### 111TH CONGRESS 1ST SESSION H.R. 797

To greatly enhance the Nation's environmental, energy, economic, and national security by terminating long-standing Federal prohibitions on the domestic production of abundant offshore supplies of oil and natural gas, and for other purposes.

#### IN THE HOUSE OF REPRESENTATIVES

#### FEBRUARY 3, 2009

Mr. CALVERT introduced the following bill; which was referred to the Committee on Natural Resources, and in addition to the Committees on the Budget and Rules, 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 greatly enhance the Nation's environmental, energy, economic, and national security by terminating long-standing Federal prohibitions on the domestic production of abundant offshore supplies of oil and natural gas, 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.

4 This Act may be cited as the "Maximize Offshore Re5 source Exploration Act of 2009" or the "MORE Act of
6 2009".

# 1SEC. 2. TERMINATION OF PROHIBITIONS ON EXPENDI-2TURES FOR, AND WITHDRAWALS FROM, OFF-3SHORE OIL AND GAS LEASING.

4 (a) PROHIBITIONS ON EXPENDITURES.—All provi-5 sions of Federal law that prohibit the expenditure of ap-6 propriated funds to conduct oil and natural gas leasing 7 and preleasing activities for any area of the Outer Conti-8 nental Shelf shall have no force or effect with respect to 9 such activities.

10 (b) **REVOCATION WITHDRAWALS.**—All withdrawals of Federal submerged lands of the Outer Continental Shelf 11 from leasing, including withdrawals by the President 12 13 under the authority of section 12(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1341(a)), are hereby 14 revoked and are no longer in effect with respect to the 15 16 leasing of areas for exploration for, and development and production of, oil and natural gas. 17

#### 18 SEC. 3. OUTER CONTINENTAL SHELF OIL AND NATURAL

#### 19 GAS LEASING PROGRAM.

20 The Outer Continental Shelf Lands Act (43 U.S.C.
21 1331 et seq.) is amended by inserting after section 9 the
22 following:

#### 23 "SEC. 10. STATE APPROVAL REQUIREMENT WITH RESPECT

24 TO OIL AND NATURAL GAS LEASING.

25

## "(a) IN GENERAL.—The Secretary may not issue any

26 lease authorizing exploration for, or development of, oil •HR 797 IH and natural gas in any area of the Outer Continental Shelf
 that is located within 25 miles of the coastline of a State
 unless the State has enacted a law approving of the
 issuance of such leases by the Secretary.

5 "(b) STATE APPROVAL PERMANENT.—Repeal of
6 such a law by a State shall have no effect for purposes
7 of subsection (a).".

#### 8 SEC. 4. SHARING OF REVENUES.

9 (a) IN GENERAL.—Section 8(g) of the Outer Conti10 nental Shelf Lands Act (43 U.S.C. 1337(g)) is amended—

(1) in paragraph (2) by striking "Notwithstanding" and inserting "Except as provided in
paragraph (6), and notwithstanding";

14 (2) by redesignating paragraphs (6) and (7) as15 paragraphs (7) and (8); and

16 (3) by inserting after paragraph (5) the fol-17 lowing:

18 "(6) ROYALTIES UNDER QUALIFIED OIL AND
19 GAS LEASES.—

20 "(A) IN GENERAL.—Except as provided in
21 subparagraph (B), of amounts received by the
22 United States as royalties under any qualified
23 oil and gas lease on submerged lands that are
24 located within the seaward boundaries of a
25 State established under section 4(a)(2)(A)—

1 "(i) 12.5 percent shall be deposited in 2 the general fund of the Treasury; "(ii) 12.5 percent shall be deposited in 3 4 the Renewable Energy Reserve established 5 by section 5 of the MORE Act of 2009; 6 and 7 "(iii) 75 percent shall be paid to the 8 States that are producing States with re-9 spect to those submerged lands. "(B) LEASE TRACTS WITHIN 25 MILES OF 10 11 THE COASTLINE.—Of amounts received by the 12 United States as royalties under any qualified 13 oil and gas lease on submerged lands that are 14 located within 25 miles of the coastline of a 15 State and within the seaward boundaries of a 16 State established under section 4(a)(2)(A)— 17 "(i) 5 percent shall be deposited in 18 the general fund of the Treasury;

19 "(ii) 5 percent shall be deposited in
20 the Renewable Energy Reserve established
21 by section 5 of the MORE Act of 2009;
22 and
23 "(iii) 90 percent shall be paid to the

States that are producing States with re-spect to those submerged lands.

4

1 "(C) LEASED TRACT THAT LIES PAR-2 TIALLY WITHIN THE SEAWARD BOUNDARIES OF 3 A STATE.—In the case of a leased tract that lies 4 partially within the seaward boundaries of a 5 State, the amounts of royalties from such tract 6 that are subject to subparagraph (A) or (B), as 7 applicable, with respect to such State shall be 8 a percentage of the total amounts of royalties 9 from such tract that is equivalent to the total 10 percentage of surface acreage of the tract that 11 lies within such seaward boundaries. 12 "(D) DEFINITIONS.—In this paragraph:

13 "(i) Adjacent state.—The term 14 'adjacent State' means, with respect to any 15 program, plan, lease sale, leased tract or 16 other activity, proposed, conducted, or ap-17 proved pursuant to the provisions of this 18 Act, any State the laws of which are de-19 clared, pursuant to section 4(a)(2), to be 20 the law of the United States for the por-21 tion of the Outer Continental Shelf on which such program, plan, lease sale, 22 23 leased tract, or activity appertains or is, or 24 is proposed to be, conducted.

