

[DISCUSSION DRAFT]

115TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To distribute revenues from oil and gas leasing on the outer Continental Shelf to certain coastal States, to require sale of approved and scheduled offshore oil and gas leases, to establish offshore wind lease sale requirements, 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

M\_\_\_\_. \_\_\_\_\_ introduced the following bill; which was referred to the  
Committee on \_\_\_\_\_

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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 and scheduled offshore oil and gas leases, to establish offshore wind lease sale requirements, 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. TABLE OF CONTENTS.**

4 The table of contents for this Act is the following:

Sec. 1. 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.
- Sec. 205. Preferred oil and gas leasing areas.
- Sec. 206. State and Tribal authority for hydraulic fracturing regulation.
- Sec. 207. Review of Integrated Activity Plan for the National Petroleum Reserve in Alaska.

1 **TITLE I—OFFSHORE**

2 **SEC. 101. SHORT TITLE.**

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

5 **SEC. 102. DISPOSITION OF REVENUES FROM OIL AND GAS**

6 **LEASING ON THE OUTER CONTINENTAL**

7 **SHELF TO PRODUCING STATES.**

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

10 (1) by striking “All rentals” and inserting the  
11 following:

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

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

4 “(b) DISTRIBUTION OF REVENUE TO PRODUCING  
5 STATES.—

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

7 “(A) COVERED PLANNING AREA.—

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

19 “(I) Mid-Atlantic.

20 “(II) South Atlantic.

21 “(III) Any planning area located  
22 off the coast of Alaska.

23 “(ii) EXCLUSIONS.—The term ‘cov-  
24 ered planning area’ does not include any  
25 area in the Atlantic—

1 “(I) north of the southernmost  
2 lateral seaward administrative bound-  
3 ary of the State of Maryland; or

4 “(II) south of the northernmost  
5 lateral seaward administrative bound-  
6 ary of the State of Florida.

7 “(B) PRODUCING STATE.—The term ‘pro-  
8 ducing State’ means each of the following  
9 States:

10 “(i) Virginia.

11 “(ii) North Carolina.

12 “(iii) South Carolina.

13 “(iv) Georgia.

14 “(v) Alaska.

15 “(C) QUALIFIED REVENUES.—

16 “(i) IN GENERAL.—The term ‘quali-  
17 fied revenues’ means revenues derived from  
18 rentals, royalties, bonus bids, and other  
19 sums due and payable to the United States  
20 under oil and gas leases entered into on or  
21 after the date of the enactment of this Act  
22 for an area in a covered planning area.

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

1 “(I) revenues from the forfeiture  
2 of a bond or other surety securing ob-  
3 ligations other than royalties, civil  
4 penalties, or royalties taken by the  
5 Secretary in-kind and not sold; or

6 “(II) revenues generated from  
7 leases subject to section 8(g).

8 “(2) DEPOSIT OF QUALIFIED REVENUES.—

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

15 “(i) 87.5 percent into the general  
16 fund of the Treasury; and

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

19 “(B) PHASE II.—With respect to qualified  
20 revenues under leases awarded under the sec-  
21 ond leasing program approved under section  
22 18(a) that takes effect after the date of the en-  
23 actment of this section, the Secretary of the  
24 Treasury shall deposit or allocate, as applica-  
25 ble—

1 “(i) 75 percent into the general fund  
2 of the Treasury; and

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

5 “(C) PHASE III.—With respect to qualified  
6 revenues under leases awarded under the third  
7 leasing program approved under section 18(a)  
8 that takes effect after the date of the enact-  
9 ment of this section and under any such leasing  
10 program subsequent to such third leasing pro-  
11 gram, the Secretary of the Treasury shall de-  
12 posit or allocate, as applicable—

13 “(i) 50 percent into the general fund  
14 of the Treasury; and

15 “(ii) 50 percent into a special account  
16 in the Treasury from which the Secretary  
17 of the Treasury shall disburse—

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

20 “(II) 12.5 percent to the Sec-  
21 retary of Transportation for energy  
22 infrastructure development in coastal  
23 ports; and

24 “(III) 12.5 percent to the Sec-  
25 retary of the Interior for deferred

1 maintenance for units of the National  
2 Park System.

