[DISCUSSION DRAFT]

115TH CONGRESS 2D SESSION

H. R. ________

To amend the Mineral Leasing Act and the Outer Continental Shelf Lands Act to enhance State management of Federal lands and waters, 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 amend the Mineral Leasing Act and the Outer Continental Shelf Lands Act to enhance State management of Federal lands and waters, and for other purposes.

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

2 SECTION 1. SHORT TITLE.

3 This Act may be cited as the “Enhancing State Management of Federal Lands and Waters Act”.

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TITLE I—ONSHORE

SECTION 1001. ENHANCED MANAGEMENT REGIONS.

(a) In General.—The Mineral Leasing Act (30 U.S.C. 181 et seq.) is amended by—

(1) redesignating section 44 as section 45; and

(2) inserting after section 43 the following:

“SEC. 44. ENHANCED MANAGEMENT REGIONS.

“(a) Definitions.—In this section:

“(1) available Federal land.—The term ‘available Federal land’ means Federal land that—

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

“(B) is not held by the United States in trust for the benefit of a federally recognized Indian Tribe;

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

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

“(E) is not a Congressionally-approved wilderness area under the Wilderness Act (16 U.S.C. 1131 et seq.); and

“(F) is managed by the Director of the Bureau of Land Management or the Director of the Forest Service."
“(2) Enhanced management region.—The term ‘enhanced management region’ means available Federal land for which the Secretary of the Interior has delegated to the State authority under this section to manage oil and gas leasing, permitting, and production.

“(3) Enhanced management region program.—The term ‘enhanced management region program’ means a management plan that meets the requirements in subsection (i).

“(4) Secretary concerned.—The term ‘Secretary concerned’ means—

“(A) the Secretary of the Interior with respect to land administered by the Secretary of the Interior; or

“(B) the Secretary of Agriculture with respect to land administered by the Secretary of Agriculture.

“(b) Application to establish enhanced management region.—

“(1) Submission of enhanced management region program.—To assume exclusive jurisdiction over the leasing, permitting, and regulation of oil and gas exploration, development, and production within an area of available Federal land, a State
shall submit to the Secretary of the Interior an application including—

“(2) a map depicting the area that the State intends to administer as an enhanced management region;

“(3) a description of the enhanced management region program that the State proposes to develop for such region; and

“(4) a statement from the Governor or attorney general of such State that the laws of such State provide adequate authority to carry out the enhanced management region program.

“(5) Deadline for approval or disapproval.—Not later than 60 days after the date of receipt of an application under this subsection, or 30 days in the case of an application submitted under subsection (c), the Secretary of the Interior shall approve or disapprove such application.

“(6) Consultation with Secretary of Agriculture.—If an application submitted under this section is for an area that includes land managed by the Director of the Forest Service, the Secretary of the Interior shall consult the Secretary of Agriculture on the approval or disapproval of such application.
“(7) **Effect of Approval of an Enhanced Management Region Program.**—Upon the approval by the Secretary of the Interior of an application under this section, the relevant State shall assume exclusive jurisdiction over the leasing, permitting, and regulation of oil and gas exploration, development, and production within the enhanced management region described in such application in accordance with the enhanced management region program described in such application.

“(c) **Establishment of Enhanced Management Region Without Application.**—Before holding a public lease sale under this Act for a parcel included in an oil and gas lease sale on available Federal land, the Secretary of the Interior shall notify the State and provide the State 30 days to submit an application under this section for such parcel.

“(d) **State Action.**—Any action by a State to lease, permit, or regulate oil and gas exploration, development, or production, and any lease or permit issued by a State pursuant to the State’s authority under this section, shall not be considered a Federal action, Federal permit, or Federal license under—
“(1) subchapter II of chapter 5 of title 5, United States Code (commonly known as the Administrative Procedures Act);

“(2) section 306108 of title 54, United States Code (commonly known as the National Historic Preservation Act);

“(3) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); or

“(4) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

“(e) Resource Management Plans.—The Secretary concerned shall not enforce a resource management plan in an enhanced management region.

