

113TH CONGRESS
1ST SESSION

S. _____

To provide for revenue sharing of qualified revenues from leases in the South Atlantic planning area, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. SCOTT introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To provide for revenue sharing of qualified revenues from leases in the South Atlantic planning area, 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 “Southern Energy Ac-
5 cess Jobs Act” or the “SEA Jobs Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) DIRECTOR.—The term “Director” means
9 the Director of the Bureau of Ocean Energy Man-
10 agement.

1 (2) INSTITUTION OF HIGHER EDUCATION.—The
2 term “institution of higher education” has the
3 meaning given the term in section 102 of the Higher
4 Education Act of 1965 (20 U.S.C. 1002).

5 (3) QUALIFIED REVENUES.—The term “quali-
6 fied revenues” means all bonus bids, rentals and
7 royalties (and other sums) due and payable to the
8 United States from all leases entered into after the
9 date of enactment of this Act that covers an area in
10 the South Atlantic planning area

11 (4) SECRETARY.—The term “Secretary” means
12 the Secretary of the Interior.

13 (5) SOUTH ATLANTIC PLANNING AREA.—The
14 term “South Atlantic planning area” means the area
15 of the outer Continental Shelf (as defined in section
16 2 of the Outer Continental Shelf Lands Act (43
17 U.S.C. 1331)) that is located between the northern
18 lateral seaward administrative boundary of the Com-
19 monwealth of Virginia and the southernmost lateral
20 seaward administrative boundary of the State of
21 Georgia.

22 (6) STATE.—The term “State” means any of
23 the following States:

24 (A) Georgia.

25 (B) North Carolina.

1 (C) South Carolina.

2 (D) Virginia.

3 (7) WORKFORCE INVESTMENT BOARD.—The
4 term “workforce investment board” means a State
5 or local workforce investment board established
6 under subtitle B of title I of the Workforce Invest-
7 ment Act of 1998 (29 U.S.C. 2811 et seq.).

8 **SEC. 3. ENHANCING STATE RIGHTS.**

9 (a) IN GENERAL.—The Secretary shall promulgate
10 regulations that establish management of the surface oc-
11 cupancy of each portion of the South Atlantic planning
12 area for the applicable coastline of a State for any lease
13 sale authorized under this Act to the effect that—

14 (1) the applicable State shall have sole author-
15 ity to restrict or allow surface facilities above the
16 waterline for the purpose of production of oil or gas
17 resources in any area that is within 12 nautical
18 miles seaward from the coastline of the State;

19 (2) unless permanent surface occupancy is au-
20 thorized by a State, only sub-surface production fa-
21 cilities may be installed in areas that are located be-
22 tween the point that is 12 nautical miles from sea-
23 ward from the coastline of the State and the point
24 that is 20 nautical miles seaward from the coastline
25 of the State;

1 (3) new offshore production facilities are en-
2 couraged and the impacts on coastal vistas are mini-
3 mized, to the maximum extent practical; and

4 (4) onshore facilities that facilitate the develop-
5 ment and production of the oil and gas resources of
6 the South Atlantic planning area within 12 nautical
7 miles seaward of the coastline of a State are allowed.

8 (b) TEMPORARY ACTIVITIES NOT AFFECTED.—
9 Nothing in the regulations described in subsection (a)
10 shall restrict, or give the States authority to restrict, tem-
11 porary surface activities related to operations associated
12 with outer Continental Shelf oil and gas leases.

13 **SEC. 4. REINSTATEMENT OF VIRGINIA LEASE SALE 220.**

14 Not later than 2 years after the date of enactment
15 of this Act, the Secretary shall conduct Lease Sale 220
16 (as described in the notice of intent to prepare an environ-
17 mental impact statement dated November 13, 2008 (73
18 Fed. Reg. 67201)).

