

115TH CONGRESS  
1ST SESSION

# H. R. 4239

To distribute revenues from oil and gas leasing on the outer Continental Shelf to certain coastal States, to require sale of approved offshore oil and gas leases, to promote offshore wind lease sales, and to empower States to manage the development and production of oil and gas on available Federal land, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 3, 2017

Mr. SCALISE (for himself, Mr. BISHOP of Utah, Mr. GONZALEZ of Texas, and Mr. CUELLAR) introduced the following bill; which was referred to the Committee on Natural Resources

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## A BILL

To distribute revenues from oil and gas leasing on the outer Continental Shelf to certain coastal States, to require sale of approved offshore oil and gas leases, to promote offshore wind lease sales, and to empower States to manage the development and production of oil and gas on available Federal land, 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 “Strengthening the Economy with Critical Untapped Re-

1 sources to Expand American Energy Act” or the “SE-  
2 CURE American Energy Act”.

3 (b) TABLE OF CONTENTS.—The table of contents for  
4 this Act is the following:

Sec. 1. Short title; table of contents.

#### TITLE I—OFFSHORE

Sec. 101. Short title.

Sec. 102. Disposition of revenues from oil and gas leasing on the outer Continental Shelf to producing States.

Sec. 103. Limitations on the amount of distributed qualified outer Continental Shelf revenues under the Gulf of Mexico Energy Security Act of 2006.

Sec. 104. Limitation of authority of the President to withdraw areas of the outer Continental Shelf from oil and gas leasing.

Sec. 105. Modification to the outer Continental Shelf leasing program.

Sec. 106. Inspection fee collection.

Sec. 107. Arctic rule shall have no force or effect.

Sec. 108. Application of outer Continental Shelf Lands Act with respect to territories of the United States.

Sec. 109. Wind lease sales on the outer Continental Shelf.

Sec. 110. Reducing permitting delays for taking of marine mammals.

#### TITLE II—ONSHORE

Sec. 201. Short title.

Sec. 202. Cooperative federalism in oil and gas permitting on available Federal land.

Sec. 203. Conveyance to certain States of property interest in State share of royalties and other payments.

Sec. 204. Permitting on non-Federal surface estate.

Sec. 205. State and Tribal authority for hydraulic fracturing regulation.

Sec. 206. Review of Integrated Activity Plan for the National Petroleum Reserve in Alaska.

## 5 **TITLE I—OFFSHORE**

### 6 **SEC. 101. SHORT TITLE.**

7 This title may be cited as the “Accessing Strategic  
8 Resources Offshore Act” or the “ASTRO Act”.

1 **SEC. 102. DISPOSITION OF REVENUES FROM OIL AND GAS**  
2 **LEASING ON THE OUTER CONTINENTAL**  
3 **SHELF TO PRODUCING STATES.**

4 Section 9 of the Outer Continental Shelf Lands Act  
5 (43 U.S.C. 1338) is amended—

6 (1) by striking “All rentals” and inserting the  
7 following:

8 “(a) IN GENERAL.—Except as otherwise provided in  
9 this section, all rentals”; and

10 (2) by adding at the end the following:

11 “(b) DISTRIBUTION OF REVENUE TO PRODUCING  
12 STATES.—

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

14 “(A) COVERED PLANNING AREA.—

15 “(i) IN GENERAL.—Subject to clause  
16 (ii), the term ‘covered planning area’  
17 means each of the following planning  
18 areas, as such planning areas are generally  
19 depicted in the later of the 2017–2022  
20 Outer Continental Shelf Oil and Gas Leas-  
21 ing Proposed Final Program, dated 16 No-  
22 vember, 2016, or a subsequent oil and gas  
23 leasing program developed under section  
24 18 of the Outer Continental Shelf Lands  
25 Act (43 U.S.C. 1344):

26 “(I) Mid-Atlantic.

1 “(II) South Atlantic.

2 “(III) Any planning area located  
3 off the coast of Alaska.

4 “(ii) EXCLUSIONS.—The term ‘cov-  
5 ered planning area’ does not include any  
6 area in the Atlantic—

7 “(I) north of the southernmost  
8 lateral seaward administrative bound-  
9 ary of the State of Maryland; or

10 “(II) south of the northernmost  
11 lateral seaward administrative bound-  
12 ary of the State of Florida.

13 “(B) PRODUCING STATE.—The term ‘pro-  
14 ducing State’ means each of the following  
15 States:

16 “(i) Virginia.

17 “(ii) North Carolina.

18 “(iii) South Carolina.

19 “(iv) Georgia.

20 “(v) Alaska.

21 “(C) QUALIFIED REVENUES.—

22 “(i) IN GENERAL.—The term ‘quali-  
23 fied revenues’ means revenues derived from  
24 rentals, royalties, bonus bids, and other  
25 sums due and payable to the United States

1 under oil and gas leases entered into on or  
2 after the date of the enactment of this Act  
3 for an area in a covered planning area.

4 “(ii) EXCLUSIONS.—The term ‘quali-  
5 fied revenues’ does not include—

6 “(I) revenues from the forfeiture  
7 of a bond or other surety securing ob-  
8 ligations other than royalties, civil  
9 penalties, or royalties taken by the  
10 Secretary in-kind and not sold;

11 “(II) revenues generated from  
12 leases subject to section 8(g); and

13 “(III) the portion of rental reve-  
14 nues in excess of those that would  
15 have been collected at the rental rates  
16 in effect before August 5, 1993.

17 “(2) DEPOSIT OF QUALIFIED REVENUES.—

18 “(A) PHASE I.—With respect to qualified  
19 revenues under leases awarded under the first  
20 leasing program approved under section 18(a)  
21 that takes effect after the date of the enact-  
22 ment of this section, the Secretary of the Treas-  
23 ury shall deposit or allocate, as applicable—

24 “(i) 87.5 percent into the general  
25 fund of the Treasury; and

1                   “(ii) 12.5 percent to States in accord-  
2                   ance with paragraph (3).

3                   “(B) PHASE II.—With respect to qualified  
4                   revenues under leases awarded under the sec-  
5                   ond leasing program approved under section  
6                   18(a) that takes effect after the date of the en-  
7                   actment of this section, the Secretary of the  
8                   Treasury shall deposit or allocate, as applica-  
9                   ble—

10                   “(i) 75 percent into the general fund  
11                   of the Treasury; and

12                   “(ii) 25 percent to States in accord-  
13                   ance with paragraph (3).

14                   “(C) PHASE III.—With respect to qualified  
15                   revenues under leases awarded under the third  
16                   leasing program approved under section 18(a)  
17                   that takes effect after the date of the enact-  
18                   ment of this section and under any such leasing  
19                   program subsequent to such third leasing pro-  
20                   gram, the Secretary of the Treasury shall de-  
21                   posit or allocate, as applicable—

22                   “(i) 50 percent into the general fund  
23                   of the Treasury; and

1                   “(ii) 50 percent into a special account  
2                   in the Treasury from which the Secretary  
3                   of the Treasury shall disburse—

4                   “(I) 75 percent to States in ac-  
5                   cordance with paragraph (3);

6                   “(II) 12.5 percent to the Sec-  
7                   retary of Transportation for energy  
8                   infrastructure development in coastal  
9                   ports; and

10                   “(III) 12.5 percent to the Sec-  
11                   retary of the Interior for units of the  
12                   National Park System.