3 “(3) ALLOCATION TO PRODUCING STATES.—

4 “(A) IN GENERAL.—Subject to subpara-  
5 graph (B), the Secretary of the Treasury shall  
6 allocate the qualified revenues distributed to  
7 States under paragraph (2) to each producing  
8 State in an amount based on a formula estab-  
9 lished by the Secretary of the Interior, by regu-  
10 lation, that—

11 “(i) is inversely proportional to the re-  
12 spective distances between—

13 “(I) the point on the coastline of  
14 the producing State that is closest to  
15 the geographical center of the applica-  
16 ble leased tract; and

17 “(II) the geographical center of  
18 that leased tract;

19 “(ii) does not allocate qualified reve-  
20 nues to any producing State that is further  
21 than 200 nautical miles from the leased  
22 tract; and

23 “(iii) allocates not less than 10 per-  
24 cent of qualified revenues to each pro-

1           ducing State that is 200 or fewer nautical  
2           miles from the leased tract.

3           “(B) PAYMENTS TO COASTAL POLITICAL  
4           SUBDIVISIONS.—

5                   “(i) IN GENERAL.—The Secretary of  
6           the Treasury shall pay 20 percent of the  
7           allocable share of each producing State de-  
8           termined under this paragraph to the  
9           coastal political subdivisions of the pro-  
10          ducing State.

11                   “(ii) ALLOCATION.—The amount paid  
12          by the Secretary of the Treasury to coastal  
13          political subdivisions shall be allocated to  
14          each coastal political subdivision in accord-  
15          ance with subparagraphs (B) and (E) of  
16          section 31(b)(4).

17                   “(iii) DEFINITION OF COASTAL POLIT-  
18          ICAL SUBDIVISION.—In this subparagraph,  
19          the term ‘coastal political subdivision’  
20          means—

21                           “(I) a county equivalent subdivi-  
22                           sion of the State—

23                                   “(aa) all or part of which  
24                                   lies within the coastal zone of the  
25                                   State (as defined in section 304



1 of the Coastal Zone Management  
2 Act of 1972 (16 U.S.C. 1453));  
3 and

4 “(bb) the closest coastal  
5 point of which is not more than  
6 200 nautical miles from the geo-  
7 graphical center of any leased  
8 tract in the outer Continental  
9 Shelf region; or

10 “(II) a municipal subdivision of  
11 the State—

12 “(aa) the closest point of  
13 which is more than 200 nautical  
14 miles from the geographical cen-  
15 ter of a leased tract in the outer  
16 Continental Shelf region; and

17 “(bb) that is determined by  
18 the State to be a significant stag-  
19 ing area for oil and gas servicing,  
20 supply vessels, operations, sup-  
21 pliers, or workers.

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

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

4 “(B) remain available until expended;

5 “(C) be in addition to any amounts appro-  
6 priated under—

7 “(i) chapter 2003 of title 54, United  
8 States Code;

9 “(ii) any other provision of this Act;  
10 and

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

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

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

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

22 “(1) IN GENERAL.—The total amount of quali-  
23 fied outer Continental Shelf revenues described in  
24 section 102(9)(A)(ii) that are made available under

1 subsection (a)(2) shall remain available until ex-  
2 pended and shall not exceed—

3 “(A) for each of fiscal years 2018 through  
4 2027, \$500,000,000; and

5 “(B) for each of fiscal years 2028 through  
6 2058, \$749,800,000.”.

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

10 (a) LIMITATION ON WITHDRAWAL FROM DISPOSI-  
11 TION OF LANDS ON THE OUTER CONTINENTAL SHELF.—

12 Section 12 of the Outer Continental Shelf Lands Act (43  
13 U.S.C. 1341) is amended by amending subsection (a) to  
14 read as follows:

15 “(a) LIMITATION ON WITHDRAWAL.—

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

20 “(2) NATIONAL MARINE SANCTUARIES.—The  
21 President may withdraw from disposition any of the  
22 unleased lands of the outer Continental Shelf located  
23 in a national marine sanctuary designated in accord-  
24 ance with the National Marine Sanctuaries Act (16  
25 U.S.C. 1431 et seq.) or otherwise by statute.

