |
| 24 | the Director of the Bureau of Ocean Energy Man-  |
| 25 | agement.   |

| 1  | (2) Institution of Higher Education.—The               |
|----|--|
| 2  | term "institution of higher education" has the         |
| 3  | meaning given the term in section 102 of the Higher    |
| 4  | Education Act of 1965 (20 U.S.C. 1002).                |
| 5  | (3) QUALIFIED REVENUES.—The term "quali-               |
| 6  | fied revenues" has the meaning given the term in       |
| 7  | section $9(c)(1)$ of the Outer Continental Shelf Lands |
| 8  | Act (43 U.S.C. 1338(c)(1)).                            |
| 9  | (4) SOUTH ATLANTIC PLANNING AREA.—The                  |
| 10 | term "South Atlantic planning area" means the area     |
| 11 | of the outer Continental Shelf (as defined in section  |
| 12 | 2 of the Outer Continental Shelf Lands Act (43         |
| 13 | U.S.C. 1331)) that is located between the northern     |
| 14 | lateral seaward administrative boundary of the Com-    |
| 15 | monwealth of Virginia and the southernmost lateral     |
| 16 | seaward administrative boundary of the State of        |
| 17 | Georgia.   |
| 18 | (5) State.—The term "State" means any of               |
| 19 | the following States:                                  |
| 20 | (A) Georgia.   |
| 21 | (B) North Carolina.                                    |
| 22 | (C) South Carolina.                                    |
| 23 | (D) Virginia.  |

#### SEC. 302. PRESERVING COASTAL VIEWSHEDS.

| 2 | (a) | ΙN | GENERAL. | .—Prior | to | conducting | a | lease | sa | le |
|---|-----|----|----------|---------|----|------------|---|-------|----|----|
|---|-----|----|----------|---------|----|------------|---|-------|----|----|

- 3 authorized under this title that would offer leases within
- 4 30 nautical miles of the coastline, the Secretary shall con-
- 5 sult with the Governor of each potentially affected State
- 6 to establish appropriate lease stipulations for the manage-
- 7 ment of the surface occupancy of the areas between the
- 8 coastline and 30 nautical miles to mitigate any potential
- 9 concerns regarding impacts to coastal viewsheds.
- 10 (b) Considerations for Production Facili-
- 11 TIES.—The Secretary and the State shall consider—
- 12 (1) restricting the installation of permanent
- surface production facilities above the waterline for
- the purpose of production of oil or gas resources in
- any area that is within 12 nautical miles seaward
- 16 from the coastline of the State; and
- 17 (2) allowing only subsurface production facili-
- ties to be installed in areas that are located between
- the point that is 12 nautical miles from seaward
- from the coastline of the State and the point that
- 21 is 30 nautical miles seaward from the coastline of
- the State.
- 23 (c) Development and Production Plan Ap-
- 24 PROVAL.—If permanent surface facilities are proposed to
- 25 be installed within 30 nautical miles of the coastline, the
- 26 Secretary shall not grant approval of the development and

- 1 production plan unless it is determined that the facility
- 2 is designed so that the impacts on coastal viewsheds are
- 3 minimized, to the maximum extent practicable.
- 4 (d) Onshore Access to Leases Not Re-
- 5 STRICTED.—Notwithstanding any other provision of this
- 6 section, onshore facilities associated with the drilling, de-
- 7 velopment, and production of the oil and gas resources of
- 8 the South Atlantic planning area within 12 nautical miles
- 9 seaward of the coastline of a State are allowed.
- 10 (e) Temporary Activities Not Affected.—Noth-
- 11 ing described in subsection (a), (b), or (c) restricts, or
- 12 gives the States authority to restrict, temporary surface
- 13 activities related to operations associated with outer Conti-
- 14 nental Shelf oil and gas leases.
- 15 SEC. 303. 2017-2022 LEASING PROGRAM.
- 16 The Secretary shall—
- 17 (1) include the South Atlantic planning area in
- the outer Continental Shelf leasing program for fis-
- 19 cal years 2017 through 2022 prepared under section
- 20 18 of the Outer Continental Shelf Lands Act (43
- 21 U.S.C. 1344); and
- 22 (2) conduct in the South Atlantic planning
- 23 area—
- 24 (A) 1 lease sale during fiscal year 2021;
- 25 and

