

112TH CONGRESS
1ST SESSION

H. R. 1682

To promote alternative and renewable fuels and domestic energy production,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 3, 2011

Mr. ROSS of Arkansas introduced the following bill; which was referred to the Committee on Natural Resources, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To promote alternative and renewable fuels and domestic
energy production, 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 “American-Made Energy Act of 2011”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—AMERICAN-MADE ENERGY TRUST FUND

Sec. 101. American-Made Energy Trust Fund.

TITLE II—DEVELOPMENT OF OIL AND GAS RESOURCES OF THE
COASTAL PLAIN OF ALASKA

- Sec. 201. Definitions.
 Sec. 202. Leasing program for lands within the Coastal Plain.
 Sec. 203. Lease sales.
 Sec. 204. Grant of leases by the Secretary.
 Sec. 205. Lease terms and conditions.
 Sec. 206. Coastal plain environmental protection.
 Sec. 207. Expedited judicial review.
 Sec. 208. Federal and State distribution of revenues.
 Sec. 209. Rights-of-way across the Coastal Plain.
 Sec. 210. Conveyance.
 Sec. 211. Local government impact aid and community service assistance.

TITLE III—OFFSHORE OIL AND GAS LEASING

- Sec. 301. Termination of prohibitions on expenditures for, and withdrawals from, offshore leasing.
 Sec. 302. Sharing of revenues.

1 **TITLE I—AMERICAN-MADE**
 2 **ENERGY TRUST FUND**

3 **SEC. 101. AMERICAN-MADE ENERGY TRUST FUND.**

4 (a) ESTABLISHMENT OF TRUST FUND.—There is es-
 5 tablished in the Treasury of the United States a trust fund
 6 to be known as the “American-Made Energy Trust Fund”,
 7 consisting of such amounts as may be appropriated or
 8 credited to the American-Made Energy Trust Fund as
 9 provided in this section.

10 (b) TRANSFERS TO TRUST FUND.—

11 (1) IN GENERAL.—There are hereby appro-
 12 priated to the American-Made Energy Trust Fund
 13 amounts required to be transferred under section
 14 208 of this Act and under section 8(g)(6) of the

1 Outer Continental Shelf Lands Act (as added by sec-
2 tion 302 of this Act).

3 (2) INVESTMENT.—

4 (A) IN GENERAL.—The Secretary of the
5 Treasury shall invest such portion of the Amer-
6 ican-Made Energy Trust Fund as is not, in the
7 Secretary's judgment, required to meet current
8 withdrawals. Such investments may be made
9 only in interest-bearing obligations of the
10 United States. For purposes of this paragraph
11 rules similar to the rules of section 9602(b) of
12 the Internal Revenue Code of 1986 shall apply.

13 (B) INTEREST ON CERTAIN PROCEEDS.—
14 The interest on, and the proceeds from the sale
15 or redemption of, any obligations held in the
16 American-Made Energy Trust Fund shall be
17 credited to and form a part of the Trust Fund.

18 (c) EXPENDITURES FROM AMERICAN-MADE ENERGY
19 TRUST FUND.—Amounts in the American-Made Energy
20 Trust Fund shall be available in any year to the Secretary
21 of Energy for alternative and renewable energy incentives
22 and projects, including with respect to—

23 (1) wind resources,

24 (2) solar resources,

25 (3) biomass resources,

- 1 (4) biodiesel and renewable diesel resources,
- 2 (5) renewable jet fuel,
- 3 (6) waste to energy, including municipal solid
- 4 waste technology and technologies to convert renew-
- 5 able biomass to electricity, biogas, and synthesis gas,
- 6 (7) geothermal resources,
- 7 (8) hydropower,
- 8 (9) nuclear power,
- 9 (10) carbon capture and sequestration, includ-
- 10 ing where carbon capture and sequestration tech-
- 11 nology is retrofitted,
- 12 (11) coal to liquid technology,
- 13 (12) energy efficiency measures,
- 14 (13) compressed natural gas, or
- 15 (14) liquified natural gas.

16 **TITLE II—DEVELOPMENT OF OIL**
17 **AND GAS RESOURCES OF THE**
18 **COASTAL PLAIN OF ALASKA**

19 **SEC. 201. DEFINITIONS.**

20 In this title:

- 21 (1) **COASTAL PLAIN.**—The term “Coastal
- 22 Plain” means that area described in appendix I to
- 23 part 37 of title 50, Code of Federal Regulations.

1 velopment, and production to all exploration, devel-
2 opment, and production operations under this title
3 in a manner that ensures the receipt of fair market
4 value by the public for the mineral resources to be
5 leased.

6 The Secretary shall not commence leasing under the pro-
7 gram described in paragraph (1) unless a finding has been
8 made that bonus bids for offered leases are estimated to
9 be not less than \$6,000,000,000.

10 (b) REPEAL.—

11 (1) REPEAL.—Section 1003 of the Alaska Na-
12 tional Interest Lands Conservation Act of 1980 (16
13 U.S.C. 3143) is repealed.