“(f) Distribution of Revenues.—

“(1) In the case of increased revenues.—

“(A) In general.—If in a fiscal year the oil and gas production in an enhanced management region yields an amount of bonus bids, rentals, and royalties that is greater than the amount of bonus bids, rentals, and royalties yielded on average over the previous 5 fiscal years, then the State that manages such enhanced management region shall receive 60 percent of such amount.
“(B) Administrative Fee.—The 2 percent administrative fee authorized in section 35(b) of the Mineral Leasing Act (30 U.S.C. 191(b)) shall be waived for a State described in subparagraph (A).

“(2) In the case of decreased revenues.—

“(A) In general.—If in a fiscal year the oil and gas production in an enhanced management region yields an amount of bonus bids, rentals, and royalties that is lower than the amount of bonus bids, rentals, and royalties yielded on average over the previous 5 fiscal years, and if the Secretary determines that such lower amount is not due to factors listed in subparagraph (B), then the State that manages such enhanced management region shall receive 20 percent of such amount.

“(B) Factors.—The factors described in subparagraph (A) are the following:

“(i) Factors other than market conditions.

“(ii) Decreases in available acreage within the enhanced management region for drilling.
“(3) NOTIFICATION OF REVENUE SHARE.—The Secretary of the Interior shall notify each State of the percentage of revenue share the Secretary has determined under this subsection that such State shall receive.

“(g) LOST PRODUCTION FEE.—

“(1) REQUIREMENT TO PAY FEE.—The Secretary shall revoke the authority to manage an enhanced management region granted under this section to a State described in subsection (f)(2)(A) unless the State pays to the Secretary a lost production fee as calculated under paragraph (2) not later than 30 days after the State has received notification under subsection (f)(3).

“(2) CALCULATION OF FEE.—The Secretary shall determine the amount of a lost production fee with respect to an enhanced management region based on—

“(A) the amount of bonus bids, rentals, and royalties yielded on average over the previous 5 fiscal years from such enhanced management region; or

“(B) in the case of an enhanced management region production that has not yielded any bonus bids, rentals, or royalties, the greater of
the amount of bonus bids, rentals, and royalties yielded from—

“(i) the nearest producing region to the enhanced management region of a similar size; or

“(ii) producing regions within 50 miles of the enhanced management region that are collectively of a similar size.

“(h) Leases Enter Into Before Establishment of Enhanced Management Region.—A State shall obtain approval of the lessee or a lease entered into before the establishment of the enhanced management region before managing such lease in accordance with an enhanced management region program.

“(i) Enhanced Management Region Program.—An enhanced management region program developed under this section shall—

“(1) be developed and administered by the State under State law;

“(2) be for a period of 5 years; and

“(3) describe a management plan over the leasing, permitting, and regulation of oil and gas exploration, development, and production within an enhanced management region.”.
TITLE II—OFFSHORE

SEC. 2001. MAPPING THE OUTER CONTINENTAL SHELF.

The Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) is amended by adding at the end the following:

“SEC. 33. OCS GEOLOGICAL AND GEOPHYSICAL MAPPING PROGRAM.

“(a) IN GENERAL.—Not later than 1 year after the date of the enactment of this section, the Secretary shall establish a program, to be known as the ‘OCS Geological and Geophysical Mapping Program’, to conduct geological and geophysical mapping of the outer Continental Shelf, including mapping of reserves of oil and gas.

“(b) DATA COLLECTION.—To conduct the mapping under subsection (a), the Secretary shall—

“(1) consolidate relevant data collected by public sources and, to the extent practicable, relevant data collected by private sources; and

“(2) supplement such data, as necessary, by conducting geological and geophysical surveys of the outer Continental Shelf.

“(c) MAINTENANCE.—The Secretary shall maintain and regularly update maps created under the OCS Geological and Geophysical Mapping Program.