| 1  | (B) 2 lease sales during fiscal year 2022.                  |
|----|---|
| 2  | SEC. 304. BALANCING OF MILITARY AND ENERGY PRODUC-          |
| 3  | TION GOALS.   |
| 4  | (a) In General.—In recognition that the outer Con-          |
| 5  | tinental Shelf oil and gas leasing program and the domes-   |
| 6  | tic energy resources produced under the program are inte-   |
| 7  | gral to national security, the Secretary and the Secretary  |
| 8  | of Defense shall work jointly in implementing lease sales   |
| 9  | under this title—   |
| 10 | (1) to preserve the ability of the Armed Forces             |
| 11 | of the United States to maintain an optimum state           |
| 12 | of readiness through their continued use of the outer       |
| 13 | Continental Shelf; and                                      |
| 14 | (2) to allow effective exploration, development,            |
| 15 | and production of the oil, gas, and renewable energy        |
| 16 | resources of the United States.                             |
| 17 | (b) Prohibition on Conflicts With Military                  |
| 18 | OPERATIONS.—No person may engage in any exploration,        |
| 19 | development, or production of oil or natural gas on the     |
| 20 | outer Continental Shelf under a lease issued under this     |
| 21 | title that the President determines would conflict with any |
| 22 | military operation, as determined in accordance with—       |
| 23 | (1) the agreement entitled "Memorandum of                   |
| 24 | Agreement between the Department of Defense and             |
| 25 | the Department of the Interior on Mutual Concerns           |

| 1  | on the Outer Continental Shelf" signed July 20,        |
|----|--|
| 2  | 1983; and  |
| 3  | (2) any revision or replacement for the agree-         |
| 4  | ment described in paragraph (1) that is agreed to by   |
| 5  | the Secretary of Defense and the Secretary after       |
| 6  | that date but before the date of issuance of the lease |
| 7  | under which the exploration, development, or pro-      |
| 8  | duction is conducted.                                  |
| 9  | SEC. 305. DISPOSITION OF REVENUES TO ATLANTIC          |
| 10 | STATES.  |
| 11 | Section 9 of the Outer Continental Shelf Lands Act     |
| 12 | (43 U.S.C. 1338) (as amended by section 203(2)) is     |
| 13 | amended by adding at the end the following:            |
| 14 | "(c) Distribution of Revenue to Atlantic               |
| 15 | STATES.—   |
| 16 | "(1) Definitions.—In this subsection:                  |
| 17 | "(A) ATLANTIC STATE.—The term 'Atlan-                  |
| 18 | tic State' means a State adjacent to the South         |
| 19 | Atlantic Planning Area.                                |
| 20 | "(B) Qualified revenues.—                              |
| 21 | "(i) In general.—The term 'quali-                      |
| 22 | fied revenues' means all revenues derived              |
| 23 | from all rentals, royalties, bonus bids, and           |
| 24 | other sums due and payable to the United               |

| 1  | States from energy development in the At-            |
|----|--|
| 2  | lantic planning region.                              |
| 3  | "(ii) Exclusions.—The term 'quali-                   |
| 4  | fied revenues' does not include revenues             |
| 5  | generated from leases subject to section             |
| 6  | 8(g).  |
| 7  | "(2) Deposit.—For fiscal year 2017 and each          |
| 8  | fiscal year thereafter, the Secretary shall deposit— |
| 9  | "(A) 62.5 percent of any qualified reve-             |
| 10 | nues in the general fund of the Treasury, of         |
| 11 | which—   |
| 12 | "(i) 5 percent shall be allocated to the             |
| 13 | Department of Energy for projects that               |
| 14 | enhance the safety, security, resilience, and        |
| 15 | reliability of energy supply, research,              |
| 16 | transmission, storage, or distribution infra-        |
| 17 | structure;   |
| 18 | "(ii) 5 percent shall be allocated to                |
| 19 | the Energy Efficiency and Renewable En-              |
| 20 | ergy program at the Department of En-                |
| 21 | ergy; and  |
| 22 | "(iii) 2.5 percent shall be allocated to             |
| 23 | high priority deferred maintenance needs             |
| 24 | of the National Park Service that support            |