14 (2) CONFORMING AMENDMENT.—The table of
15 contents in section 1 of such Act is amended by
16 striking the item relating to section 1003.

17 (c) COMPLIANCE WITH REQUIREMENTS UNDER CER-
18 TAIN OTHER LAWS.—

19 (1) COMPATIBILITY.—For purposes of the Na-
20 tional Wildlife Refuge System Administration Act of
21 1966 (16 U.S.C. 668dd et seq.), the oil and gas
22 leasing program and activities authorized by this
23 section in the Coastal Plain are deemed to be com-
24 patible with the purposes for which the Arctic Na-
25 tional Wildlife Refuge was established, and no fur-

1 ther findings or decisions are required to implement
2 this determination.

3 (2) ADEQUACY OF THE DEPARTMENT OF THE
4 INTERIOR'S LEGISLATIVE ENVIRONMENTAL IMPACT
5 STATEMENT.—The “Final Legislative Environ-
6 mental Impact Statement” (April 1987) on the
7 Coastal Plain prepared pursuant to section 1002 of
8 the Alaska National Interest Lands Conservation
9 Act of 1980 (16 U.S.C. 3142) and section 102(2)(C)
10 of the National Environmental Policy Act of 1969
11 (42 U.S.C. 4332(2)(C)) is deemed to satisfy the re-
12 quirements under the National Environmental Policy
13 Act of 1969 that apply with respect to prelease ac-
14 tivities, including actions authorized to be taken by
15 the Secretary to develop and promulgate the regula-
16 tions for the establishment of a leasing program au-
17 thorized by this title before the conduct of the first
18 lease sale.

19 (3) COMPLIANCE WITH NEPA FOR OTHER AC-
20 TIONS.—Before conducting the first lease sale under
21 this title, the Secretary shall prepare an environ-
22 mental impact statement under the National Envi-
23 ronmental Policy Act of 1969 with respect to the ac-
24 tions authorized by this title that are not referred to
25 in paragraph (2). Notwithstanding any other law,

1 the Secretary is not required to identify nonleasing
2 alternative courses of action or to analyze the envi-
3 ronmental effects of such courses of action. The Sec-
4 retary shall only identify a preferred action for such
5 leasing and a single leasing alternative, and analyze
6 the environmental effects and potential mitigation
7 measures for those two alternatives. The identifica-
8 tion of the preferred action and related analysis for
9 the first lease sale under this title shall be completed
10 within 18 months after the date of enactment of this
11 title. The Secretary shall only consider public com-
12 ments that specifically address the Secretary's pre-
13 ferred action and that are filed within 30 days after
14 publication of an environmental analysis. Notwith-
15 standing any other law, compliance with this para-
16 graph is deemed to satisfy all requirements for the
17 analysis and consideration of the environmental ef-
18 fects of proposed leasing under this title.

19 (d) RELATIONSHIP TO STATE AND LOCAL AUTHOR-
20 ITY.—Nothing in this title shall be considered to expand
21 or limit State and local regulatory authority.

22 (e) SPECIAL AREAS.—

23 (1) IN GENERAL.—The Secretary, after con-
24 sultation with the State of Alaska, the city of
25 Kaktovik, and the North Slope Borough, may des-

1 ignite up to a total of 45,000 acres of the Coastal
2 Plain as a Special Area if the Secretary determines
3 that the Special Area is of such unique character
4 and interest so as to require special management
5 and regulatory protection. The Secretary shall des-
6 ignate as such a Special Area the Sadlerochit Spring
7 area, comprising approximately 4,000 acres.

8 (2) MANAGEMENT.—Each such Special Area
9 shall be managed so as to protect and preserve the
10 area’s unique and diverse character including its
11 fish, wildlife, and subsistence resource values.

12 (3) EXCLUSION FROM LEASING OR SURFACE
13 OCCUPANCY.—The Secretary may exclude any Spe-
14 cial Area from leasing. If the Secretary leases a Spe-
15 cial Area, or any part thereof, for purposes of oil
16 and gas exploration, development, production, and
17 related activities, there shall be no surface occu-
18 pancy of the lands comprising the Special Area.

19 (4) DIRECTIONAL DRILLING.—Notwithstanding
20 the other provisions of this subsection, the Secretary
21 may lease all or a portion of a Special Area under
22 terms that permit the use of horizontal drilling tech-
23 nology from sites on leases located outside the Spe-
24 cial Area.

1 (f) LIMITATION ON CLOSED AREAS.—The Sec-
2 retary's sole authority to close lands within the Coastal
3 Plain to oil and gas leasing and to exploration, develop-
4 ment, and production is that set forth in this title.

5 (g) REGULATIONS.—

6 (1) IN GENERAL.—The Secretary shall pre-
7 scribe such regulations as may be necessary to carry
8 out this title, including rules and regulations relating
9 to protection of the fish and wildlife, their habitat,
10 subsistence resources, and environment of the Coast-
11 al Plain, by no later than 15 months after the date
12 of enactment of this title.