13                   “(3) ALLOCATION TO PRODUCING STATES.—

14                   “(A) IN GENERAL.—Subject to subpara-  
15                   graph (B), the Secretary of the Treasury shall  
16                   allocate the qualified revenues distributed to  
17                   States under paragraph (2) to each producing  
18                   State in an amount based on a formula estab-  
19                   lished by the Secretary of the Interior, by regu-  
20                   lation, that—

21                   “(i) is inversely proportional to the re-  
22                   spective distances between—

23                   “(I) the point on the coastline of  
24                   the producing State that is closest to

1 the geographical center of the applica-  
2 ble leased tract; and

3 “(II) the geographical center of  
4 that leased tract;

5 “(ii) does not allocate qualified reve-  
6 nues to any producing State that is further  
7 than 200 nautical miles from the leased  
8 tract; and

9 “(iii) allocates not less than 10 per-  
10 cent of qualified revenues to each pro-  
11 ducing State that is 200 or fewer nautical  
12 miles from the leased tract.

13 “(B) PAYMENTS TO COASTAL POLITICAL  
14 SUBDIVISIONS.—

15 “(i) IN GENERAL.—The Secretary of  
16 the Treasury shall pay 20 percent of the  
17 allocable share of each producing State de-  
18 termined under this paragraph to the  
19 coastal political subdivisions of the pro-  
20 ducing State.

21 “(ii) ALLOCATION.—The amount paid  
22 by the Secretary of the Treasury to coastal  
23 political subdivisions shall be allocated to  
24 each coastal political subdivision in accord-



1           ance with subparagraphs (B) and (E) of  
2           section 31(b)(4).

3           “(iii) DEFINITION OF COASTAL POLIT-  
4           ICAL SUBDIVISION.—In this subparagraph,  
5           the term ‘coastal political subdivision’  
6           means—

7                   “(I) with respect to a contiguous  
8                   coastal State, a political subdivision of  
9                   such State, any part of which is—

10                           “(aa) within the coastal zone  
11                           of the State (as defined in sec-  
12                           tion 304 of the Coastal Zone  
13                           Management Act of 1972 (16  
14                           U.S.C. 1453)); and

15                           “(bb) not more than 200  
16                           nautical miles from the geo-  
17                           graphic center of any leased  
18                           tract; and

19                   “(II) with respect to a noncontig-  
20                   uous coastal State—

21                           “(aa) a county-equivalent  
22                           subdivision of the State for  
23                           which—

24                                   “(AA) all or part lies  
25                                   within the coastal zone of

1 the State (as defined in sec-  
2 tion 304 of the Coastal Zone  
3 Management Act of 1972  
4 (16 U.S.C. 1453)); and

5 “(BB) the closest coast-  
6 al point is not more than  
7 200 nautical miles from the  
8 geographical center of any  
9 leased tract on the outer  
10 Continental Shelf; or

11 “(bb) a municipal subdivi-  
12 sion of the State for which—

13 “(AA) the closest point  
14 is more than 200 nautical  
15 miles from the geographical  
16 center of a leased tract on  
17 the outer Continental Shelf;  
18 and

19 “(BB) the State has  
20 determined to be a signifi-  
21 cant staging area for oil and  
22 gas servicing, supply vessels,  
23 operations, suppliers, or  
24 workers.

1           “(4) ADMINISTRATION.—Amounts made avail-  
2           able under paragraph (2)(B) shall—

3                   “(A) be made available, without further  
4                   appropriation, in accordance with this sub-  
5                   section;

6                   “(B) remain available until expended;

7                   “(C) be in addition to any amounts appro-  
8                   priated under—

9                           “(i) chapter 2003 of title 54, United  
10                           States Code;

11                           “(ii) any other provision of this Act;

12                           and

13                           “(iii) any other provision of law; and

14                   “(D) be made available during the fiscal  
15                   year immediately following the fiscal year in  
16                   which such amounts were received.”.

17 **SEC. 103. LIMITATIONS ON THE AMOUNT OF DISTRIBUTED**  
18 **QUALIFIED OUTER CONTINENTAL SHELF**  
19 **REVENUES UNDER THE GULF OF MEXICO EN-**  
20 **ERGY SECURITY ACT OF 2006.**

21           Section 105(f)(1) of the Gulf of Mexico Energy Secu-  
22           rity Act of 2006 (43 U.S.C. 1331 note) is amended to  
23           read as follows:

24                   “(1) IN GENERAL.—The total amount of quali-  
25                   fied outer Continental Shelf revenues described in

1 section 102(9)(A)(ii) that are made available under  
2 subsection (a)(2) shall remain available until ex-  
3 pended and shall not exceed—

4 “(A) for each of fiscal years 2019 through  
5 2028, \$500,000,000; and

6 “(B) for each of fiscal years 2029 through  
7 2059, \$749,800,000.”.

8 **SEC. 104. LIMITATION OF AUTHORITY OF THE PRESIDENT**  
9 **TO WITHDRAW AREAS OF THE OUTER CONTI-**  
10 **NENTAL SHELF FROM OIL AND GAS LEASING.**

11 (a) LIMITATION ON WITHDRAWAL FROM DISPOSI-  
12 TION OF LANDS ON THE OUTER CONTINENTAL SHELF.—  
13 Section 12 of the Outer Continental Shelf Lands Act (43  
14 U.S.C. 1341) is amended by amending subsection (a) to  
15 read as follows:

16 “(a) LIMITATION ON WITHDRAWAL.—

17 “(1) IN GENERAL.—Except as otherwise pro-  
18 vided in this section, no lands of the outer Conti-  
19 nental Shelf may be withdrawn from disposition ex-  
20 cept by an Act of Congress.

21 “(2) NATIONAL MARINE SANCTUARIES.—The  
22 President may withdraw from disposition any of the  
23 unleased lands of the outer Continental Shelf located  
24 in a national marine sanctuary designated in accord-

1       ance with the National Marine Sanctuaries Act (16  
2       U.S.C. 1431 et seq.) or otherwise by statute.

3           “(3) EXISTING WITHDRAWALS.—

4           “(A) IN GENERAL.—Except for the with-  
5       drawals listed in subparagraph (B), any with-  
6       drawal from disposition of lands on the outer  
7       Continental Shelf before the date of the enact-  
8       ment of this subsection shall have no force or  
9       effect.

10          “(B) EXCEPTIONS.—Subparagraph (A)  
11       shall not apply to the following withdrawals:

12           “(i) Any withdrawal in a national ma-  
13       rine sanctuary designated in accordance  
14       with the National Marine Sanctuaries Act.

15           “(ii) Any withdrawal in a national  
16       monument declared under section 320301  
17       of title 54, United States Code, or the Act  
18       of June 8, 1906 (ch. 3060; 34 Stat. 225).

19           “(iii) Any withdrawal in the North  
20       Aleutian Basin Planning Area, including  
21       Bristol Bay.”.

22       (b) TERMINATION OF AUTHORITY TO ESTABLISH  
23       MARINE NATIONAL MONUMENTS.—Section 320301 of  
24       title 54, United States Code, is amended by adding at the  
25       end the following:

1       “(e) LIMITATION ON MARINE NATIONAL MONU-  
2 MENTS.—

3           “(1) IN GENERAL.—Notwithstanding sub-  
4 sections (a) and (b), the President may not declare  
5 or reserve any ocean waters (as such term is defined  
6 in section 3 of the Marine Protection, Research, and  
7 Sanctuaries Act of 1972 (33 U.S.C. 1402)) or lands  
8 beneath ocean waters as a national monument.