1           “(3) EXISTING WITHDRAWALS.—Any with-  
2           drawal from disposition of lands on the outer Conti-  
3           nental Shelf before the date of the enactment of this  
4           subsection other than a withdrawal of an area in a  
5           national marine sanctuary designated in accordance  
6           with the National Marine Sanctuaries Act or in a  
7           national monument declared under section 320301  
8           of title 54, United States Code, or the Act of June  
9           8, 1906 (ch. 3060; 34 Stat. 225), and the with-  
10          drawals of from disposition of lands in the North  
11          Aleutian Basin Planning Area and North Bering  
12          Sea, shall have no force or effect.”.

13          (b) TERMINATION OF AUTHORITY TO ESTABLISH  
14          MARINE NATIONAL MONUMENTS.—Section 320301 of  
15          title 54, United States Code, is amended by adding at the  
16          end the following:

17          “(e) LIMITATION ON MARINE NATIONAL MONU-  
18          MENTS.—

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

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

6   **SEC. 105. MODIFICATION TO THE OUTER CONTINENTAL**  
7                           **SHELF LEASING PROGRAM.**

8           Section 18(e) of the Outer Continental Shelf Lands  
9   Act (43 U.S.C. 1344(e)) is amended by adding at the end  
10 the following: “The Secretary shall include in any such  
11 revised leasing program each unexecuted lease sale that  
12 was included in the most recent leasing program and the  
13 Secretary shall execute each such lease sale as close as  
14 practicable to the time specified in the most recent leasing  
15 program. Section 102(2)(C) of the National Environ-  
16 mental Policy Act of 1969 (42 U.S.C. 4332) shall be  
17 deemed to have been satisfied with respect to the execution  
18 of such unexecuted lease sales if the Secretary, in the Sec-  
19 retary’s sole discretion, determines that such section was  
20 satisfied with respect to such unexecuted lease sales for  
21 the most recent leasing program.”.

22   **SEC. 106. INSPECTION FEE COLLECTION.**

23           Section 22 of the Outer Continental Shelf Lands Act  
24 (43 U.S.C. 1348) is amended by adding at the end the  
25 following:

1 “(g) INSPECTION FEES.—

2 “(1) ESTABLISHMENT.—The Secretary of the  
3 Interior shall collect from the operators of facilities  
4 subject to inspection under subsection (c) non-re-  
5 fundable fees for such inspections—

6 “(A) at an aggregate level equal to the  
7 amount necessary to offset the annual expenses  
8 of inspections of outer Continental Shelf facili-  
9 ties (including mobile offshore drilling units) by  
10 the Secretary of the Interior; and

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

14 “(2) OCEAN ENERGY SAFETY FUND.—There is  
15 established in the Treasury a fund, to be known as  
16 the ‘Ocean Energy Enforcement Fund’ (referred to  
17 in this subsection as the ‘Fund’), into which shall be  
18 deposited all amounts collected as fees under para-  
19 graph (1) and which shall be available as provided  
20 under paragraph (3).

21 “(3) AVAILABILITY OF FEES.—

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

1 “(i) shall be credited as offsetting col-  
2 lections;

3 “(ii) shall be available for expenditure  
4 for purposes of carrying out inspections of  
5 outer Continental Shelf facilities (including  
6 mobile offshore drilling units) and the ad-  
7 ministration of the inspection program  
8 under this section;

9 “(iii) shall be available only to the ex-  
10 tent provided for in advance in an appro-  
11 priations Act; and

12 “(iv) shall remain available until ex-  
13 pended.

14 “(B) USE FOR FIELD OFFICES.—Not less  
15 than 75 percent of amounts in the Fund may  
16 be appropriated for use only for the respective  
17 Department of the Interior field offices where  
18 the amounts were originally assessed as fees.

19 “(4) INITIAL FEES.—Fees shall be established  
20 under this subsection for the fiscal year in which  
21 this subsection takes effect and the subsequent 10  
22 years, and shall not be raised, except as determined  
23 by the Secretary to be appropriate as an adjustment  
24 equal to the percentage by which the Consumer  
25 Price Index for the month of June of the calendar

1 year preceding the adjustment exceeds the Consumer  
2 Price Index for the month of June of the calendar  
3 year in which the claim was determined or last ad-  
4 justed.