13 (2) REVISION OF REGULATIONS.—The Sec-
14 retary shall periodically review and, if appropriate,
15 revise the rules and regulations issued under sub-
16 section (a) to reflect any significant biological, envi-
17 ronmental, or engineering data that come to the Sec-
18 retary's attention.

19 **SEC. 203. LEASE SALES.**

20 (a) IN GENERAL.—Lands may be leased pursuant to
21 this title to any person qualified to obtain a lease for de-
22 posits of oil and gas under the Mineral Leasing Act (30
23 U.S.C. 181 et seq.).

24 (b) PROCEDURES.—The Secretary shall, by regula-
25 tion, establish procedures for—

1 (1) receipt and consideration of sealed nomina-
2 tions for any area in the Coastal Plain for inclusion
3 in, or exclusion (as provided in subsection (c)) from,
4 a lease sale;

5 (2) the holding of lease sales after such nomina-
6 tion process; and

7 (3) public notice of and comment on designa-
8 tion of areas to be included in, or excluded from, a
9 lease sale.

10 (c) LEASE SALE BIDS.—Bidding for leases under
11 this title shall be by sealed competitive cash bonus bids.

12 (d) ACREAGE MINIMUM IN FIRST SALE.—In the first
13 lease sale under this title, the Secretary shall offer for
14 lease those tracts the Secretary considers to have the
15 greatest potential for the discovery of hydrocarbons, tak-
16 ing into consideration nominations received pursuant to
17 subsection (b)(1), but in no case less than 200,000 acres.

18 (e) TIMING OF LEASE SALES.—The Secretary
19 shall—

20 (1) conduct the first lease sale under this title
21 within 30 months after the date of the enactment of
22 this title; and

23 (2) conduct additional sales so long as sufficient
24 interest in development exists to warrant, in the Sec-
25 retary's judgment, the conduct of such sales.

1 **SEC. 204. GRANT OF LEASES BY THE SECRETARY.**

2 (a) IN GENERAL.—The Secretary may grant to the
3 highest responsible qualified bidder in a lease sale con-
4 ducted pursuant to section 203 any lands to be leased on
5 the Coastal Plain upon payment by the lessee of such
6 bonus as may be accepted by the Secretary.

7 (b) SUBSEQUENT TRANSFERS.—No lease issued
8 under this title may be sold, exchanged, assigned, sublet,
9 or otherwise transferred except with the approval of the
10 Secretary. Prior to any such approval the Secretary shall
11 consult with, and give due consideration to the views of,
12 the Attorney General.

13 **SEC. 205. LEASE TERMS AND CONDITIONS.**

14 (a) IN GENERAL.—An oil or gas lease issued pursu-
15 ant to this title shall—

16 (1) provide for the payment of a royalty of not
17 less than 12½ percent in amount or value of the
18 production removed or sold from the lease, as deter-
19 mined by the Secretary under the regulations appli-
20 cable to other Federal oil and gas leases;

21 (2) provide that the Secretary may close, on a
22 seasonal basis, portions of the Coastal Plain to ex-
23 ploratory drilling activities as necessary to protect
24 caribou calving areas and other species of fish and
25 wildlife;

1 (3) require that the lessee of lands within the
2 Coastal Plain shall be fully responsible and liable for
3 the reclamation of lands within the Coastal Plain
4 and any other Federal lands that are adversely af-
5 fected in connection with exploration, development,
6 production, or transportation activities conducted
7 under the lease and within the Coastal Plain by the
8 lessee or by any of the subcontractors or agents of
9 the lessee;

10 (4) provide that the lessee may not delegate or
11 convey, by contract or otherwise, the reclamation re-
12 sponsibility and liability to another person without
13 the express written approval of the Secretary;

14 (5) provide that the standard of reclamation for
15 lands required to be reclaimed under this title shall
16 be, as nearly as practicable, a condition capable of
17 supporting the uses which the lands were capable of
18 supporting prior to any exploration, development, or
19 production activities, or upon application by the les-
20 see, to a higher or better use as approved by the
21 Secretary;

22 (6) contain terms and conditions relating to
23 protection of fish and wildlife, their habitat, subsist-
24 ence resources, and the environment as required
25 pursuant to section 202(a)(2);

1 (7) provide that the lessee, its agents, and its
2 contractors use best efforts to provide a fair share,
3 as determined by the level of obligation previously
4 agreed to in the 1974 agreement implementing sec-
5 tion 29 of the Federal Agreement and Grant of
6 Right of Way for the Operation of the Trans-Alaska
7 Pipeline, of employment and contracting for Alaska
8 Natives and Alaska Native Corporations from
9 throughout the State; and

10 (8) contain such other provisions as the Sec-
11 retary determines necessary to ensure compliance
12 with the provisions of this title and the regulations
13 issued under this title.