9           “(2) MARINE NATIONAL MONUMENTS DES-  
10 IGNATED BEFORE THE DATE OF THE ENACTMENT  
11 OF THIS SUBSECTION.—This subsection shall not af-  
12 fect any national monument designated by the Presi-  
13 dent before the date of the enactment of this Act.”.

14 **SEC. 105. MODIFICATION TO THE OUTER CONTINENTAL**  
15 **SHELF LEASING PROGRAM.**

16       Section 18(e) of the Outer Continental Shelf Lands  
17 Act (43 U.S.C. 1344(e)) is amended by adding at the end  
18 the following: “The Secretary shall include in any such  
19 revised leasing program each unexecuted lease sale that  
20 was included in the most recent leasing program and the  
21 Secretary shall execute each such lease sale as close as  
22 practicable to the time specified in the most recent leasing  
23 program. Section 102(2)(C) of the National Environ-  
24 mental Policy Act of 1969 (42 U.S.C. 4332) shall be  
25 deemed to have been satisfied with respect to the execution

1 of such unexecuted lease sales if the Secretary, in the Sec-  
2 retary's sole discretion, determines that such section was  
3 satisfied with respect to such unexecuted lease sales for  
4 the most recent leasing program.”.

5 **SEC. 106. INSPECTION FEE COLLECTION.**

6 Section 22 of the Outer Continental Shelf Lands Act  
7 (43 U.S.C. 1348) is amended by adding at the end the  
8 following:

9 “(g) INSPECTION FEES.—

10 “(1) ESTABLISHMENT.—The Secretary of the  
11 Interior shall collect from the operators of facilities  
12 subject to inspection under subsection (c) non-re-  
13 fundable fees for such inspections—

14 “(A) at an aggregate level equal to the  
15 amount necessary to offset the annual expenses  
16 of inspections of outer Continental Shelf facili-  
17 ties (including mobile offshore drilling units) by  
18 the Secretary of the Interior; and

19 “(B) using a schedule that reflects the dif-  
20 ferences in complexity among the classes of fa-  
21 cilities to be inspected.

22 “(2) OCEAN ENERGY SAFETY FUND.—There is  
23 established in the Treasury a fund, to be known as  
24 the ‘Ocean Energy Enforcement Fund’ (referred to  
25 in this subsection as the ‘Fund’), into which shall be

1 deposited all amounts collected as fees under para-  
2 graph (1) and which shall be available as provided  
3 under paragraph (3).

4 “(3) AVAILABILITY OF FEES.—

5 “(A) IN GENERAL.—Notwithstanding sec-  
6 tion 3302 of title 31, United States Code, all  
7 amounts deposited in the Fund—

8 “(i) shall be credited as offsetting col-  
9 lections;

10 “(ii) shall be available for expenditure  
11 for purposes of carrying out inspections of  
12 outer Continental Shelf facilities (including  
13 mobile offshore drilling units) and the ad-  
14 ministration of the inspection program  
15 under this section;

16 “(iii) shall be available only to the ex-  
17 tent provided for in advance in an appro-  
18 priations Act; and

19 “(iv) shall remain available until ex-  
20 pended.

21 “(B) USE FOR FIELD OFFICES.—Not less  
22 than 75 percent of amounts in the Fund may  
23 be appropriated for use only for the respective  
24 Department of the Interior field offices where  
25 the amounts were originally assessed as fees.



1           “(4) INITIAL FEES.—Fees shall be established  
2           under this subsection for the fiscal year in which  
3           this subsection takes effect and the subsequent 10  
4           years, and shall not be raised, except as determined  
5           by the Secretary to be appropriate as an adjustment  
6           equal to the percentage by which the Consumer  
7           Price Index for the month of June of the calendar  
8           year preceding the adjustment exceeds the Consumer  
9           Price Index for the month of June of the calendar  
10          year in which the claim was determined or last ad-  
11          justed.

12          “(5) ANNUAL FEES.—Annual fees shall be col-  
13          lected under this subsection for facilities that are  
14          above the waterline, excluding drilling rigs, and are  
15          in place at the start of the fiscal year. Fees for fiscal  
16          year 2019 shall be—

17                 “(A) \$10,500 for facilities with no wells,  
18                 but with processing equipment or gathering  
19                 lines;

20                 “(B) \$17,000 for facilities with 1 to 10  
21                 wells, with any combination of active or inactive  
22                 wells; and

23                 “(C) \$31,500 for facilities with more than  
24                 10 wells, with any combination of active or in-  
25                 active wells.

1           “(6) FEES FOR DRILLING RIGS.—Fees shall be  
2 collected under this subsection for drilling rigs on a  
3 per inspection basis. Fees for fiscal year 2019 shall  
4 be—

5                   “(A) \$30,500 per inspection for rigs oper-  
6 ating in water depths of 1,000 feet or more;  
7 and

8                   “(B) \$16,700 per inspection for rigs oper-  
9 ating in water depths of less than 1,000 feet.

10           “(7) BILLING.—The Secretary shall bill des-  
11 ignated operators under paragraph (5) annually,  
12 with payment required within 30 days of billing. The  
13 Secretary shall bill designated operators under para-  
14 graph (6) within 30 days of the end of the month  
15 in which the inspection occurred, with payment re-  
16 quired within 30 days after billing.

17           “(8) ANNUAL REPORTS.—

18                   “(A) IN GENERAL.—Not later than 60  
19 days after the end of each fiscal year beginning  
20 with fiscal year 2019, the Secretary shall sub-  
21 mit to the Committee on Energy and Natural  
22 Resources of the Senate and the Committee on  
23 Natural Resources of the House of Representa-  
24 tives a report on the operation of the Fund dur-  
25 ing the fiscal year.

1           “(B) CONTENTS.—Each report shall in-  
2           clude, for the fiscal year covered by the report,  
3           the following:

4                   “(i) A statement of the amounts de-  
5                   posited into the Fund.

6                   “(ii) A description of the expenditures  
7                   made from the Fund for the fiscal year, in-  
8                   cluding the purpose of the expenditures  
9                   and the additional hiring of personnel.

10                  “(iii) A statement of the balance re-  
11                  maining in the Fund at the end of the fis-  
12                  cal year.

13                  “(iv) An accounting of pace of permit  
14                  approvals.

15                  “(v) If fee increases are proposed, a  
16                  proper accounting of the potential adverse  
17                  economic impacts such fee increases will  
18                  have on offshore economic activity and  
19                  overall production.

20                  “(vi) Recommendations to increase  
21                  the efficacy and efficiency of offshore in-  
22                  spections.

23                  “(vii) Any corrective actions levied  
24                  upon offshore inspectors as a result of any  
25                  form of misconduct.



1 (b) EXCLUSIONS.—

2 (1) Section 4(a) of the Outer Continental Shelf  
3 Lands Act (43 U.S.C. 1333) is amended by adding  
4 at the end the following:

5 “(4) This section shall not apply to the terri-  
6 tories and possessions of the United States.”.

7 (2) Section 18 of the Outer Continental Shelf  
8 Lands Act (43 U.S.C. 1344) is amended by adding  
9 at the end the following:

10 “(i) This section shall not apply to the scheduling of  
11 lease sales in the outer Continental Shelf adjacent to the  
12 territories and possessions of the United States.”.