| 1  | critical infrastructure and visitor services.    |
|----|--|
| 2  | and  |
| 3  | "(B) 37.5 percent of any qualified reve-         |
| 4  | nues in a special account in the Treasury from   |
| 5  | which the Secretary shall disburse amounts to    |
| 6  | the Atlantic States in accordance with para-     |
| 7  | graph (3).                                       |
| 8  | "(3) Allocation to states.—                      |
| 9  | "(A) In general.—Subject to subpara-             |
| 10 | graphs (B) and (C), effective for fiscal year    |
| 11 | 2017 and each fiscal year thereafter, the Sec-   |
| 12 | retary of the Treasury shall allocate the quali- |
| 13 | fied revenues described in paragraph (2)(B) to   |
| 14 | each Atlantic State in amounts (based on a for-  |
| 15 | mula established by the Secretary, by regula-    |
| 16 | tion) that are inversely proportional to the re- |
| 17 | spective distances between—                      |
| 18 | "(i) the point on the coastline of each          |
| 19 | Atlantic State that is closest to the geo-       |
| 20 | graphical center of the applicable leased        |
| 21 | tract; and                                       |
| 22 | "(ii) the geographical center of that            |
| 23 | leased tract.                                    |
| 24 | "(B) MINIMUM ALLOCATION.—The                     |
| 25 | amount allocated to an Atlantic State for each   |

| 1  | fiscal year under subparagraph (A) shall be not |
|----|---|
| 2  | less than 10 percent of the amounts available   |
| 3  | under paragraph (2)(B).                         |
| 4  | "(C) STATE ALLOCATION.—Of the                   |
| 5  | amounts received by a State under subpara-      |
| 6  | graph (A), the Atlantic State may use, at the   |
| 7  | discretion of the Governor of the State—        |
| 8  | "(i) 10 percent—                                |
| 9  | "(I) to enhance State land and                  |
| 10 | water conservation efforts;                     |
| 11 | "(II) to improve State public                   |
| 12 | transportation projects;                        |
| 13 | "(III) to establish alternative, re-            |
| 14 | newable, and clean energy production            |
| 15 | and generation within each State; and           |
| 16 | "(IV) to enhance beach nourish-                 |
| 17 | ment and costal dredging; and                   |
| 18 | "(ii) 2.5 percent to enhance geological         |
| 19 | and geophysical education for the energy        |
| 20 | future of the United States in accordance       |
| 21 | with section 306 of the Offshore Produc-        |
| 22 | tion and Energizing National Security Act       |
| 23 | of 2015.".                                      |

| 1  | SEC. 306. ENHANCING GEOLOGICAL AND GEOPHYSICAL               |
|----|--|
| 2  | EDUCATION FOR AMERICA'S ENERGY FU-                           |
| 3  | TURE.  |
| 4  | (a) In General.—The Secretary, acting through the            |
| 5  | Director, shall partner with institutions of higher edu-     |
| 6  | cation selected under subsection (c) to facilitate the prac- |
| 7  | tical study of geological and geophysical sciences of areas  |
| 8  | on the Atlantic region of the outer Continental Shelf and    |
| 9  | elsewhere on the Continental Shelf of the United States.     |
| 10 | (b) Focus.—Activities conducted by institutions of           |
| 11 | higher education under this section shall focus all geologi- |
| 12 | cal and geophysical scientific research on obtaining a bet-  |
| 13 | ter understanding of hydrocarbon potential in the South      |
| 14 | Atlantic planning area while fostering the study of the ge-  |
| 15 | ological and geophysical sciences at institutions of higher  |
| 16 | education in the United States.                              |
| 17 | (c) Selection of Institutions.—                              |
| 18 | (1) Selection.—Not later than 180 days after                 |
| 19 | the date of enactment of this Act, the Governor of           |
| 20 | each State may nominate for participation in a part-         |
| 21 | nership—   |
| 22 | (A) 1 institution of higher education lo-                    |
| 23 | cated in the State; and                                      |
| 24 | (B) 1 institution of higher education that                   |
| 25 | is a historically Black college or university (as            |
| 26 | defined in section 631(a) of the Higher Edu-                 |