14 (b) PROJECT LABOR AGREEMENTS.—The Secretary,
15 as a term and condition of each lease under this title and
16 in recognizing the Government’s proprietary interest in
17 labor stability and in the ability of construction labor and
18 management to meet the particular needs and conditions
19 of projects to be developed under the leases issued pursu-
20 ant to this title and the special concerns of the parties
21 to such leases, shall require that the lessee and its agents
22 and contractors negotiate to obtain a project labor agree-
23 ment for the employment of laborers and mechanics on
24 production, maintenance, and construction under the
25 lease.

1 **SEC. 206. COASTAL PLAIN ENVIRONMENTAL PROTECTION.**

2 (a) NO SIGNIFICANT ADVERSE EFFECT STANDARD
3 TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—

4 The Secretary shall, consistent with the requirements of
5 section 202, administer the provisions of this title through
6 regulations, lease terms, conditions, restrictions, prohibi-
7 tions, stipulations, and other provisions that—

8 (1) ensure the oil and gas exploration, develop-
9 ment, and production activities on the Coastal Plain
10 will result in no significant adverse effect on fish
11 and wildlife, their habitat, and the environment;

12 (2) require the application of the best commer-
13 cially available technology for oil and gas explo-
14 ration, development, and production on all new ex-
15 ploration, development, and production operations;
16 and

17 (3) minimize the amount of surface acreage
18 covered by production and support facilities, includ-
19 ing airstrips and any areas covered by gravel berms
20 or piers for support of pipelines.

21 (b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—

22 The Secretary shall also require, with respect to any pro-
23 posed drilling and related activities, that—

24 (1) a site-specific analysis be made of the prob-
25 able effects, if any, that the drilling or related activi-

1 ties will have on fish and wildlife, their habitat, sub-
2 sistence resources, and the environment;

3 (2) a plan be implemented to avoid, minimize,
4 and mitigate (in that order and to the extent prac-
5 ticable) any significant adverse effect identified
6 under paragraph (1); and

7 (3) the development of the plan shall occur
8 after consultation with the agency or agencies hav-
9 ing jurisdiction over matters mitigated by the plan.

10 (c) REGULATIONS TO PROTECT COASTAL PLAIN
11 FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS,
12 AND THE ENVIRONMENT.—Before implementing the leas-
13 ing program authorized by this title, the Secretary shall
14 prepare and promulgate regulations, lease terms, condi-
15 tions, restrictions, prohibitions, stipulations, and other
16 measures designed to ensure that the activities undertaken
17 on the Coastal Plain under this title are conducted in a
18 manner consistent with the purposes and environmental
19 requirements of this title.

20 (d) COMPLIANCE WITH FEDERAL AND STATE ENVI-
21 RONMENTAL LAWS AND OTHER REQUIREMENTS.—The
22 proposed regulations, lease terms, conditions, restrictions,
23 prohibitions, and stipulations for the leasing program
24 under this title shall require compliance with all applicable

1 provisions of Federal and State environmental law, and
2 shall also require the following:

3 (1) Standards at least as effective as the safety
4 and environmental mitigation measures set forth in
5 items 1 through 29 at pages 167 through 169 of the
6 “Final Legislative Environmental Impact State-
7 ment” (April 1987) on the Coastal Plain.

8 (2) Seasonal limitations on exploration, develop-
9 ment, and related activities, where necessary, to
10 avoid significant adverse effects during periods of
11 concentrated fish and wildlife breeding, denning,
12 nesting, spawning, and migration.

13 (3) That exploration activities, except for sur-
14 face geological studies, be limited to the period be-
15 tween approximately November 1 and May 1 each
16 year and that exploration activities shall be sup-
17 ported, if necessary, by ice roads, winter trails with
18 adequate snow cover, ice pads, ice airstrips, and air
19 transport methods, except that such exploration ac-
20 tivities may occur at other times if the Secretary
21 finds that such exploration will have no significant
22 adverse effect on the fish and wildlife, their habitat,
23 and the environment of the Coastal Plain.

1 (4) Design safety and construction standards
2 for all pipelines and any access and service roads,
3 that—

4 (A) minimize, to the maximum extent pos-
5 sible, adverse effects upon the passage of mi-
6 gratory species such as caribou; and

7 (B) minimize adverse effects upon the flow
8 of surface water by requiring the use of cul-
9 verts, bridges, and other structural devices.

10 (5) Prohibitions on general public access and
11 use on all pipeline access and service roads.

12 (6) Stringent reclamation and rehabilitation re-
13 quirements, consistent with the standards set forth
14 in this title, requiring the removal from the Coastal
15 Plain of all oil and gas development and production
16 facilities, structures, and equipment upon completion
17 of oil and gas production operations, except that the
18 Secretary may exempt from the requirements of this
19 paragraph those facilities, structures, or equipment
20 that the Secretary determines would assist in the
21 management of the Arctic National Wildlife Refuge
22 and that are donated to the United States for that
23 purpose.