13 (c) EXPLORATION LICENSES AND LEASES.—Section  
14 8(k) of the Outer Continental Shelf Lands Act (43 U.S.C.  
15 1337) is amended by adding at the end the following:

16 “(3) EXPLORATION LICENSES AND LEASES ON  
17 OUTER CONTINENTAL SHELF ADJACENT TO TERRI-  
18 TORIES AND POSSESSIONS.—

19 “(A) IN GENERAL.—The Secretary is au-  
20 thorized to grant to any qualified applicant an  
21 exploration license which will provide the exclu-  
22 sive right to explore for minerals, other than  
23 oil, gas, and sulphur, in an area lying within  
24 the United States exclusive economic zone and

1 the outer Continental Shelf adjacent to any ter-  
2 ritory or possession of the United States.

3 “(B) APPLICATION.—Subsection (a) shall  
4 not apply to any area conveyed by Congress to  
5 a territorial government for administration.

6 “(C) EXPLORATION LICENSE DURATION.—  
7 Exploration licenses granted under this para-  
8 graph will be issued for a period pursuant to  
9 regulations prescribed by the Secretary.

10 “(D) LEASE.—Upon showing to the satis-  
11 faction of the Secretary that valuable mineral  
12 deposits have been discovered by the licensee  
13 within the area described by the exploration li-  
14 cense of the licensee, the licensee will be enti-  
15 tled to a lease for any or all of that area at a  
16 royalty rate established by regulation and lease  
17 terms.

18 “(E) LEASE DURATION.—Leases under  
19 this section will be issued for a period estab-  
20 lished by regulation with a preferential right in  
21 the lessee to renew.”.

1 **SEC. 109. WIND LEASE SALES ON THE OUTER CONTI-**  
2 **NENTAL SHELF.**

3 The Outer Continental Shelf Lands Act (43 U.S.C.  
4 1331 et seq.) is amended by adding at the end the fol-  
5 lowing:

6 **“SEC. 33. WIND LEASE SALES ON THE OUTER CONTINENTAL**  
7 **SHELF.**

8 “(a) AUTHORIZATION.—The Secretary may conduct  
9 wind lease sales on the outer Continental Shelf.

10 “(b) WIND LEASE SALE PROCEDURE.—Any wind  
11 lease sale conducted under this section shall be considered  
12 a lease under section 8(p).

13 “(c) WIND LEASE SALE OFF COAST OF CALI-  
14 FORNIA.—The Secretary, in consultation with the Sec-  
15 retary of Defense, shall offer a wind lease sale on the outer  
16 Continental shelf off the coast of California as soon as  
17 practicable, but not later than one year after the date of  
18 enactment of this section.

19 “(d) WIND LEASE SALES OFF COAST OF PUERTO  
20 RICO, VIRGIN ISLANDS OF THE UNITED STATES, AND  
21 GUAM.—

22 “(1) STUDY ON FEASIBILITY OF CONDUCTING  
23 WIND LEASE SALES OFF COAST OF PUERTO RICO,  
24 VIRGIN ISLANDS OF THE UNITED STATES, AND  
25 GUAM.—

1           “(A) STUDY.—The Director of the Bureau  
2 of Ocean Energy Management shall conduct a  
3 study on the feasibility, including the long term  
4 economic feasibility, of conducting wind lease  
5 sales on the outer Continental Shelf off the  
6 coast of Puerto Rico, the Virgin Islands of the  
7 United States, and Guam.

8           “(B) SUBMISSION OF RESULTS.—Not later  
9 than 180 days after the date of the enactment  
10 of this section, the Director of the Bureau of  
11 Ocean Energy Management shall submit to  
12 Congress the results of the study conducted  
13 under subparagraph (A).

14           “(2) WIND LEASE SALES CONDITIONAL UPON  
15 RESULTS OF STUDY.—

16           “(A) WIND LEASE SALE OFF COAST OF  
17 PUERTO RICO.—If the study required under  
18 paragraph (1)(A) concludes that a wind lease  
19 sale on the outer Continental Shelf off the coast  
20 of Puerto Rico is feasible, then the Secretary  
21 shall offer a wind lease sale on the outer Conti-  
22 nental shelf off the coast of Puerto Rico as soon  
23 as practicable, but not later than one year after  
24 the date of the enactment of this section.



1           “(B) WIND LEASE SALE OFF COAST OF  
2 VIRGIN ISLANDS OF THE UNITED STATES.—If  
3 the study required under paragraph (1)(A) con-  
4 cludes that a wind lease sale on the outer Con-  
5 tinental Shelf off the coast of the Virgin Islands  
6 of the United States is feasible, then the Sec-  
7 retary shall offer a wind lease sale on the outer  
8 Continental shelf off the coast of the Virgin Is-  
9 lands of the United States as soon as prac-  
10 ticable, but not later than one year after the  
11 date of the enactment of this section.

12           “(C) WIND LEASE SALE OFF COAST OF  
13 GUAM.—If the study required under paragraph  
14 (1)(A) concludes that a wind lease sale on the  
15 outer Continental Shelf off the coast of Guam  
16 is feasible, then the Secretary shall offer a wind  
17 lease sale on the outer Continental shelf off the  
18 coast of Guam as soon as practicable, but not  
19 later than one year after the date of the enact-  
20 ment of this section.

21           “(e) WIND LEASE SALE OFF COAST OF HAWAII.—

22           “(1) STUDY ON FEASIBILITY OF CONDUCTING  
23 WIND LEASE SALES OFF COAST OF THE STATE OF  
24 HAWAII.—

1           “(A) STUDY.—The Secretary, in consulta-  
2           tion with the Secretary of Defense, shall con-  
3           duct a study on the feasibility of conducting  
4           wind lease sales on the outer Continental Shelf  
5           off the coast of the State of Hawaii.

6           “(B) SUBMISSION OF RESULTS.—Not later  
7           than 180 days after the date of the enactment  
8           of this section, the Secretary shall submit to  
9           Congress the results of the study conducted  
10          under subparagraph (A).

11          “(2) WIND LEASE SALES CONDITIONAL UPON  
12          RESULTS OF STUDY.—If the study required under  
13          paragraph (1)(A) concludes that a wind lease sale on  
14          the outer Continental Shelf off the coast of the State  
15          of Hawaii is feasible, then the Secretary shall offer  
16          a wind lease sale on the outer Continental shelf off  
17          the coast of the State of Hawaii as soon as prac-  
18          ticable, but not later than one year after the date of  
19          the enactment of this section.”.

20 **SEC. 110. REDUCING PERMITTING DELAYS FOR TAKING OF**  
21 **MARINE MAMMALS.**

22          (a) ADDRESSING PERMITS FOR TAKING OF MARINE  
23 MAMMALS.—Section 101(a)(5)(D) of the Marine Mammal  
24 Protection Act of 1972 (16 U.S.C. 1371(a)(5)(D)) is  
25 amended as follows:

1 (1) In clause (i)—

2 (A) by striking “citizens of the United  
3 States” and inserting “persons”;

4 (B) by striking “within a specific geo-  
5 graphic region”;

6 (C) by striking “of small numbers”;

7 (D) by striking “such citizens” and insert-  
8 ing “such persons”; and

9 (E) by striking “within that region”.