| 1  | cation Act of 1965 (20 U.S.C. 1132(a))) lo-            |
|----|--|
| 2  | cated in the State.                                    |
| 3  | (2) Preference.—In making nominations                  |
| 4  | under paragraph (1), each Governor shall give pref-    |
| 5  | erence to those institutions of higher education       |
| 6  | that—  |
| 7  | (A) demonstrate a vigorous rate of admis-              |
| 8  | sions of veterans of the Armed Forces of the           |
| 9  | United States; and                                     |
| 10 | (B) meet the criteria described in para-               |
| 11 | graph (3).   |
| 12 | (3) Criteria.—The Governor shall select as a           |
| 13 | partner any institution of higher education nomi-      |
| 14 | nated under paragraph (1) that the Governor deter-     |
| 15 | mines demonstrates excellence in 1 or more of the      |
| 16 | following criteria:                                    |
| 17 | (A) Geophysical sciences curriculum.                   |
| 18 | (B) Engineering curriculum.                            |
| 19 | (C) Information technology or other tech-              |
| 20 | nical studies related to seismic research, includ-     |
| 21 | ing data processing.                                   |
| 22 | (d) Research Authority.—                               |
| 23 | (1) In general.—Except as provided in para-            |
| 24 | graph (2), an institution of higher education selected |
| 25 | under subsection $(c)(3)$ may conduct research under   |

| 1  | this section on the expiration of the 30-day period     |
|----|---|
| 2  | beginning on the date on which the institution of       |
| 3  | higher education submits to the South Atlantic Re-      |
| 4  | gional Director of the Bureau of Ocean Energy           |
| 5  | Management a notice of the research.                    |
| 6  | (2) Permit required.—An institution of high-            |
| 7  | er education may not conduct research under this        |
| 8  | section that uses any solid or liquid explosive, except |
| 9  | as authorized by a permit issued by the Director.       |
| 10 | (e) Data.—  |
| 11 | (1) In general.—The geological and geo-                 |
| 12 | physical activities conducted under this section—       |
| 13 | (A) shall be considered to be scientific re-            |
| 14 | search and data produced by the activities;             |
| 15 | (B) shall not be used or shared for com-                |
| 16 | mercial purposes;                                       |
| 17 | (C) shall not be produced for proprietary               |
| 18 | use or sale; and  |
| 19 | (D) shall be made available by the Director             |
| 20 | to the public.  |
| 21 | (2) Submission of data to boem.—Not later               |
| 22 | than 60 days after completion of initial analysis of    |
| 23 | data collected under this section by an institution of  |
| 24 | higher education selected under subsection $(c)(3)$ .   |

the institution of higher education shall share with

- the Director any data collected requested by the Director.
- 3 (3) FEES.—The Director may not charge any
- 4 fee for the provision of data produced in research
- 5 under this section, other than a data reprocessing
- 6 fee to pay the cost of duplicating the data.
- 7 (f) Report.—Not less frequently than once every
- 8 180 days, the Director shall submit to the Committee on
- 9 Energy and Natural Resources of the Senate and the
- 10 Committee on Natural Resources of the House of Rep-
- 11 resentatives a report on the data derived from partner-
- 12 ships under this section.
- 13 SEC. 307. ATLANTIC REGIONAL OFFICE.
- Not later than the last day of the outer Continental
- 15 Shelf leasing program for fiscal years 2012 through 2017
- 16 prepared under section 18 of the Outer Continental Shelf
- 17 Lands Act (43 U.S.C. 1344), the Director shall establish
- 18 an Atlantic regional office in an area that is—
- 19 (1) included in the outer Continental Shelf leas-
- ing program for fiscal years 2017 through 2022 pre-
- pared under section 18 of that Act (43 U.S.C.
- 22 1344); and
- 23 (2) determined by the Director to have the
- 24 highest potential for resource development.