24 (7) Appropriate prohibitions or restrictions on
25 access by all modes of transportation.

1 (8) Appropriate prohibitions or restrictions on
2 sand and gravel extraction.

3 (9) Consolidation of facility siting.

4 (10) Appropriate prohibitions or restrictions on
5 use of explosives.

6 (11) Avoidance, to the extent practicable, of
7 springs, streams, and river system; the protection of
8 natural surface drainage patterns, wetlands, and ri-
9 parian habitats; and the regulation of methods or
10 techniques for developing or transporting adequate
11 supplies of water for exploratory drilling.

12 (12) Avoidance or minimization of air traffic-re-
13 lated disturbance to fish and wildlife.

14 (13) Treatment and disposal of hazardous and
15 toxic wastes, solid wastes, reserve pit fluids, drilling
16 muds and cuttings, and domestic wastewater, includ-
17 ing an annual waste management report, a haz-
18 ardous materials tracking system, and a prohibition
19 on chlorinated solvents, in accordance with applica-
20 ble Federal and State environmental law.

21 (14) Fuel storage and oil spill contingency plan-
22 ning.

23 (15) Research, monitoring, and reporting re-
24 quirements.

25 (16) Field crew environmental briefings.

1 (17) Avoidance of significant adverse effects
2 upon subsistence hunting, fishing, and trapping by
3 subsistence users.

4 (18) Compliance with applicable air and water
5 quality standards.

6 (19) Appropriate seasonal and safety zone des-
7 ignations around well sites, within which subsistence
8 hunting and trapping shall be limited.

9 (20) Reasonable stipulations for protection of
10 cultural and archeological resources.

11 (21) All other protective environmental stipula-
12 tions, restrictions, terms, and conditions deemed
13 necessary by the Secretary.

14 (e) CONSIDERATIONS.—In preparing and promul-
15 gating regulations, lease terms, conditions, restrictions,
16 prohibitions, and stipulations under this section, the Sec-
17 retary shall consider the following:

18 (1) The stipulations and conditions that govern
19 the National Petroleum Reserve-Alaska leasing pro-
20 gram, as set forth in the 1999 Northeast National
21 Petroleum Reserve-Alaska Final Integrated Activity
22 Plan/Environmental Impact Statement.

23 (2) The environmental protection standards
24 that governed the initial Coastal Plain seismic explo-

1 ration program under parts 37.31 to 37.33 of title
2 50, Code of Federal Regulations.

3 (3) The land use stipulations for exploratory
4 drilling on the KIC-ASRC private lands that are set
5 forth in appendix 2 of the August 9, 1983, agree-
6 ment between Arctic Slope Regional Corporation and
7 the United States.

8 (f) FACILITY CONSOLIDATION PLANNING.—

9 (1) IN GENERAL.—The Secretary shall, after
10 providing for public notice and comment, prepare
11 and update periodically a plan to govern, guide, and
12 direct the siting and construction of facilities for the
13 exploration, development, production, and transpor-
14 tation of Coastal Plain oil and gas resources.

15 (2) OBJECTIVES.—The plan shall have the fol-
16 lowing objectives:

17 (A) Avoiding unnecessary duplication of fa-
18 cilities and activities.

19 (B) Encouraging consolidation of common
20 facilities and activities.

21 (C) Locating or confining facilities and ac-
22 tivities to areas that will minimize impact on
23 fish and wildlife, their habitat, and the environ-
24 ment.

1 (D) Utilizing existing facilities wherever
2 practicable.

3 (E) Enhancing compatibility between wild-
4 life values and development activities.

5 (g) ACCESS TO PUBLIC LANDS.—The Secretary
6 shall—

7 (1) manage public lands in the Coastal Plain
8 subject to subsections (a) and (b) of section 811 of
9 the Alaska National Interest Lands Conservation
10 Act (16 U.S.C. 3121); and

11 (2) ensure that local residents shall have rea-
12 sonable access to public lands in the Coastal Plain
13 for traditional uses.

14 **SEC. 207. EXPEDITED JUDICIAL REVIEW.**

15 (a) FILING OF COMPLAINT.—

16 (1) DEADLINE.—Subject to paragraph (2), any
17 complaint seeking judicial review of any provision of
18 this title or any action of the Secretary under this
19 title shall be filed—

20 (A) except as provided in subparagraph
21 (B), within the 90-day period beginning on the
22 date of the action being challenged; or

23 (B) in the case of a complaint based solely
24 on grounds arising after such period, within 90
25 days after the complainant knew or reasonably

1 should have known of the grounds for the com-
2 plaint.

3 (2) VENUE.—Any complaint seeking judicial re-
4 view of any provision of this title or any action of
5 the Secretary under this title may be filed only in
6 the United States Court of Appeals for the District
7 of Columbia.