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

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

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

16 “(C) \$31,500 for facilities with more than  
17 10 wells, with any combination of active or in-  
18 active wells.

19 “(6) FEES FOR DRILLING RIGS.—Fees shall be  
20 collected under this subsection for drilling rigs on a  
21 per inspection basis. Fees for fiscal year 2019 shall  
22 be—

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



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

3           “(7) BILLING.—The Secretary shall bill des-  
4           ignated operators under paragraph (5) annually,  
5           with payment required within 30 days of billing. The  
6           Secretary shall bill designated operators under para-  
7           graph (6) within 30 days of the end of the month  
8           in which the inspection occurred, with payment re-  
9           quired within 30 days after billing.

10           “(8) ANNUAL REPORTS.—

11           “(A) IN GENERAL.—Not later than 60  
12           days after the end of each fiscal year beginning  
13           with fiscal year 2019, the Secretary shall sub-  
14           mit to the Committee on Energy and Natural  
15           Resources of the Senate and the Committee on  
16           Natural Resources of the House of Representa-  
17           tives a report on the operation of the Fund dur-  
18           ing the fiscal year.

19           “(B) CONTENTS.—Each report shall in-  
20           clude, for the fiscal year covered by the report,  
21           the following:

22           “(i) A statement of the amounts de-  
23           posited into the Fund.

24           “(ii) A description of the expenditures  
25           made from the Fund for the fiscal year, in-

1 cluding the purpose of the expenditures  
2 and the additional hiring of personnel.

3 “(iii) A statement of the balance re-  
4 maining in the Fund at the end of the fis-  
5 cal year.

6 “(iv) An accounting of pace of permit  
7 approvals.

8 “(v) If fee increases are proposed, a  
9 proper accounting of the potential adverse  
10 economic impacts such fee increases will  
11 have on offshore economic activity and  
12 overall production.

13 “(vi) Recommendations to increase  
14 the efficacy and efficiency of offshore in-  
15 spections.

16 “(vii) Any corrective actions levied  
17 upon offshore inspectors as a result of any  
18 form of misconduct.

19 “(9) SUNSET.—No fee may be collected under  
20 this subsection for any fiscal year after fiscal year  
21 2029.”.

22 **SEC. 107. ARCTIC RULE SHALL HAVE NO FORCE OR EF-**  
23 **FECT.**

24 The rule entitled “Oil and Gas and Sulfur Operations  
25 on the Outer Continental Shelf – Requirements for Ex-

1 ploratory Drilling on the Arctic Outer Continental Shelf”  
2 and published in the Federal Register on July 15, 2016  
3 (81 Fed. Reg. 46478), shall have no force or effect.

4 **SEC. 108. APPLICATION OF OUTER CONTINENTAL SHELF**  
5 **LANDS ACT WITH RESPECT TO TERRITORIES**  
6 **OF THE UNITED STATES.**

7 Section 2 of the Outer Continental Shelf Lands Act  
8 (43 U.S.C. 1331) is amended—

9 (1) in paragraph (a), by inserting after “con-  
10 trol” the following: “or lying within the United  
11 States exclusive economic zone and the Continental  
12 Shelf adjacent to any territory of the United  
13 States”;

14 (2) in paragraph (p), by striking “and” after  
15 the semicolon at the end;

16 (3) in paragraph (q), by striking the period at  
17 the end and inserting “; and”; and

18 (4) by adding at the end the following:  
19 “(r) The term ‘State’ includes each territory of the  
20 United States.”.

21 **SEC. 109. WIND LEASE SALES ON THE OUTER CONTI-**  
22 **NENTAL SHELF.**

23 The Outer Continental Shelf Lands Act (43 U.S.C.  
24 1331 et seq.) is amended by adding at the end the fol-  
25 lowing:

1 **“SEC. 33. WIND LEASE SALES ON THE OUTER CONTINENTAL**  
2 **SHELF.**

3 “(a) ANNUAL WIND LEASE SALES.—The Secretary  
4 shall conduct not less than two wind lease sales on the  
5 outer Continental Shelf of a State each year and shall con-  
6 duct wind lease sales more frequently if the Secretary de-  
7 termines that such lease sales are necessary. Wind lease  
8 sales off the coast of Puerto Rico, the Virgin Islands of  
9 the United States, and Guam shall not count toward the  
10 two wind lease sales.