10 (2) In clause (ii)—

11 (A) in subclause (I), by striking “, and  
12 other means of effecting the least practicable  
13 impact on such species or stock and its habi-  
14 tat”;

15 (B) in subclause (III), by striking “re-  
16 quirements pertaining to the monitoring and re-  
17 porting of such taking by harassment, includ-  
18 ing” and inserting “efficient and practical re-  
19 quirements pertaining to the monitoring of such  
20 taking by harassment while the activity is being  
21 conducted and the reporting of such taking, in-  
22 cluding, as the Secretary determines nec-  
23 essary,”; and

24 (C) by adding at the end the following:

1 “Any condition imposed pursuant to subclause (I), (II),  
2 or (III) may not result in more than a minor change to  
3 the specified activity and may not alter the basic design,  
4 location, scope, duration, or timing of the specified activ-  
5 ity.”.

6 (3) In clause (iii), by striking “receiving an ap-  
7 plication under this subparagraph” and inserting  
8 “an application is accepted or required to be consid-  
9 ered complete under subclause (I)(aa), (II)(aa), or  
10 (IV) of clause (viii), as applicable,”.

11 (4) In clause (vi), by striking “a determination  
12 of ‘least practicable adverse impact on such species  
13 or stock’ under clause (i)(I)” and inserting “condi-  
14 tions imposed under subclause (I), (II), or (III) of  
15 clause (ii)”.

16 (5) By adding at the end the following:

17 “(viii)(I) The Secretary shall—

18 “(aa) accept as complete a written request for  
19 authorization under this subparagraph for incidental  
20 taking described in clause (i), by not later than 45  
21 days after the date of submission of the request; or

22 “(bb) provide to the requester, by not later than  
23 15 days after the date of submission of the request,  
24 a written notice describing any additional informa-  
25 tion required to complete the request.

1       “(II) If the Secretary provides notice under subclause  
2 (I)(bb), the Secretary shall, by not later than 30 days after  
3 the date of submission of the additional information de-  
4 scribed in the notice—

5               “(aa) accept the written request for authoriza-  
6 tion under this subparagraph for incidental taking  
7 described in clause (i); or

8               “(bb) deny the request and provide the re-  
9 quester a written explanation of the reasons for the  
10 denial.

11       “(III) The Secretary may not under this subpara-  
12 graph make a second request for information, request that  
13 the requester withdraw and resubmit the request, or other-  
14 wise delay a decision on the request.

15       “(IV) If the Secretary fails to respond to a request  
16 for authorization under this subparagraph in the manner  
17 provided in subclause (I) or (II), the request shall be con-  
18 sidered to be complete.

19       “(ix)(I) At least 90 days before the date of the expira-  
20 tion of any authorization issued under this subparagraph,  
21 the holder of such authorization may apply for a one-year  
22 extension of such authorization. The Secretary shall grant  
23 such extension within 14 days after the date of such re-  
24 quest on the same terms and without further review if  
25 there has been no substantial change in the activity car-

1 ried out under such authorization nor in the status of the  
2 marine mammal species or stock, as applicable, as re-  
3 ported in the final annual stock assessment reports for  
4 such species or stock.

5 “(II) In subclause (I) the term ‘substantial change’  
6 means a change that prevents the Secretary from making  
7 the required findings to issue an authorization under  
8 clause (i) with respect to such species or stock.

9 “(III) The Secretary shall notify the applicant of  
10 such substantial changes with specificity and in writing  
11 within 14 days after the applicant’s submittal of the exten-  
12 sion request.

13 “(x) If the Secretary fails to make the required find-  
14 ings and, as appropriate, issue the authorization within  
15 120 days after the application is accepted or required to  
16 be considered complete under subclause (I)(aa), (II)(aa),  
17 or (III) of clause (viii), as applicable, the authorization  
18 is deemed to have been issued on the terms stated in the  
19 application and without further process or restrictions  
20 under this Act.”.

21 (b) REMOVING DUPLICATIONS.—Section  
22 101(a)(5)(D) of the Marine Mammal Protection Act of  
23 1972 (16 U.S.C. 1371(a)(5)(D)), as amended by sub-  
24 section (a), is further amended by adding at the end the  
25 following:

1       “(xi) Any taking of a marine mammal in compliance  
 2 with an authorization under this subparagraph is exempt  
 3 from the prohibition on taking in section 9 of the Endan-  
 4 gered Species Act of 1973 (16 U.S.C. 1538). Any Federal  
 5 agency authorizing, funding, or carrying out an action  
 6 that results in such taking, and any agency action author-  
 7 izing such taking, is exempt from the requirement to con-  
 8 sult regarding potential impacts to marine mammal spe-  
 9 cies or designated critical habitat under section 7(a)(2)  
 10 of such Act (16 U.S.C. 1536(a)(2)).”.

## 11                   **TITLE II—ONSHORE**

### 12   **SEC. 201. SHORT TITLE.**

13       This title may be cited as the “Opportunities for the  
 14 Nation and States to Harness Onshore Resources for En-  
 15 ergy Act” or the “ONSHORE Act”.

### 16   **SEC. 202. COOPERATIVE FEDERALISM IN OIL AND GAS PER- 17                   MITTING ON AVAILABLE FEDERAL LAND.**

18       (a) IN GENERAL.—The Mineral Leasing Act (30  
 19 U.S.C. 181 et seq.) is amended—

20               (1) by redesignating section 44 as section 47;

21               and

22               (2) by adding after section 43 the following new  
 23               section:

1 **“SEC. 44. COOPERATIVE FEDERALISM IN OIL AND GAS PER-**  
2 **MITTING ON AVAILABLE FEDERAL LAND.**

3 “(a) AUTHORIZATIONS.—

4 “(1) IN GENERAL.—Upon receipt of an applica-  
5 tion under subsection (b), the Secretary may dele-  
6 gate to a State exclusive authority—

7 “(A) to issue an APD on available Federal  
8 land; or

9 “(B) to approve drilling plans on available  
10 Federal land.

11 “(2) SUNDRY NOTICES.—Any authorization  
12 under paragraph (1) may, upon the request of the  
13 State, include authority to issue sundry notices.

14 “(3) INSPECTION AND ENFORCEMENT.—Any  
15 authorization under paragraph (1) may, upon the re-  
16 quest of the State, include authorization to inspect  
17 and enforce an APD or drilling plan, as applicable.

18 “(b) STATE APPLICATION PROCESS.—

19 “(1) SUBMISSION OF APPLICATION.—A State  
20 may submit an application under subparagraph (A)  
21 or (B) of subsection (a)(1) to the Secretary at such  
22 time and in such manner as the Secretary may re-  
23 quire.

24 “(2) CONTENT OF APPLICATION.—An applica-  
25 tion submitted under this subsection shall include—



1           “(A) a description of the State program  
2           that the State proposes to administer under  
3           State law; and

4           “(B) a statement from the Governor or at-  
5           torney general of such State that the laws of  
6           such State provide adequate authority to carry  
7           out the State program.

8           “(3) DEADLINE FOR APPROVAL OR DIS-  
9           APPROVAL.—Not later than 180 days after the date  
10          of receipt of an application under this subsection,  
11          the Secretary shall approve or disapprove such appli-  
12          cation.