8 (3) LIMITATION ON SCOPE OF CERTAIN RE-
9 VIEW.—Judicial review of a Secretarial decision to
10 conduct a lease sale under this title, including the
11 environmental analysis thereof, shall be limited to
12 whether the Secretary has complied with the terms
13 of this title and shall be based upon the administra-
14 tive record of that decision. The Secretary's identi-
15 fication of a preferred course of action to enable
16 leasing to proceed and the Secretary's analysis of
17 environmental effects under this title shall be pre-
18 sumed to be correct unless shown otherwise by clear
19 and convincing evidence to the contrary.

20 (b) LIMITATION ON OTHER REVIEW.—Actions of the
21 Secretary with respect to which review could have been
22 obtained under this section shall not be subject to judicial
23 review in any civil or criminal proceeding for enforcement.

1 **SEC. 208. FEDERAL AND STATE DISTRIBUTION OF REVENUES.**
2

3 (a) IN GENERAL.—Notwithstanding any other provi-
4 sion of law, of the amount of adjusted bonus, rental, and
5 royalty revenues from Federal oil and gas leasing and op-
6 erations authorized under this title—

7 (1) 50 percent shall be paid to the State of
8 Alaska; and

9 (2) except as provided in section 211(d), the
10 balance shall be transferred to the American-Made
11 Energy Trust Fund.

12 (b) PAYMENTS TO ALASKA.—Payments to the State
13 of Alaska under this section shall be made semiannually.

14 **SEC. 209. RIGHTS-OF-WAY ACROSS THE COASTAL PLAIN.**

15 (a) IN GENERAL.—The Secretary shall issue rights-
16 of-way and easements across the Coastal Plain for the
17 transportation of oil and gas—

18 (1) except as provided in paragraph (2), under
19 section 28 of the Mineral Leasing Act (30 U.S.C.
20 185), without regard to title XI of the Alaska Na-
21 tional Interest Lands Conservation Act (30 U.S.C.
22 3161 et seq.); and

23 (2) under title XI of the Alaska National Inter-
24 est Lands Conservation Act (30 U.S.C. 3161 et
25 seq.), for access authorized by sections 1110 and
26 1111 of that Act (16 U.S.C. 3170 and 3171).

1 (b) TERMS AND CONDITIONS.—The Secretary shall
2 include in any right-of-way or easement issued under sub-
3 section (a) such terms and conditions as may be necessary
4 to ensure that transportation of oil and gas does not result
5 in a significant adverse effect on the fish and wildlife, sub-
6 sistence resources, their habitat, and the environment of
7 the Coastal Plain, including requirements that facilities be
8 sited or designed so as to avoid unnecessary duplication
9 of roads and pipelines.

10 (c) REGULATIONS.—The Secretary shall include in
11 regulations under section 202(g) provisions granting
12 rights-of-way and easements described in subsection (a)
13 of this section.

14 **SEC. 210. CONVEYANCE.**

15 In order to maximize Federal revenues by removing
16 clouds on title to lands and clarifying land ownership pat-
17 terns within the Coastal Plain, the Secretary, notwith-
18 standing the provisions of section 1302(h)(2) of the Alas-
19 ka National Interest Lands Conservation Act (16 U.S.C.
20 3192(h)(2)), shall convey—

21 (1) to the Kaktovik Inupiat Corporation the
22 surface estate of the lands described in paragraph 1
23 of Public Land Order 6959, to the extent necessary
24 to fulfill the Corporation's entitlement under sec-
25 tions 12 and 14 of the Alaska Native Claims Settle-

1 ment Act (43 U.S.C. 1611 and 1613) in accordance
2 with the terms and conditions of the Agreement be-
3 tween the Department of the Interior, the United
4 States Fish and Wildlife Service, the Bureau of
5 Land Management, and the Kaktovik Inupiat Cor-
6 poration effective January 22, 1993; and

7 (2) to the Arctic Slope Regional Corporation
8 the remaining subsurface estate to which it is enti-
9 tled pursuant to the August 9, 1983, agreement be-
10 tween the Arctic Slope Regional Corporation and the
11 United States of America.

12 **SEC. 211. LOCAL GOVERNMENT IMPACT AID AND COMMU-**
13 **NITY SERVICE ASSISTANCE.**

14 (a) FINANCIAL ASSISTANCE AUTHORIZED.—

15 (1) IN GENERAL.—The Secretary may use
16 amounts available from the Coastal Plain Local Gov-
17 ernment Impact Aid Assistance Fund established by
18 subsection (d) to provide timely financial assistance
19 to entities that are eligible under paragraph (2) and
20 that are directly impacted by the exploration for or
21 production of oil and gas on the Coastal Plain under
22 this title.

23 (2) ELIGIBLE ENTITIES.—The North Slope
24 Borough, the city of Kaktovik, and any other bor-
25 ough, municipal subdivision, village, or other com-

1 munity in the State of Alaska that is directly im-
2 pacted by exploration for, or the production of, oil
3 or gas on the Coastal Plain under this title, as de-
4 termined by the Secretary, shall be eligible for finan-
5 cial assistance under this section.