### TITLE IV—TRIBAL RESILIENCE PROGRAM

| 3  | SEC. 401. TRIBAL RESILIENCE PROGRAM.                            |
|----|---|
| 4  | (a) Definition of Indian Tribe.—In this section                 |
| 5  | the term "Indian tribe" has the meaning given the term          |
| 6  | in section 4 of the Indian Self-Determination and Edu-          |
| 7  | cation Assistance Act (25 U.S.C. 450b).                         |
| 8  | (b) Establishment.—The Secretary shall establish                |
| 9  | a program—  |
| 10 | (1) to improve the resilience of Indian tribes to               |
| 11 | the effects of a changing climate;                              |
| 12 | (2) to support Native American leaders in                       |
| 13 | building strong, resilient communities; and                     |
| 14 | (3) to ensure the development of modern, cost-                  |
| 15 | effective infrastructure.                                       |
| 16 | (c) Grants.—Subject to the availability of appro-               |
| 17 | priations and amounts in the Tribal Resilience Fund es-         |
| 18 | tablished by section 402(a), in carrying out the program        |
| 19 | described in subsection (b), the Secretary shall make ad-       |
| 20 | aptation grants, in amounts not to exceed \$200,000,000         |
| 21 | total per fiscal year, to Indian tribes for eligible activities |
| 22 | described in subsection (d).                                    |
| 23 | (d) ELIGIBLE ACTIVITIES.—An Indian tribe receiving              |
| 24 | a grant under subsection (c) may only use grant funds           |
| 25 | for 1 or more of the following eligible activities:             |
|    |   |

| 1  | (1) Development and delivery of adaptation            |
|----|---|
| 2  | training.   |
| 3  | (2) Adaptation planning, vulnerability assess-        |
| 4  | ments, emergency preparedness planning, and moni-     |
| 5  | toring.   |
| 6  | (3) Capacity building through travel support for      |
| 7  | training, technical sessions, and cooperative manage- |
| 8  | ment forums.  |
| 9  | (4) Travel support for participation in ocean         |
| 10 | and coastal planning.                                 |
| 11 | (5) Development of science-based information          |
| 12 | and tools to enable adaptive resource management      |
| 13 | and the ability to plan for resilience.               |
| 14 | (6) Relocation of villages or other communities       |
| 15 | experiencing or susceptible to coastal or river ero-  |
| 16 | sion.   |
| 17 | (7) Construction of infrastructure to support         |
| 18 | emergency evacuations.                                |
| 19 | (8) Restoration or repair of infrastructure dam-      |
| 20 | aged by melting permafrost or coastal or river ero-   |
| 21 | sion.   |
| 22 | (9) Installation and management of energy sys-        |
| 23 | tems that reduce energy costs and greenhouse gas      |
| 24 | emissions compared to the energy systems in use be-   |
| 25 | fore that installation and management.                |

| 1  | (10) Construction and maintenance of social or               |
|----|--|
| 2  | cultural infrastructure that the Secretary determines        |
| 3  | supports resilience.   |
| 4  | (e) APPLICATIONS.—An Indian tribe desiring an ad-            |
| 5  | aptation grant under subsection (c) shall submit to the      |
| 6  | Secretary an application at such time, in such manner,       |
| 7  | and containing such information as the Secretary may re-     |
| 8  | quire, including a description of the eligible activities to |
| 9  | be undertaken using the grant.                               |
| 10 | (f) Capital Projects.—Of amounts made available              |
| 11 | to carry out this program, not less than 90 percent shall    |
| 12 | be used for the engineering, design, and construction or     |
| 13 | implementation of capital projects.                          |
| 14 | (g) Interagency Cooperation.—The Secretary                   |
| 15 | and the Administrator of the Environmental Protection        |
| 16 | Agency shall establish under the White House Council on      |
| 17 | Native American Affairs an interagency subgroup on trib-     |
| 18 | al resilience—   |
| 19 | (1) to work with Indian tribes to collect and                |
| 20 | share data and information, including traditional ec-        |
| 21 | ological knowledge, about how the effects of a chang-        |
| 22 | ing climate are relevant to Indian tribes and Alaska         |
| 23 | Natives; and   |
| 24 | (2) to identify opportunities for the Federal                |
| 25 | Government to improve collaboration and assist with          |