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

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

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

23 “(1) STUDY ON FEASIBILITY OF CONDUCTING  
24 WIND LEASE SALES OFF COAST OF PUERTO RICO,  
25 VIRGIN ISLANDS OF THE UNITED STATES, AND  
26 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.—Upon receipt of an applica-  
4 tion under subsection (b), the Secretary may delegate to  
5 a State exclusive authority—

6 “(1) to issue and enforce permits to drill on  
7 available Federal land; or

8 “(2) to approve and enforce drilling plans on  
9 available Federal land.

10 “(b) STATE APPLICATION PROCESS.—

11 “(1) SUBMISSION OF APPLICATION.—A State  
12 may submit an application under paragraph (1) or  
13 (2) of subsection (a) to the Secretary at such time  
14 and in such manner as the Secretary may require.

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

17 “(A) a description of the State program  
18 that the State proposes to administer under  
19 State law; and

20 “(B) a statement from the Governor or at-  
21 torney general of such State that the laws of  
22 such State provide adequate authority to carry  
23 out the State program.

24 “(3) DEADLINE FOR APPROVAL OR DIS-  
25 APPROVAL.—Not later than 180 days after the date  
26 of receipt of an application under this subsection,

1 the Secretary shall approve or disapprove such appli-  
2 cation.

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

6 “(A) determined that the State applicant  
7 would be at least as effective as the Secretary  
8 in issuing and enforcing permits to drill or in  
9 approving and enforcing drilling plans, as appli-  
10 cable;

11 “(B) determined that the State program of  
12 the State applicant—

13 “(i) complies with this Act; and

14 “(ii) provides for the termination or  
15 modification of a permit to drill or ap-  
16 proval of a drilling plan, as applicable, for  
17 cause, including for—

18 “(I) the violation of any condi-  
19 tion of such permit or approval;

20 “(II) obtaining such permit or  
21 approval by misrepresentation; or

22 “(III) failure to fully disclose in  
23 an application for a permit to drill or  
24 drilling plan all relevant facts;

1           “(C) determined that the State applicant  
2           has sufficient administrative and technical per-  
3           sonnel and sufficient funding to carry out the  
4           State program;

5           “(D) provided notice to the public, solicited  
6           public comment, and held a public hearing with-  
7           in the State; and

8           “(E) determined that approval of the ap-  
9           plication would not result in decreased royalty  
10          payments owed to the Federal Government  
11          under section 35(a), except as provided in sub-  
12          section (e) of that section.

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

16                 “(A) notify, in writing, the State applicant  
17                 of the reason for the disapproval and any revi-  
18                 sions or modifications necessary to obtain ap-  
19                 proval; and

20                 “(B) provide any additional information,  
21                 data, or analysis upon which the disapproval is  
22                 based.

23          “(6) RESUBMITTAL OF APPLICATION.—A State  
24          may resubmit an application under this subsection  
25          at any time.

1           “(7) STATE MEMORANDUM OF UNDER-  
2           STANDING.—Before a State submits an application  
3           for a State program under this subsection, the Sec-  
4           retary may, at the request of a State, enter into a  
5           memorandum of understanding with the State re-  
6           garding the proposed State program—

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

9                   “(B) to provide technical assistance; and

10                   “(C) to share best management practices.

11           “(c) FEES.—

12                   “(1) IN GENERAL.—A State for which authority  
13           has been delegated under subsection (a) may collect  
14           a fee for each new application for a permit to drill  
15           that is submitted to the State, on the condition that  
16           the amount of the fee charged shall be less than or  
17           equal to the amount of the fee charged by the Sec-  
18           retary under section 35(d)(2).

19                   “(2) 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 the 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 PER-  
6 MIT TO DRILL OR APPLICATION FOR APPROVAL OF  
7 DRILLING PLAN.—

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

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

17 “(f) FEDERAL ENFORCEMENT OF STATE PRO-  
18 GRAM.—

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

24 “(2) STATE RESPONSE.—Not later than 30  
25 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 enforce  
13 the approved State program of the State or  
14 that the State has not demonstrated its capa-  
15 bility and intent to enforce such a program, the  
16 Secretary shall issue public notice of such a de-  
17 termination.