“(d) CONFIDENTIALITY.—
“(1) Exemption from Public Disclosure Requirements.—Data collected under this section is exempt from public disclosure requirements, including such requirements under—

“(A) this Act;

“(B) the Freedom of Information Act (5 U.S.C. 552); and

“(C) any regulations promulgated under such Acts.

“(2) Consent for Publication of Data.—
The Secretary may not provide data collected under this section to the public without the written consent of the party supplying such data.”.

SEC. 2002. STATE APPROVAL OR DISAPPROVAL OF LEASE BLOCKS ON THE OUTER CONTINENTAL SHELF.

(a) In General.—Section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344) is amended by adding at the end the following:

“(i) State Approval or Disapproval of Lease Blocks on the Outer Continental Shelf.—

“(1) In General.—The Secretary shall offer to each State the option to approve or disapprove each lease block of a lease sale contained in an oil and gas leasing program prepared under this section for
an area located on the area of the outer Continental
Shelf that is within the State’s administrative
boundaries, as such boundaries are determined by
the Director of the Bureau on Ocean Energy Man-
agement.

“(2) TIMING OF REQUEST.—Any approval or
disapproval under paragraph (1) shall be sent to the
Secretary in writing not later than 45 days after the
Secretary publishes in the Federal Register a pro-
posed notice of sale with respect to the lease sale.

“(3) FAILURE TO EXERCISE OPTION.—In the
instance that the relevant State has neither ap-
proved nor disapproved a lease block under para-
graph (1) by the end of the period described in para-
graph (2), the Secretary may consider the lease
block to be approved by the State.

“(4) EFFECT OF DISAPPROVAL.—During the
10-year period beginning on the date of a lease sale
described in paragraph (1), the Secretary may not
offer for lease for oil and gas exploration, produc-
tion, or development under this Act any lease block
within such lease sale that a State has disapproved
under paragraph (1)—

“(A) with respect to a State that has dis-
approved under paragraph (1) a number of
lease blocks that is equal to not more than 50 percent of the total number of lease blocks within such lease sale; or]

“(B) with respect to a State that has—

(i) disapproved under paragraph (1) a number of lease blocks that is equal to 50 percent or more of the total number lease blocks within such lease sale; and]

(ii) not later than one month after the date of such lease sale, paid to the United States the amount calculated under paragraph (5).]

(5) CALCULATION OF PAYMENT.—

(A) IN GENERAL.—The amount to be paid by a State under paragraph (4)(B)(ii) shall be an amount equal to the anticipated valuation calculated under subparagraph (B) multiplied by a percentage equal to—

(i) 10 percent; and]

(ii) an additional 10 percent for each lease block in addition to the number of lease blocks described in paragraph (4)(B)(i).]
“(B) Calculation of anticipated valuation.—With respect to each lease sale scheduled in an oil and gas leasing program prepared under this section, the Secretary shall calculate an anticipated valuation based on proven mineral potential, oil prices, lease sale demand during the preceding 5 years, estimated lease sale demand during the subsequent 5 years, and projection of lost royalty revenues.”

“(6) Revenue sharing.—The Secretary shall disburse to a State that has—

“(A) approved under paragraph (1) all of the lease blocks in a lease sale described in paragraph (1), 50 percent of the bonus bids, rentals, and royalties received by the Secretary under a lease for oil and gas for areas on such lease blocks; or

“(B) approved under paragraph (1) not less than 50 percent of the lease blocks in a lease sale described in paragraph (1), [_____] percent of the bonus bids, rentals, and royalties received by the Secretary under a lease for oil and gas for areas on such lease blocks.”.”
(b) DEFINITIONS.—Section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331) is amended by adding at the end the following:

“(r) The term ‘lease block’ means an area of land that the Secretary has designated as a lease block and assigned a lease block number.

“(s) The term ‘producing State’ means a State, including any area within the administrative boundaries of such State, as such boundaries are determined by the Director of the Bureau on Ocean Energy Management, in which oil and gas was produced on the outer Continental Shelf under this Act in a fiscal year.”.