6 (b) USE OF ASSISTANCE.—Financial assistance
7 under this section may be used only for—

8 (1) planning for mitigation of the potential ef-
9 fects of oil and gas exploration and development on
10 environmental, social, cultural, recreational, and sub-
11 sistence values;

12 (2) implementing mitigation plans and main-
13 taining mitigation projects;

14 (3) developing, carrying out, and maintaining
15 projects and programs that provide new or expanded
16 public facilities and services to address needs and
17 problems associated with such effects, including fire-
18 fighting, police, water, waste treatment, medivac,
19 and medical services; and

20 (4) establishment of a coordination office, by
21 the North Slope Borough, in the city of Kaktovik,
22 which shall—

23 (A) coordinate with and advise developers
24 on local conditions, impact, and history of the
25 areas utilized for development; and

1 (B) provide to the Committee on Natural
2 Resources of the House of Representatives and
3 the Committee on Energy and Natural Re-
4 sources of the Senate an annual report on the
5 status of coordination between developers and
6 the communities affected by development.

7 (c) APPLICATION.—

8 (1) IN GENERAL.—Any community that is eligi-
9 ble for assistance under this section may submit an
10 application for such assistance to the Secretary, in
11 such form and under such procedures as the Sec-
12 retary may prescribe by regulation.

13 (2) NORTH SLOPE BOROUGH COMMUNITIES.—A
14 community located in the North Slope Borough may
15 apply for assistance under this section either directly
16 to the Secretary or through the North Slope Bor-
17 ough.

18 (3) APPLICATION ASSISTANCE.—The Secretary
19 shall work closely with and assist the North Slope
20 Borough and other communities eligible for assist-
21 ance under this section in developing and submitting
22 applications for assistance under this section.

23 (d) ESTABLISHMENT OF FUND.—

1 (1) IN GENERAL.—There is established in the
2 Treasury the Coastal Plain Local Government Im-
3 pact Aid Assistance Fund.

4 (2) USE.—Amounts in the fund may be used
5 only for providing financial assistance under this
6 section.

7 (3) DEPOSITS.—Subject to paragraph (4), there
8 shall be deposited into the fund amounts received by
9 the United States as revenues derived from rents,
10 bonuses, and royalties from Federal leases and lease
11 sales authorized under this title.

12 (4) LIMITATION ON DEPOSITS.—The total
13 amount in the fund may not exceed \$11,000,000.

14 (5) INVESTMENT OF BALANCES.—The Sec-
15 retary of the Treasury shall invest amounts in the
16 fund in interest bearing government securities.

17 (e) AUTHORIZATION OF APPROPRIATIONS.—To pro-
18 vide financial assistance under this section there is author-
19 ized to be appropriated to the Secretary from the Coastal
20 Plain Local Government Impact Aid Assistance Fund
21 \$5,000,000 for each fiscal year.

1 **TITLE III—OFFSHORE OIL AND**
2 **GAS LEASING**

3 **SEC. 301. TERMINATION OF PROHIBITIONS ON EXPENDI-**
4 **TURES FOR, AND WITHDRAWALS FROM, OFF-**
5 **SHORE LEASING.**

6 (a) PROHIBITIONS ON EXPENDITURES.—All provi-
7 sions of Federal law that prohibit the expenditure of ap-
8 propriated funds to conduct oil or natural gas leasing and
9 preleasing activities for any area of the Outer Continental
10 Shelf shall have no force or effect with respect to such
11 activities.

12 (b) REVOCATION WITHDRAWALS.—All withdrawals
13 of Federal submerged lands of the Outer Continental Shelf
14 from leasing, including withdrawals by the President
15 under the authority of section 12(a) of the Outer Conti-
16 nental Shelf Lands Act (43 U.S.C. 1341(a)), are hereby
17 revoked and are no longer in effect with respect to the
18 leasing of areas for exploration for, and development and
19 production of, oil and natural gas.

20 **SEC. 302. SHARING OF REVENUES.**

21 (a) IN GENERAL.—Section 8(g) of the Outer Conti-
22 nental Shelf Lands Act (43 U.S.C. 1337(g)) is amended—

23 (1) in paragraph (2) by striking “Notwith-
24 standing” and inserting “Except as provided in
25 paragraph (6), and notwithstanding”;

1 (2) by redesignating paragraphs (6) and (7) as
2 paragraphs (8) and (9); and

3 (3) by inserting after paragraph (5) the fol-
4 lowing:

5 “(6) BONUS BIDS AND ROYALTIES UNDER
6 QUALIFIED OIL AND GAS LEASES.—

7 “(A) NEW OIL AND GAS LEASES.—Of
8 amounts received by the United States as bonus
9 bids and royalties under any qualified oil or gas
10 lease on submerged lands that are located with-
11 in the seaward boundaries of a State estab-
12 lished under section 4(a)(2)(A)—

13 “(i) 37.5 percent shall be paid to the
14 States that are producing States with re-
15 spect to those submerged lands; and

16 “(ii) the remainder shall be trans-
17 ferred to the American-Made Energy Trust
18 Fund established by the American-Made
19 Energy Act of 2011.