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. Any action by the Secretary under  
22 paragraph (4) shall be suspended pending the  
23 resolution 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 enforce  
9 the approved State program of the State.

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

13 “(g) DEFINITIONS.—In this section:

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

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

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

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

1 “(D) is not a unit of the National Wildlife  
2 Refuge System;

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

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

9 “(i) by the Bureau of Land Manage-  
10 ment under—

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

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

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

24 “(2) DRILLING PLAN.—The term ‘drilling plan’  
25 means a plan described under section 3162.3–1(e) of

1 title 43, Code of Federal Regulations (or successor  
2 regulation).

3 “(3) PERMIT TO DRILL.—The term ‘permit to  
4 drill’ means a permit—

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

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

9 “(i) a drilling plan;

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

14 “(iii) evidence of bond coverage; and

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

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

20 “(5) STATE.—The term ‘State’ means—

21 “(A) each of the several States; and

22 “(B) the District of Columbia.

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 and enforce permits to drill or  
5                   approve and enforce drilling plans, as applica-  
6                   ble, on available Federal land; and

7                   “(B) impose sanctions for violations of  
8                   State laws, regulations, or any condition of a  
9                   permit to drill or approved drilling plan, as ap-  
10                  plicable.”.

11          (b) INSPECTION FEES FOR STATES WITH PRI-  
12          MACY.—Section 108 of the Federal Oil and Gas Royalty  
13          Management Act of 1982 (30 U.S.C. 1718) is amended  
14          by adding at the end the following:

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

16                  “(1) IN GENERAL.—The Secretary shall collect  
17                  nonrefundable inspection fees in the amount speci-  
18                  fied in paragraph (2), from each designated operator  
19                  under each oil and gas lease on Federal or Indian  
20                  land that is subject to inspection under subsection  
21                  (b) and that is located in a State for which the Sec-  
22                  retary has delegated authority under section  
23                  44(a)(1) of the Mineral Leasing Act.

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

1           “(A) \$700 for each lease or unit or  
2           communitization agreement with no active or  
3           inactive wells, but with surface use, disturbance  
4           or reclamation;

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

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

12          “(D) \$9,800 for each lease or unit or  
13          communitization agreement with more than 50  
14          wells, with any combination of active or inactive  
15          wells.

16          “(3) DEPOSIT INTO TREASURY.—The Secretary  
17          shall deposit all inspection fees collected under this  
18          subsection into the Treasury.

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

23          “(5) PENALTY.—If a designated operator as-  
24          sessed a fee under this subsection fails to pay the  
25          full amount of the fee as prescribed in this sub-

1 section, the Secretary may, in addition to utilizing  
2 any other applicable enforcement authority, assess  
3 civil penalties against the operator under section 109  
4 in the same manner as if this section were a mineral  
5 leasing law.

6 “(6) NOTIFICATION TO STATE OF ANY VIOLA-  
7 TION.—If, on the basis of any inspection under sub-  
8 section (b), the Secretary determines that an oper-  
9 ator has committed a violation, the Secretary shall  
10 notify the State of such violation immediately.”.

11 (c) EXISTING AUTHORITIES.—Section 390(a) of the  
12 Energy Policy Act of 2005 (42 U.S.C. 15942(a)) is  
13 amended by striking “a rebuttable presumption that”.

14 **SEC. 203. CONVEYANCE TO CERTAIN STATES OF PROPERTY**  
15 **INTEREST IN STATE SHARE OF ROYALTIES**  
16 **AND OTHER PAYMENTS.**

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

19 (1) in the first sentence of subsection (a), by  
20 striking “shall be paid into the Treasury” and in-  
21 sserting “shall, except as provided in subsection (e),  
22 be paid into the Treasury”;

23 (2) in subsection (c)(1), by inserting “and ex-  
24 cept as provided in subsection (e)” before “, any  
25 rentals”; and



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

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

4 “(1) IN GENERAL.—Notwithstanding any other  
5 provision of law, on request of a State and in lieu  
6 of any payments to the State under subsection (a),  
7 the Secretary of the Interior shall convey to the  
8 State all right, title, and interest in and to the per-  
9 centage specified in that subsection for that State  
10 that would otherwise be required to be paid into the  
11 Treasury under that subsection from sales, bonuses,  
12 royalties (including interest charges), and rentals for  
13 all public land or deposits located in the State.