13          “(4) CRITERIA FOR APPROVAL.—The Secretary  
14          may approve an application received under this sub-  
15          section only if the Secretary has—

16               “(A) determined that the State applicant  
17               would be at least as effective as the Secretary  
18               in issuing APDs or in approving drilling plans,  
19               as applicable;

20               “(B) determined that the State program of  
21               the State applicant—

22                       “(i) complies with this Act; and

23                       “(ii) provides for the termination or  
24                       modification of an issued APD or approved

1 drilling plan, as applicable, for cause, in-  
2 cluding for—

3 “(I) the violation of any condi-  
4 tion of the issued APD or approved  
5 drilling plan;

6 “(II) obtaining the issued APD  
7 or approved drilling plan by misrepre-  
8 sentation; or

9 “(III) failure to fully disclose in  
10 the application all relevant facts;

11 “(C) determined that the State applicant  
12 has sufficient administrative and technical per-  
13 sonnel and sufficient funding to carry out the  
14 State program;

15 “(D) provided notice to the public, solicited  
16 public comment, and held a public hearing with-  
17 in the State;

18 “(E) determined that approval of the ap-  
19 plication would not result in decreased royalty  
20 payments owed to the United States under sec-  
21 tion 35(a), except as provided in subsection (e)  
22 of that section; and

23 “(F) in the case of a State applicant seek-  
24 ing authority under subsection (a)(3) to inspect  
25 and enforce APDs or drilling plans, as applica-

1           ble, entered into a memorandum of under-  
2           standing with a State applicant that delineates  
3           the Federal and State responsibilities with re-  
4           spect to such inspection and enforcement.

5           “(5) DISAPPROVAL.—If the Secretary dis-  
6           approves an application submitted under this sub-  
7           section, then the Secretary shall—

8                   “(A) notify, in writing, the State applicant  
9                   of the reason for the disapproval and any revi-  
10                  sions or modifications necessary to obtain ap-  
11                  proval; and

12                   “(B) provide any additional information,  
13                  data, or analysis upon which the disapproval is  
14                  based.

15           “(6) RESUBMITTAL OF APPLICATION.—A State  
16           may resubmit an application under this subsection  
17           at any time.

18           “(7) STATE MEMORANDUM OF UNDER-  
19           STANDING.—Before a State submits an application  
20           under this subsection, the Secretary may, at the re-  
21           quest of a State, enter into a memorandum of un-  
22           derstanding with the State regarding the proposed  
23           State program—

24                   “(A) to delineate the Federal and State re-  
25                  sponsibilities for oil and gas regulations;

1 “(B) to provide technical assistance; and

2 “(C) to share best management practices.

3 “(c) ADMINISTRATIVE FEES FOR APDS.—

4 “(1) IN GENERAL.—A State for which authority  
5 has been delegated under subsection (a)(1)(A) may  
6 collect a fee for each application for an APD that  
7 is submitted to the State.

8 “(2) NO COLLECTION OF FEE BY SEC-  
9 RETARY.—The Secretary may not collect a fee from  
10 the applicant or from the State for an application  
11 for an APD that is submitted to a State for which  
12 authority has been delegated under section  
13 44(a)(1)(A).

14 “(3) FEE AMOUNT.—The fee collected under  
15 paragraph (1) shall be less than or equal to the  
16 amount of the fee collected by the Secretary under  
17 section 35(d)(2) from States for which authority has  
18 not been delegated under subsection (a)(1)(A).

19 “(4) USE.—A State shall use 100 percent of  
20 the fees collected under this subsection for the ad-  
21 ministration of the approved State program of the  
22 State.

23 “(d) VOLUNTARY TERMINATION OF AUTHORITY.—A  
24 State may voluntarily terminate any authority delegated  
25 to such State under subsection (a) upon providing written

1 notice to the Secretary 60 days in advance. Upon expira-  
2 tion of such 60-day period, the Secretary shall resume any  
3 activities for which authority was delegated to the State  
4 under subsection (a).

5 “(e) APPEAL OF DENIAL OF APPLICATION FOR APD  
6 OR APPLICATION FOR APPROVAL OF DRILLING PLAN.—

7 “(1) IN GENERAL.—If a State for which the  
8 Secretary has delegated authority under subsection  
9 (a)(1) denies an application for an APD or an appli-  
10 cation for approval of a drilling plan, the applicant  
11 may appeal such decision to the Department of the  
12 Interior Office of Hearings and Appeals.

13 “(2) FEE ALLOWED.—The Secretary may  
14 charge the applicant a fee for the appeal referred to  
15 in paragraph (1).

16 “(f) FEDERAL ADMINISTRATION OF STATE PRO-  
17 GRAM.—

18 “(1) NOTIFICATION.—If the Secretary has rea-  
19 son to believe that a State is not administering or  
20 enforcing an approved State program, the Secretary  
21 shall notify the relevant State regulatory authority  
22 of any possible deficiencies.

23 “(2) STATE RESPONSE.—Not later than 30  
24 days after the date on which a State receives notifi-

1 cation of a possible deficiency under paragraph (1),  
2 the State shall—

3 “(A) take appropriate action to correct the  
4 possible deficiency; and

5 “(B) notify the Secretary of the action in  
6 writing.

7 “(3) DETERMINATION.—

8 “(A) IN GENERAL.—On expiration of the  
9 30-day period referred to in paragraph (2), if  
10 the Secretary determines that a violation of all  
11 or any part of an approved State program has  
12 resulted from a failure of the State to admin-  
13 ister or enforce the approved State program of  
14 the State or that the State has not dem-  
15 onstrated its capability and intent to administer  
16 or enforce such a program, the Secretary shall  
17 issue public notice of such a determination.

18 “(B) APPEAL.—A State may appeal the  
19 determination of the Secretary under subpara-  
20 graph (A) in the applicable United States Dis-  
21 trict Court. The Secretary may not resume ac-  
22 tivities under paragraph (4) pending the resolu-  
23 tion of the appeal.

24 “(4) RESUMPTION BY SECRETARY.—If the Sec-  
25 retary has made a determination under paragraph

1 (3), the Secretary shall resume any activities for  
2 which authority was delegated to the State during  
3 the period—

4 “(A) beginning on the date on which the  
5 Secretary issues the public notice under para-  
6 graph (3); and

7 “(B) ending on the date on which the Sec-  
8 retary determines that the State will administer  
9 or enforce, as applicable, the approved State  
10 program of the State.

11 “(5) STANDING.—States with approved regu-  
12 latory programs shall have standing to sue the Sec-  
13 retary for any action taken under this subsection.

14 “(g) DEFINITIONS.—In this section:

15 “(1) AVAILABLE FEDERAL LAND.—The term  
16 ‘available Federal land’ means any Federal land  
17 that—

18 “(A) is located within the boundaries of a  
19 State;

20 “(B) is not held by the United States in  
21 trust for the benefit of a federally recognized  
22 Indian Tribe or a member of such an Indian  
23 Tribe;

24 “(C) is not a unit of the National Park  
25 System;

1           “(D) is not a unit of the National Wildlife  
2           Refuge System, except for the portion of such  
3           unit for which oil and gas drilling is allowed  
4           under law;

5           “(E) is not a congressionally approved wil-  
6           derness area under the Wilderness Act (16  
7           U.S.C. 1131 et seq.); and

8           “(F) has been identified as land available  
9           for lease or has been leased for the exploration,  
10          development, and production of oil and gas—

11                  “(i) by the Bureau of Land Manage-  
12                  ment under—

13                          “(I) a resource management plan  
14                          under the process provided for in the  
15                          Federal Land Policy and Management  
16                          Act of 1976 (43 U.S.C. 1701 et seq.);  
17                          or

18                          “(II) an integrated activity plan  
19                          with respect to the National Petro-  
20                          leum Reserve in Alaska; or

21                          “(ii) by the Forest Service under a  
22                          National Forest management plan under  
23                          the Forest and Rangeland Renewable Re-  
24                          sources Planning Act of 1974 (16 U.S.C.  
25                          1600 et seq.).