| 1  | adaptation and mitigation efforts that promote resil-  |
|----|--|
| 2  | ience.   |
| 3  | (h) Tribal Resilience Liaison.—The Secretary           |
| 4  | shall establish a tribal resilience liaison—           |
| 5  | (1) to coordinate with Indian tribes and rel-          |
| 6  | evant Federal agencies; and                            |
| 7  | (2) to help ensure tribal engagement in climate        |
| 8  | conversations at the Federal level.                    |
| 9  | SEC. 402. TRIBAL RESILIENCE FUND.                      |
| 10 | (a) Establishment.—There is established in the         |
| 11 | Treasury a fund, to be known as the "Tribal Resilience |
| 12 | Fund" (referred to in this section as the "Fund").     |
| 13 | (b) Deposits.—The Fund shall consist of the fol-       |
| 14 | lowing:  |
| 15 | (1) Amounts made available through an appro-           |
| 16 | priation Act for deposit in the Fund.                  |
| 17 | (2) Amounts deposited into the Fund under              |
| 18 | paragraphs (2)(G) and (3)(C) of subsection (b) of      |
| 19 | section 9 of the Outer Continental Shelf Lands Act     |
| 20 | (43 U.S.C. 1338) (as added by section 203(2)).         |
| 21 | (c) Authorization of Appropriations.—                  |
| 22 | (1) In general.—In addition to the amounts             |
| 23 | estimated by the Secretary to be deposited in the      |
| 24 | Fund under subsection (b), there are authorized to     |
| 25 | be appropriated annually to the Fund out of any        |

- money in the Treasury not otherwise appropriated such amounts as are necessary to make the income of the Fund not more than \$200,000,000 for fiscal year 2027 and each fiscal year thereafter.
- (2) Receipts under outer continental shelf lands act.—To the extent that amounts appropriated under paragraph (1) and deposited under subsection (b) are not sufficient to make the total annual income of the Fund equivalent to the amounts provided in paragraph (1), an amount sufficient to cover the remainder shall be credited to the Fund from revenues due and payable to the United States for deposit in the Treasury as miscellaneous receipts under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.).

#### (3) Availability of Deposits.—

- (A) IN GENERAL.—Amounts deposited in the Fund under this subsection shall remain available until expended, without fiscal year limitation.
- (B) USE.—Amounts deposited in the Fund under this subsection and made available for obligation or expenditure from the Fund may be obligated or expended only to carry out the Tribal Resilience Program under section 401.

#### 1 TITLE V—MISCELLANEOUS

| 2  | SEC. 501. ACCESS TO MARKETS.                                 |
|----|--|
| 3  | (a) In General.—Notwithstanding any other provi-             |
| 4  | sion of law, to promote the efficient exploration, produc-   |
| 5  | tion, storage, supply, and distribution of energy resources, |
| 6  | any domestic crude oil or condensate (other than crude       |
| 7  | oil stored in the Strategic Petroleum Reserve) may be ex-    |
| 8  | ported without a Federal license to countries not subject    |
| 9  | to sanctions by the United States.                           |
| 10 | (b) SAVINGS CLAUSE.—Nothing in this section limits           |
| 11 | the authority of the President under the Constitution, the   |
| 12 | International Emergency Economic Powers Act (50              |
| 13 | U.S.C. 1701 et seq.), the National Emergencies Act (50       |
| 14 | U.S.C. 1601 et seq.), or part B of title II of the Energy    |
| 15 | Policy and Conservation Act (42 U.S.C. 6271 et seq.) to      |
| 16 | prohibit exports.  |
| 17 | (c) FINDINGS.—Congress finds that—                           |
| 18 | (1) the United States has enjoyed a renaissance              |
| 19 | in energy production—  |
| 20 | (A) increasing domestic investment and                       |
| 21 | jobs; and  |
| 22 | (B) establishing the United States as a                      |
| 23 | world leader in crude oil production;                        |
| 24 | (2) the United States upholds a commitment to                |
| 25 | free trade and open markets and has consistently             |