14 “(2) AMOUNT.—Notwithstanding any other  
15 provision of law, after a conveyance to a State under  
16 paragraph (1), any person shall pay directly to the  
17 State any amount owed by the person for which the  
18 right, title, and interest has been conveyed to the  
19 State under this subsection.

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

1           “(A) the Secretary of the Interior has con-  
2           veyed to the State all right, title, and interest  
3           in and to the amounts referred to in paragraph  
4           (1); and

5           “(B) the leaseholder is required to pay the  
6           amounts directly to the State.

7           “(4) REPORT.—A State that has received a  
8           conveyance under this subsection shall report annu-  
9           ally to the Office of Natural Resources Revenue of  
10          the Department of the Interior the amount paid to  
11          such State pursuant to this subsection.

12          “(5) APPLICATION.—With respect to the  
13          amounts conveyed to a State under this section from  
14          sales, bonuses, royalties (including interest charges),  
15          and rentals collected under the Federal Oil and Gas  
16          Royalty Management Act of 1983 (30 U.S.C. 1701  
17          et seq.), this subsection shall only apply with respect  
18          to States for which the Secretary has delegated any  
19          authority under section 44(a).”.

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

1 (c) CONFORMING AMENDMENT.—Section 205(f) of  
2 the Federal Oil and Gas Royalty Management Act of 1982  
3 (30 U.S.C. 1735(f)) is amended by striking “All” in the  
4 seventh sentence and inserting “Subject to subsection (e)  
5 of section 35 of the Mineral Leasing Act (30 U.S.C. 191),  
6 all”.

7 **SEC. 204. PERMITTING ON NON-FEDERAL SURFACE.**

8 The Mineral Leasing Act (30 U.S.C. 181 et seq.) is  
9 amended by inserting after section 44 (as added by section  
10 202(a)(2)) the following:

11 **“SEC. 45. PERMITTING ON NON-FEDERAL SURFACE.**

12 “(a) PERMITS NOT REQUIRED FOR CERTAIN ACTIVI-  
13 TIES ON NON-FEDERAL SURFACE.—The following activi-  
14 ties conducted on non-Federal surface shall not require  
15 a permit from the Bureau of Land Management and shall  
16 not be considered a major Federal action under the Na-  
17 tional Environmental Policy Act of 1969 (42 U.S.C. 4321  
18 et seq.):

19 “(1) Oil and gas operations for the exploration  
20 for or development or production of oil and gas in  
21 which the United States holds a mineral ownership  
22 interest.

23 “(2) Oil and gas operations that may have po-  
24 tential drainage impacts, as determined by the Bu-  
25 reau of Land Management, on oil and gas in which

1 the United States holds a mineral ownership inter-  
2 est.

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

6 “(c) STATE NOTIFICATION.—Each State with an ap-  
7 proved permit to drill or drilling plan that would impact  
8 or extract oil and gas owned by the Federal Government  
9 shall notify the Secretary of the Interior of the approved  
10 permit to drill or drilling plan.

11 “(d) ROYALTIES.—Nothing in this section shall affect  
12 the amount of royalties due to the United States under  
13 this Act from the production of oil and gas.

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

17 **SEC. 205. PREFERRED OIL AND GAS LEASING AREAS.**

18 Section 202 of the Federal Land Policy and Manage-  
19 ment Act of 1976 (43 U.S.C. 1712) is amended by adding  
20 at the end the following:

21 “(g) DESIGNATION OF PREFERRED OIL AND GAS  
22 LEASING AREAS.—

23 “(1) IN GENERAL.—For each land use plan de-  
24 veloped or revised under this section, the Secretary

1 shall designate in such plan any preferred oil and  
2 gas leasing areas.

3 “(2) UPDATE OF EXISTING LAND USE PLANS.—

4 “(A) IN GENERAL.—Not later than one  
5 year, or as soon as practicable, after the date  
6 of the enactment of the ONSHORE Act, the  
7 Secretary shall update each existing land use  
8 plan to designate in such plan any preferred oil  
9 and gas leasing areas.