1           “(2) DRILLING PLAN.—The term ‘drilling plan’  
2 means a plan described under section 3162.3–1(e) of  
3 title 43, Code of Federal Regulations (or successor  
4 regulation).

5           “(3) APD.—The term ‘APD’ means a permit—

6               “(A) that grants authority to drill for oil  
7 and gas; and

8               “(B) for which an application has been re-  
9 ceived that contains—

10                   “(i) a drilling plan;

11                   “(ii) a surface use plan of operations  
12 described under section 3162.3–1(f) of title  
13 43, Code of Federal Regulations (or suc-  
14 cessor regulation);

15                   “(iii) evidence of bond coverage; and

16                   “(iv) such other information as may  
17 be required by applicable orders and no-  
18 tices.

19           “(4) SECRETARY.—The term ‘Secretary’ means  
20 the Secretary of the Interior.

21           “(5) STATE.—The term ‘State’ means each of  
22 the several States.

23           “(6) STATE APPLICANT.—The term ‘State ap-  
24 plicant’ means a State that has submitted an appli-  
25 cation under subsection (b).

1           “(7) STATE PROGRAM.—The term ‘State pro-  
2           gram’ means a program that provides for a State  
3           to—

4                   “(A) issue APDs or approve drilling plans,  
5                   as applicable, on available Federal land; and

6                   “(B) impose sanctions for violations of  
7                   State laws, regulations, or any condition of an  
8                   issued APD or approved drilling plan, as appli-  
9                   cable.

10           “(8) SUNDRY NOTICE.—The term ‘sundry no-  
11           tice’ means a written request—

12                   “(A) to perform work not covered under an  
13                   APD or drilling plan; or

14                   “(B) for a change to operations covered  
15                   under an APD or drilling plan.”.

16           (b) INSPECTION FEES.—Section 108 of the Federal  
17           Oil and Gas Royalty Management Act of 1982 (30 U.S.C.  
18           1718) is amended by adding at the end the following:

19           “(d) INSPECTION FEES FOR CERTAIN STATES.—

20                   “(1) IN GENERAL.—The Secretary shall collect  
21                   nonrefundable inspection fees in the amount speci-  
22                   fied in paragraph (2), from each designated operator  
23                   under each oil and gas lease on Federal or Indian  
24                   land that is subject to inspection under subsection  
25                   (b) and that is located in a State for which the Sec-

1       retary has delegated authority under section  
2       44(a)(1)(A) of the Mineral Leasing Act.

3               “(2) AMOUNT.—The amount of the fees col-  
4       lected under paragraph (1) shall be—

5                       “(A) \$700 for each lease or unit or  
6       communitization agreement with no active or  
7       inactive wells, but with surface use, disturbance  
8       or reclamation;

9                       “(B) \$1,225 for each lease or unit or  
10      communitization agreement with 1 to 10 wells,  
11      with any combination of active or inactive wells;

12                      “(C) \$4,900 for each lease or unit or  
13      communitization agreement with 11 to 50 wells,  
14      with any combination of active or inactive wells;  
15      and

16                      “(D) \$9,800 for each lease or unit or  
17      communitization agreement with more than 50  
18      wells, with any combination of active or inactive  
19      wells.

20               “(3) ONSHORE ENERGY SAFETY FUND.—There  
21      is established in the Treasury a fund, to be known  
22      as the ‘Onshore Energy Safety Fund’ (referred to in  
23      this subsection as the ‘Fund’), into which shall be  
24      deposited all amounts collected as fees under para-

1 graph (1) and which shall be available as provided  
2 under paragraph (4).

3 “(4) AVAILABILITY OF FEES.—Notwithstanding  
4 section 3302 of title 31, United States Code, all  
5 amounts deposited in the Fund—

6 “(A) shall be credited as offsetting collec-  
7 tions;

8 “(B) shall be available for expenditure for  
9 purposes of carrying out inspections of onshore  
10 oil and gas operations in those States for which  
11 the Secretary has delegated authority under  
12 section 44(a)(1)(A) of the Mineral Leasing Act;

13 “(C) shall be available only to the extent  
14 provided for in advance in an appropriations  
15 Act; and

16 “(D) shall remain available until expended.

17 “(5) PAYMENT DUE DATE.—The Secretary  
18 shall require payment of any fee assessed under this  
19 subsection within 30 days after the Secretary pro-  
20 vides notice of the assessment of the fee.

21 “(6) PENALTY.—If a designated operator as-  
22 sessed a fee under this subsection fails to pay the  
23 full amount of the fee as prescribed in this sub-  
24 section, the Secretary may, in addition to utilizing  
25 any other applicable enforcement authority, assess

1 civil penalties against the operator under section 109  
2 in the same manner as if this section were a mineral  
3 leasing law.

4 “(7) NOTIFICATION TO STATE OF NONCOMPLI-  
5 ANCE.—If, on the basis of any inspection under sub-  
6 section (b), the Secretary determines that an oper-  
7 ator is in noncompliance with the requirements of  
8 mineral leasing laws and this chapter, the Secretary  
9 shall notify the State of such noncompliance imme-  
10 diately.”.

11 (c) EXISTING AUTHORITIES.—Section 390(a) of the  
12 Energy Policy Act of 2005 (42 U.S.C. 15942(a)) is  
13 amended—

14 (1) by striking “Action by the Secretary” and  
15 inserting “The Secretary”;

16 (2) by striking “with respect to any of the ac-  
17 tivities described in subsection (b) shall be subject to  
18 a rebuttable presumption that the use of” and in-  
19 serting “shall apply”; and

20 (3) by striking “would apply if the activity” and  
21 inserting “for each action described in subsection (b)  
22 if the action”.

1 **SEC. 203. CONVEYANCE TO CERTAIN STATES OF PROPERTY**  
2 **INTEREST IN STATE SHARE OF ROYALTIES**  
3 **AND OTHER PAYMENTS.**

4 (a) IN GENERAL.—Section 35 of the Mineral Leasing  
5 Act (30 U.S.C. 191) is amended—

6 (1) in the first sentence of subsection (a), by  
7 striking “shall be paid into the Treasury” and in-  
8 serting “shall, except as provided in subsection (e),  
9 be paid into the Treasury”;

10 (2) in subsection (c)(1), by inserting “and ex-  
11 cept as provided in subsection (e)” before “, any  
12 rentals”; and

13 (3) by adding at the end the following:

14 “(e) CONVEYANCE TO CERTAIN STATES OF PROP-  
15 erty INTEREST IN STATE SHARE.—

16 “(1) IN GENERAL.—Notwithstanding any other  
17 provision of law, on request of a State and in lieu  
18 of any payments to the State under subsection (a),  
19 the Secretary of the Interior shall convey to the  
20 State all right, title, and interest in and to the per-  
21 centage specified in that subsection for that State  
22 that would otherwise be required to be paid into the  
23 Treasury under that subsection.

24 “(2) AMOUNT.—Notwithstanding any other  
25 provision of law, after a conveyance to a State under  
26 paragraph (1), any person shall pay directly to the

1 State any amount owed by the person for which the  
2 right, title, and interest has been conveyed to the  
3 State under this subsection.