| 1  | opposed attempts by other nations to restrict the     |
|----|---|
| 2  | free flow of energy;                                  |
| 3  | (3) independent studies have concluded that al-       |
| 4  | lowing the export of domestically produced crude      |
| 5  | oil—  |
| 6  | (A) will increase the globally available sup-         |
| 7  | ply of crude oil; and                                 |
| 8  | (B) will tend to reduce domestic prices for           |
| 9  | gasoline and other refined petroleum products         |
| 10 | in the United States;                                 |
| 11 | (4) gasoline and other refined petroleum prod-        |
| 12 | ucts are already eligible for export from the United  |
| 13 | States without restriction;                           |
| 14 | (5) gasoline prices in the United States reflect      |
| 15 | the price paid on the global market for crude oil and |
| 16 | not a separate crude oil price in the United States;  |
| 17 | (6) exports of crude oil produced in the United       |
| 18 | States would provide an alternative stable supplier   |
| 19 | for crude oil to allies of the United States around   |
| 20 | the world—  |
| 21 | (A) allowing United States crude oil ex-              |
| 22 | ports to compete on equal footing with other          |
| 23 | international crudes;                                 |
| 24 | (B) allowing United States crude oil ex-              |
| 25 | ports to compete with and potentially displace        |

| 1   | crude oil exports from Iran, as potential easing         |
|-----|--|
| 2   | of sanctions could lead to Iran regaining mar-           |
| 3   | ket share;   |
| 4   | (C) facilitating assistance to the countries             |
| 5   | of Europe and Eurasia to diversify their energy          |
| 6   | sources and achieve energy security by pro-              |
| 7   | viding another option to protect against possible        |
| 8   | unstable supply flows; and                               |
| 9   | (D) allowing the United States to use na-                |
| 10  | tional energy policy to further United States in-        |
| 11  | terests abroad; and                                      |
| 12  | (7) the United States should remove all restric-         |
| 13  | tions on the export of domestically produced crude       |
| 14  | oil or crude oil of any origin, which will increase eco- |
| 15  | nomic benefits, enhance energy security, improve the     |
| 16  | trade deficit, and promote key national security in-     |
| 17  | terests of the United States domestically and around     |
| 18  | the world.   |
| 19  | (d) Exceptions and Presidential Authority.—              |
| 20  | (1) In general.—The President may impose                 |
| 21  | export licensing requirements or other restrictions      |
| 22. | on the export of crude oil from the United States for    |

a period of not more than 1 year, if—

| 1  | (A) the President declares a national emer-      |
|----|--|
| 2  | gency and formally notices the declaration of a  |
| 3  | national emergency in the Federal Register;      |
| 4  | (B) the export licensing requirements or         |
| 5  | other restrictions on the export of crude oil    |
| 6  | from the United States under this section apply  |
| 7  | to 1 or more countries, persons, or organiza-    |
| 8  | tions in the context of sanctions or trade re-   |
| 9  | strictions imposed by the United States for rea- |
| 10 | sons of national security by the Executive au-   |
| 11 | thority of the President or by Congress; or      |
| 12 | (C) the Secretary of Commerce, in con-           |
| 13 | sultation with the Secretary of Energy, finds    |
| 14 | and reports to the President that—               |
| 15 | (i) the export of crude oil pursuant to          |
| 16 | this section has caused sustained material       |
| 17 | oil supply shortages or sustained oil prices     |
| 18 | significantly above world market levels that     |
| 19 | are directly attributable to the export of       |
| 20 | crude oil produced in the United States;         |
| 21 | and  |
| 22 | (ii) those supply shortages or price in-         |
| 23 | creases have caused or are likely to cause       |
| 24 | sustained material adverse employment ef-        |
| 25 | fects in the United States.                      |