10 “(B) PRIORITY.—The Secretary shall  
11 prioritize updating land use plans for public  
12 land that has the greatest potential for oil and  
13 gas development.

14 “(3) LEASING.—After the Secretary has des-  
15 ignated a preferred oil and gas leasing area under  
16 this subsection, the Secretary shall hold an oil and  
17 gas lease sale for such leasing area as soon as prac-  
18 ticable.

19 “(4) REPORT TO CONGRESS.—After finalizing  
20 any land use plan, revision, or amendment, the Sec-  
21 retary shall make public on the website of the Sec-  
22 retary a report on the estimated cost of closing pub-  
23 lic lands subject to such land use plan to oil and gas  
24 development.

1 “(5) NEPA.—Conducting an oil and gas lease  
2 sale within a preferred oil and gas leasing area shall  
3 not be considered a major Federal action under the  
4 National Environmental Policy Act of 1969 (42  
5 U.S.C. 4321 et seq.).

6 “(6) PROCEDURE.—The Secretary shall con-  
7 duct lease sales and issue lease stipulations accord-  
8 ing to existing land use plans and shall not base  
9 leasing activities on revised land use plans until such  
10 plans are finalized and approved by the Secretary.

11 “(7) DEFINITION OF PREFERRED OIL AND GAS  
12 LEASING AREA.—In this subsection, the term ‘pre-  
13 ferred oil and gas leasing area’ means an area that  
14 is open for oil and gas leasing without a major con-  
15 straint, as determined by the Bureau of Land Man-  
16 agement.”.

17 **SEC. 206. STATE AND TRIBAL AUTHORITY FOR HYDRAULIC**  
18 **FRACTURING REGULATION.**

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

22 **“SEC. 46. STATE AND TRIBAL AUTHORITY FOR HYDRAULIC**  
23 **FRACTURING REGULATION.**

24 “(a) IN GENERAL.—The Secretary of the Interior  
25 shall not enforce any Federal regulation, guidance, or per-

1 mit requirement regarding hydraulic fracturing relating to  
2 oil, gas, or geothermal production activities on or under  
3 any land in any State that has regulations, guidance, or  
4 permit requirements for that activity.

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

10 “(c) TRANSPARENCY OF STATE REGULATIONS.—

11 “(1) IN GENERAL.—Each State shall submit to  
12 the Bureau of Land Management a copy of the reg-  
13 ulations of such State that apply to hydraulic frac-  
14 turing operations on Federal land, including those  
15 that require disclosure of chemicals used in hydrau-  
16 lic fracturing operations.

17 “(2) AVAILABILITY.—The Secretary of the In-  
18 terior shall make available to the public on the  
19 website of the Secretary the regulations submitted  
20 under paragraph (1).

21 “(d) TRIBAL AUTHORITY ON TRUST LAND.—The  
22 Secretary of the Interior shall not enforce any Federal reg-  
23 ulation, guidance, or permit requirement with respect to  
24 hydraulic fracturing on any land held in trust or restricted  
25 status for the benefit of a federally recognized Indian

1 Tribe or a member of such an Indian Tribe, except with  
2 the express consent of the beneficiary on whose behalf  
3 such land is held in trust or restricted status.

4 “(e) HYDRAULIC FRACTURING DEFINED.—In this  
5 section the term ‘hydraulic fracturing’ means the process  
6 of creating small cracks, or fractures, in underground geo-  
7 logical formations for well stimulation purposes of bring-  
8 ing hydrocarbons into the wellbore and to the surface for  
9 capture.”.

10 **SEC. 207. REVIEW OF INTEGRATED ACTIVITY PLAN FOR**  
11 **THE NATIONAL PETROLEUM RESERVE IN**  
12 **ALASKA.**

13 The Secretary of the Interior shall—

14 (1) conduct a review of the National Petroleum  
15 Reserve–Alaska Final Integrated Activity Plan/Envi-  
16 ronmental Impact Statement, for which notice of  
17 availability was published in the Federal Register on  
18 December 28, 2012 (77 Fed. Reg. 76515), to deter-  
19 mine which lands within the National Petroleum Re-  
20 serve in Alaska should be made available for oil and  
21 gas leasing; and

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