4 “(3) NOTICE.—The Secretary of the Interior  
5 shall promptly provide to each holder of a lease of  
6 public land to which subsection (a) applies that is lo-  
7 cated in a State to which right, title, and interest is  
8 conveyed under this subsection notice that—

9 “(A) the Secretary of the Interior has con-  
10 veyed to the State all right, title, and interest  
11 in and to the amounts referred to in paragraph  
12 (1); and

13 “(B) the leaseholder is required to pay the  
14 amounts directly to the State.

15 “(4) REPORT.—A State that has received a  
16 conveyance under this subsection shall report month-  
17 ly to the Office of Natural Resources Revenue of the  
18 Department of the Interior the amount paid to such  
19 State pursuant to this subsection.

20 “(5) APPLICATION WITH RESPECT TO  
21 FOGRMA.—With respect to the interest conveyed to  
22 a State under this subsection from sales, bonuses,  
23 royalties (including interest charges), and rentals  
24 collected under the Federal Oil and Gas Royalty  
25 Management Act of 1983 (30 U.S.C. 1701 et seq.),

1 this subsection shall only apply with respect to  
2 States for which the Secretary has delegated any au-  
3 thority under section 44(a)(1).”.

4 (b) ADMINISTRATIVE COSTS.—Section 35(b) of the  
5 Mineral Leasing Act (30 U.S.C. 191(b)) is amended by  
6 striking “In determining” and inserting “Except with re-  
7 spect to States for which the Secretary has delegated any  
8 authority under section 44(a)(1), in determining”.

9 (c) CONFORMING AMENDMENT.—Section 205(f) of  
10 the Federal Oil and Gas Royalty Management Act of 1982  
11 (30 U.S.C. 1735(f)) is amended by striking “All” in the  
12 seventh sentence and inserting “Subject to subsection (e)  
13 of section 35 of the Mineral Leasing Act (30 U.S.C. 191),  
14 all”.

15 **SEC. 204. PERMITTING ON NON-FEDERAL SURFACE ES-**  
16 **TATE.**

17 The Mineral Leasing Act (30 U.S.C. 181 et seq.) is  
18 amended by inserting after section 44 (as added by section  
19 202(a)(2)) the following:

20 **“SEC. 45. PERMITTING ON NON-FEDERAL SURFACE ESTATE.**

21 **“(a) PERMITS NOT REQUIRED FOR CERTAIN ACTIVI-**  
22 **TIES ON NON-FEDERAL SURFACE ESTATE.—**The fol-  
23 **lowing activities conducted on non-Federal surface estate**  
24 **shall not require a Bureau of Land Management drilling**  
25 **permit under the Federal Oil and Gas Royalty Manage-**



1 ment Act of 1982 (30 U.S.C. 1701 et seq.) or section  
2 3164.1 of title 43, Code of Federal Regulations (or suc-  
3 cessor regulation), and shall not be considered a major  
4 Federal action under the National Environmental Policy  
5 Act of 1969 (42 U.S.C. 4321 et seq.):

6           “(1) Oil and gas operations for the exploration  
7           for or development or production of oil and gas in  
8           a lease or unit or communitization agreement in  
9           which the United States holds a mineral ownership  
10          interest of 50 percent or less.

11          “(2) Oil and gas operations that may have po-  
12          tential drainage impacts, as determined by the Bu-  
13          reau of Land Management, on oil and gas in which  
14          the United States holds a mineral ownership inter-  
15          est.

16          “(b) DOI NOTIFICATION.—The Secretary of the In-  
17          terior shall provide to each State a map or list indicating  
18          Federal mineral ownership within that State.

19          “(c) STATE NOTIFICATION.—Each State that has  
20          issued an APD or approved a drilling plan that would im-  
21          pact or extract oil and gas owned by the United States  
22          shall notify the Secretary of the Interior within 7 days  
23          of issuing an APD.

24          “(d) ROYALTIES.—Nothing in this section shall affect  
25          the amount of royalties due to the United States under

1 this Act from the production of oil and gas or alter the  
2 Secretary’s authority to conduct audits and collect civil  
3 penalties pursuant to the Federal Oil and Gas Royalty  
4 Management Act of 1982 (30 U.S.C. 1711 et seq.).

5 “(e) APPLICATION.—This section shall only apply  
6 with respect to States for which the Secretary has dele-  
7 gated any authority under section 44(a)(1).”.

8 **SEC. 205. STATE AND TRIBAL AUTHORITY FOR HYDRAULIC**  
9 **FRACTURING REGULATION.**

10 The Mineral Leasing Act (30 U.S.C. 181 et seq.) is  
11 amended by inserting after section 45 (as added by section  
12 204) the following:

13 **“SEC. 46. STATE AND TRIBAL AUTHORITY FOR HYDRAULIC**  
14 **FRACTURING REGULATION.**

15 “(a) IN GENERAL.—The Secretary of the Interior  
16 shall not enforce any Federal regulation, guidance, or per-  
17 mit requirement regarding hydraulic fracturing relating to  
18 oil, gas, or geothermal production activities on or under  
19 any land in any State that has regulations, guidance, or  
20 permit requirements for that activity.

21 “(b) STATE AUTHORITY.—The Secretary of the Inte-  
22 rior shall defer to State regulations, guidance, and permit  
23 requirements for all activities regarding hydraulic frac-  
24 turing relating to oil, gas, or geothermal production activi-  
25 ties on Federal land.

1 “(c) TRANSPARENCY OF STATE REGULATIONS.—

2 “(1) IN GENERAL.—Each State shall submit to  
3 the Bureau of Land Management a copy of the reg-  
4 ulations of such State that apply to hydraulic frac-  
5 turing operations on Federal land, including those  
6 that require disclosure of chemicals used in hydrau-  
7 lic fracturing operations.

8 “(2) AVAILABILITY.—The Secretary of the In-  
9 terior shall make available to the public on the  
10 website of the Secretary the regulations submitted  
11 under paragraph (1).

12 “(d) TRIBAL AUTHORITY ON TRUST LAND.—The  
13 Secretary of the Interior shall not enforce any Federal reg-  
14 ulation, guidance, or permit requirement with respect to  
15 hydraulic fracturing on any land held in trust or restricted  
16 status for the benefit of a federally recognized Indian  
17 Tribe or a member of such an Indian Tribe, except with  
18 the express consent of the beneficiary on whose behalf  
19 such land is held in trust or restricted status.

20 “(e) HYDRAULIC FRACTURING DEFINED.—In this  
21 section the term ‘hydraulic fracturing’ means the process  
22 of creating small cracks, or fractures, in underground geo-  
23 logical formations for well stimulation purposes of bring-  
24 ing hydrocarbons into the wellbore and to the surface for  
25 capture.”.

1 **SEC. 206. REVIEW OF INTEGRATED ACTIVITY PLAN FOR**  
2 **THE NATIONAL PETROLEUM RESERVE IN**  
3 **ALASKA.**

4 The Secretary of the Interior shall—

5 (1) conduct a review of the National Petroleum  
6 Reserve-Alaska Final Integrated Activity Plan/Envi-  
7 ronmental Impact Statement, for which notice of  
8 availability was published in the Federal Register on  
9 December 28, 2012 (77 Fed. Reg. 76515), to deter-  
10 mine which lands within the National Petroleum Re-  
11 serve in Alaska should be made available for oil and  
12 gas leasing; and

13 (2) make available the lands described in para-  
14 graph (1) for oil and gas leasing.

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