19 **SEC. 5. SOUTH CAROLINA LEASE SALE.**

20 (a) IN GENERAL.—Notwithstanding the exclusion of
21 the South Atlantic planning area in the outer Continental
22 Shelf leasing program for fiscal years 2012–2017 pre-
23 pared under section 18 of the Outer Continental Shelf
24 Lands Act (43 U.S.C. 1344), the Secretary shall conduct
25 a lease sale not later than 2 years after the date of enact-

1 ment of this Act in areas off the coast of the State of
2 South Carolina—

3 (1) determined by the Secretary to have the
4 most geologically promising hydrocarbon resources;
5 and

6 (2) that constitute not less than 25 percent of
7 the leasable area located within the offshore admin-
8 istrative boundaries of the State of South Carolina
9 depicted in the notice entitled “Federal Outer Conti-
10 nental Shelf (OCS) Administrative Boundaries Ex-
11 tending from the Submerged Lands Act Boundary
12 seaward to the Limit of the United States Outer
13 Continental Shelf”, published January 3, 2006 (71
14 Fed. Reg. 127).

15 (b) ENVIRONMENTAL IMPACT STATEMENT.—The
16 Secretary shall complete a multisale environmental impact
17 statement for the lease sales conducted under subsection
18 (a) and section 4.

19 **SEC. 6. SOUTH ATLANTIC PLANNING AREA LEASE SALES.**

20 (a) IN GENERAL.—The Secretary shall conduct 3
21 lease sales in the South Atlantic planning area before
22 June 30, 2017, in areas—

23 (1) to be determined by the Secretary based
24 on—

1 (A) analysis by the Bureau of Ocean En-
2 ergy Management; and

3 (B) industry nomination; and

4 (2) determined by the Secretary to contain the
5 most hydrocarbon resource potential.

6 (b) 2017-2022 LEASING PROGRAM.—The Secretary
7 shall—

8 (1) include the South Atlantic planning area in
9 the outer Continental Shelf leasing program for fis-
10 cal years 2017–2022 prepared under section 18 of
11 the Outer Continental Shelf Lands Act (43 U.S.C.
12 1344); and

13 (2) conduct 1 lease sale in the South Atlantic
14 planning area during each year of the program, for
15 a total of 5 lease sales.

16 **SEC. 7. BALANCING OF MILITARY AND ENERGY PRODUC-**
17 **TION GOALS.**

18 (a) IN GENERAL.—In recognition that the outer Con-
19 tinental Shelf oil and gas leasing program and the domes-
20 tic energy resources produced under the program are inte-
21 gral to national security, the Secretary and the Secretary
22 of Defense shall work jointly in implementing lease sales
23 under this Act—

24 (1) to preserve the ability of the Armed Forces
25 of the United States to maintain an optimum state

1 of readiness through their continued use of the outer
2 Continental Shelf; and

3 (2) to allow effective exploration, development,
4 and production of the oil, gas, and renewable energy
5 resources of the United States.

6 (b) PROHIBITION ON CONFLICTS WITH MILITARY
7 OPERATIONS.—No person may engage in any exploration,
8 development, or production of oil or natural gas on the
9 outer Continental Shelf under a lease issued under this
10 Act that would conflict with any military operation, as de-
11 termined in accordance with—

12 (1) the agreement entitled “Memorandum of
13 Agreement between the Department of Defense and
14 the Department of the Interior on Mutual Concerns
15 on the Outer Continental Shelf” signed July 20,
16 1983; and

17 (2) any revision or replacement for the agree-
18 ment described in paragraph (1) that is agreed to by
19 the Secretary of Defense and the Secretary after
20 that date but before the date of issuance of the lease
21 under which the exploration, development, or pro-
22 duction is conducted.