20 “(B) LEASED TRACT THAT LIES PAR-
21 Tially WITHIN THE SEAWARD BOUNDARIES OF
22 A STATE.—In the case of a leased tract that lies
23 partially within the seaward boundaries of a
24 State, the amounts of bonus bids and royalties
25 from such tract that are subject to subpara-

1 graph (A) with respect to such State shall be a
2 percentage of the total amounts of bonus bids
3 and royalties from such tract that is equivalent
4 to the total percentage of surface acreage of the
5 tract that lies within such seaward boundaries.

6 “(C) USE OF PAYMENTS TO STATES.—
7 Amounts paid to a State under subparagraph
8 (A)(ii) shall be used by the State for one or
9 more of the following:

10 “(i) Education.

11 “(ii) Transportation.

12 “(iii) Reducing taxes.

13 “(iv) Coastal and environmental res-
14 toration.

15 “(v) Energy infrastructure and
16 projects.

17 “(vi) State seismic monitoring pro-
18 grams.

19 “(vii) Alternative energy development.

20 “(viii) Energy efficiency and conserva-
21 tion.

22 “(ix) Hurricane and natural disaster
23 insurance programs.

24 “(x) Any other purpose determined by
25 State law.

1 “(D) DEFINITIONS.—In this paragraph:

2 “(i) ADJACENT STATE.—The term
3 ‘adjacent State’ means, with respect to any
4 program, plan, lease sale, leased tract or
5 other activity, proposed, conducted, or ap-
6 proved pursuant to the provisions of this
7 Act, any State the laws of which are de-
8 clared, pursuant to section 4(a)(2), to be
9 the law of the United States for the por-
10 tion of the outer Continental Shelf on
11 which such program, plan, lease sale,
12 leased tract, or activity appertains or is, or
13 is proposed to be, conducted.

14 “(ii) ADJACENT ZONE.—The term
15 ‘adjacent zone’ means, with respect to any
16 program, plan, lease sale, leased tract, or
17 other activity, proposed, conducted, or ap-
18 proved pursuant to the provisions of this
19 Act, the portion of the outer Continental
20 Shelf for which the laws of a particular ad-
21 jacent State are declared, pursuant to sec-
22 tion 4(a)(2), to be the law of the United
23 States.

24 “(iii) PRODUCING STATE.—The term
25 ‘producing State’ means an Adjacent State

1 having an adjacent zone containing leased
2 tracts from which are derived bonus bids
3 and royalties under a lease under this Act.

4 “(iv) STATE.—The term ‘State’ in-
5 cludes Puerto Rico and the other Terri-
6 tories of the United States.

7 “(v) QUALIFIED GAS LEASE.—The
8 term ‘qualified oil or gas lease’ means a
9 lease under this Act granted after the date
10 of the enactment of the National Environ-
11 ment and Energy Development Act that
12 authorizes development and production of
13 oil or natural gas and associated conden-
14 sate.

15 “(E) APPLICATION.—This paragraph shall
16 apply to bonus bids and royalties received by
17 the United States after September 30, 2011.

18 “(7) MAINTENANCE OF EFFORT BY STATES.—
19 The Secretary of the Interior shall ensure that fi-
20 nancial assistance provided to a State for any pur-
21 pose with amounts made available under this sub-
22 section supplement, and do not replace, the amounts
23 expended by the State for that purpose before the
24 date of the enactment of this paragraph.”.

1 (b) ESTABLISHMENT OF STATE SEAWARD BOUND-
2 ARIES.—Section 4(a)(2)(A) of the Outer Continental Shelf
3 Lands Act (43 U.S.C. 1333(a)(2)(A)) is amended in the
4 first sentence by striking “, and the President” and all
5 that follows through the end of the sentence and inserting
6 the following: “. Such extended lines are deemed to be as
7 indicated on the maps for each Outer Continental Shelf
8 region entitled ‘Alaska OCS Region State Adjacent Zone
9 and OCS Planning Areas’, ‘Pacific OCS Region State Ad-
10 jacent Zones and OCS Planning Areas’, ‘Gulf of Mexico
11 OCS Region State Adjacent Zones and OCS Planning
12 Areas’, and ‘Atlantic OCS Region State Adjacent Zones
13 and OCS Planning Areas’, all of which are dated Sep-
14 tember 2005 and on file in the Office of the Director, Min-
15 erals Management Service. The preceding sentence shall
16 not apply with respect to the treatment under section 105
17 of the Gulf of Mexico Energy Security Act of 2006 (title
18 I of division C of Public Law 109–432) of qualified outer
19 Continental Shelf revenues deposited and disbursed under
20 subsection (a)(2) of that section.”.

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