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1	"(ii) Adjacent zone.—The term
2	'adjacent zone' means, with respect to any
3	program, plan, lease sale, leased tract, or
4	other activity, proposed, conducted, or ap-
5	proved pursuant to the provisions of this
6	Act, the portion of the Outer Continental
7	Shelf for which the laws of a particular ad-
8	jacent State are declared, pursuant to sec-
9	tion $4(a)(2)$ , to be the law of the United
10	States.
11	"(iii) Producing state.—The term
12	'producing State' means an Adjacent State
13	having an adjacent zone containing leased
14	tracts from which are derived royalties
15	under a lease under this Act.
16	"(iv) STATE.—The term 'State' in-
17	cludes Puerto Rico and the other terri-
18	tories of the United States.
19	"(v) QUALIFIED OIL AND GAS
20	LEASE.—The term 'qualified oil and gas
21	lease' means a lease under this Act grant-
22	ed after the date of the enactment of the
23	Maximize Offshore Resource Exploration
24	Act of 2009 that authorizes development

1	and production of oil and natural gas and
2	associated condensate.
3	"(E) Application.—This paragraph shall
4	apply to royalties received by the United States
5	after September 30, 2009.".
6	(b) Establishment of State Seaward Bound-
7	ARIES.—Section 4(a)(2)(A) of the Outer Continental Shelf
8	Lands Act (43 U.S.C. 1333(a)(2)(A)) is amended in the
9	first sentence by striking ", and the President" and all
10	that follows through the end of the sentence and inserting
11	the following: ". Such extended lines are deemed to be as
12	indicated on the maps for each Outer Continental Shelf
13	region entitled 'Alaska OCS Region State Adjacent Zone
14	and OCS Planning Areas', 'Pacific OCS Region State Ad-
15	jacent Zones and OCS Planning Areas', 'Gulf of Mexico
16	OCS Region State Adjacent Zones and OCS Planning
17	Areas', and 'Atlantic OCS Region State Adjacent Zones
18	and OCS Planning Areas', all of which are dated Sep-
19	tember 2005 and on file in the Office of the Director, Min-
20	erals Management Service. The preceding sentence shall
21	not apply with respect to the treatment under section 105
22	of the Gulf of Mexico Energy Security Act of 2006 (title
23	I of division C of Public Law 109–432) of qualified Outer
24	Continental Shelf revenues deposited and disbursed under
25	subsection $(a)(2)$ of that section.".

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#### 1 SEC. 5. RENEWABLE ENERGY RESERVE.

2 (a) IN GENERAL.—For budgetary purposes, there is
3 established a separate account in the Treasury to be
4 known as the "Renewable Energy Reserve".

5 (b) CONTENTS.—The Renewable Energy Reserve
6 shall consist of amounts deposited into it under subpara7 graphs (A) and (B) of paragraph (6) of section 8(g) of
8 the Outer Continental Shelf Lands Act (43 U.S.C.
9 1337(g)), as amended by this Act.

10 (c) USE.—The Renewable Energy Reserve shall be
11 available to offset the cost of legislation enacted after the
12 date of the enactment of this Act—

13 (1) to accelerate the use of cleaner domestic en14 ergy resources and alternative fuels;

15 (2) to promote the utilization of energy-efficient16 products and practices; and

17 (3) to increase research, development, and de18 ployment of clean renewable energy and efficiency
19 technologies and job training programs for those
20 purposes.

21 (d) PROCEDURE FOR ADJUSTMENTS.—

(1) BUDGET COMMITTEE CHAIRMAN.—After the
reporting of a bill or joint resolution, or the offering
of an amendment thereto or the submission of a conference report thereon, providing funding for the
purposes set forth in subsection (c) in excess of the
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1	amounts provided for those purposes for fiscal year
2	2009, the chairman of the Committee on the Budget
3	of the applicable House of Congress shall make the
4	adjustments set forth in paragraph $(2)$ for the
5	amount of new budget authority and outlays in that
6	measure and the outlays flowing from that budget
7	authority.
8	(2) MATTERS TO BE ADJUSTED.—The adjust-
9	ments referred to in paragraph (1) are to be made
10	to—
11	(A) the discretionary spending limits, if
12	any, set forth in the appropriate concurrent res-
13	olution on the budget;
14	(B) the allocations made pursuant to the
15	appropriate concurrent resolution on the budget
16	pursuant to section 302(a) of Congressional
17	Budget Act of 1974; and
18	(C) the budget aggregates contained in the
19	appropriate concurrent resolution on the budget
20	as required by section 301(a) of Congressional
21	Budget Act of 1974.
22	(3) Amounts of adjustments.—The adjust-
23	ments referred to in paragraphs $(1)$ and $(2)$ shall
24	not exceed the total of the receipts over a 10-year

1 period, as estimated by the Congressional Budget

2 Office upon the enactment of this Act.