1 (2) Renewal.—Any requirement or restriction 2 imposed pursuant to paragraph (1) may be renewed 3 for 1 or more additional periods of not more than 1 year each. (e) GAO REVIEW AND REPORT.— 5 6 (1) IN GENERAL.—Not later than 1 year after 7 the date of enactment of this Act, and annually 8 thereafter for 2 years, the Comptroller General of 9 the United States shall conduct a review of— (A) energy production in the United 10 11 States; and 12 (B) the effects, if any, of crude oil exports 13 from the United States on consumers, inde-14 pendent refiners, and shipbuilding and ship re-15 pair yards. 16 (2) Contents of Report.—Not later than 1 17 year after commencing each review under paragraph 18 (1), the Comptroller General of the United States 19 shall submit to the Committees on Energy and Nat-20 ural Resources, Banking, Housing, and Urban Af-21 fairs, Commerce, Science, and Transportation, and 22 Foreign Relations of the Senate and the Committees 23 on Natural Resources, Energy and Commerce, Fi-24 nancial Services, and Foreign Affairs of the House

of Representatives a report that includes—

| 1  | (A) a statement of the principal findings of                  |
|----|---|
| 2  | the review; and   |
| 3  | (B) recommendations for Congress and the                      |
| 4  | President to address any job loss in the ship-                |
| 5  | building and ship repair industry or adverse im-              |
| 6  | pacts on consumers and refiners that the                      |
| 7  | Comptroller General of the United States at-                  |
| 8  | tributes to unencumbered crude oil exports in                 |
| 9  | the United States.  |
| 10 | SEC. 502. REPORTS.  |
| 11 | (a) In General.—Not later than 1 year after the               |
| 12 | date of enactment of this Act, the Secretary of the depart-   |
| 13 | ment in which the Bureau of Safety and Environmental          |
| 14 | Enforcement (referred to in this section as the "BSEE")       |
| 15 | is operating (referred to in this section as the "Secretary") |
| 16 | shall submit to the Committees on Appropriations and En-      |
| 17 | ergy and Natural Resources of the Senate and the Com-         |
| 18 | mittees on Appropriations and Natural Resources of the        |
| 19 | House of Representatives an analysis of the proposed reg-     |
| 20 | ulations and rules of the BSEE relating to—                   |
| 21 | (1) offshore oil and gas drilling, completions,               |
| 22 | workovers, and decommissioning, including the pro-            |
| 23 | posed rule entitled "Oil and Gas and Sulphur Oper-            |

ations in the Outer Continental Shelf—Blowout Pre-

1 venter Systems and Well Control" (80 Fed. Reg. 2 21504 (April 17, 2015)); and 3 (2) exploratory drilling activities on the Arctic 4 Continental Shelf of the United States, including the 5 proposed rule entitled "Oil and Gas and Sulphur 6 Operations on the Outer Continental Shelf—Re-7 quirements for Exploratory Drilling on the Arctic Outer Continental Shelf" (80 Fed. Reg. 21670 8 9 (April 20, 2015)). 10 (b) CONTENTS OF ANALYSIS.—The analysis under 11 subsection (a) shall include— 12 (1) a discussion of any new operational, man-13 agement, design and construction, financial, and 14 other mandates that would be imposed on contrac-15 tors and operators; 16 (2) an estimate of all associated direct and indi-17 rect operational, management, personnel, training, 18 record keeping, and other costs; and 19 (3) an identification and justification of im-20 provements to safety claimed in the proposed regula-21 tion or rule. 22 (c) LIMITATIONS.—With respect to the proposed reg-23 ulations and rules described in subsection (a)(1), the Sec-

retary shall not—

- 1 (1) issue any proposed, interim, or final regula-2 tion or rule earlier than 180 days after the submis-3 sion of the report required by subsection (a); or
  - (2) issue any final regulation or rule prior to issuing revised proposed regulations or rules that take into account the findings from the report and providing notice and an opportunity for public comment.

4

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7

# Calendar No. 217

114TH CONGRESS S. 2011

[Report No. 114-137]

## A BILL

To provide for reforms of the administration of the Outer Continental Shelf of the United States, and for other purposes.

September 9,2015

Read twice and placed on the calendar