1 **SEC. 8. REVENUE SHARING AND DEFICIT REDUCTION.**

2 Notwithstanding section 9 of the Outer Continental
3 Shelf Lands Act (43 U.S.C. 1338), each fiscal year the
4 Secretary shall deposit—

5 (1) 37.5 percent of the qualified revenues in a
6 special account in the Treasury, from which the Sec-
7 retary shall allocate amounts in accordance with sec-
8 tion 9;

9 (2) 2.5 percent of the qualified revenues in the
10 fund established by section 10(b)(1), from which the
11 Secretary shall allocate amounts in accordance with
12 that section;

13 (3) 10 percent of the qualified revenues dedi-
14 cated towards deficit reduction; and

15 (4) 50 percent of the qualified revenues in the
16 general fund of the Treasury.

17 **SEC. 9. ALLOCATION TO STATES.**

18 (a) IN GENERAL.—Of the qualified revenues depos-
19 ited in the account under section 8(1), 37.5 percent shall
20 be distributed to each State—

21 (1) using the formula established under sub-
22 section (b); and

23 (2) in amounts that are inversely proportional
24 to the respective distances between the point on the
25 coastline of each State that is closest to the geo-

1 graphic center of the applicable leased tract and the
2 geographic center of the leased tract.

3 (b) FORMULA.—The formula used to make the cal-
4 culation under subsection (a) shall be—

5 (1) established by the Secretary by regulation;
6 and

7 (2) modeled after the final rule entitled “Alloca-
8 tion and Disbursement of Royalties, Rentals, and
9 Bonuses—Oil and Gas, Offshore”, dated December
10 23, 2008 (73 Fed. Reg. 78622).

11 (c) MINIMUM ALLOCATION.—Each State shall be en-
12 titled to an amount equal to not less than 10 percent of
13 the qualified revenues allocated under subsection (a).

14 (d) USE OF FUNDS.—A State receiving amounts
15 under this section may use the amounts in accordance
16 with State law.

17 **SEC. 10. VETERANS JOBS GRANT PROGRAM AUTHORIZED.**

18 (a) ESTABLISHMENT OF FUND.—

19 (1) IN GENERAL.—There is established in the
20 Treasury of the United States a fund, to be known
21 as the “Oil and Gas Production Veterans Workforce
22 Training Fund” (referred to in this section as the
23 “Fund”), consisting of such amounts as are trans-
24 ferred to the Fund under section 8(2).

1 (2) ADMINISTRATION.—The Fund shall be ad-
2 ministered by the Secretary to fund the grants au-
3 thorized by subsection (b).

4 (b) GRANTS AUTHORIZED.—

5 (1) IN GENERAL.—The Secretary, acting
6 through the Director, shall award grants on a com-
7 petitive basis to eligible institutions of higher edu-
8 cation and workforce investment boards to establish
9 and fund oil and gas exploration, development, and
10 production workforce training programs.

11 (2) ELIGIBILITY.—To be eligible to receive a
12 grant under this section, an institution of higher
13 education or workforce investment board shall—

14 (A) establish or expand and administer an
15 oil and gas exploration, development, and pro-
16 duction workforce training program; and

17 (B) in granting admission to applicants to
18 the program, give priority to veterans of the
19 Armed Forces of the United States.

20 (3) APPLICATION.—Each eligible entity desiring
21 a grant under this section shall submit an applica-
22 tion to the Secretary at such time, in such manner,
23 and accompanied by such information as the Sec-
24 retary may reasonably require.

1 (4) LIMITATION ON ADMINISTRATIVE EX-
2 PENSES.—Not more than 0.5 percent of the
3 amounts made available to carry out this section
4 may be used to pay for the administrative expenses
5 of the programs described in paragraph (1).

6 **SEC. 11. ENHANCING GEOLOGICAL AND GEOPHYSICAL**
7 **EDUCATION FOR AMERICA'S ENERGY FU-**
8 **TURE.**

9 (a) IN GENERAL.—The Secretary, acting through the
10 Director, shall partner with institutions of higher edu-
11 cation selected under subsection (c) to facilitate the prac-
12 tical study of geological and geophysical sciences of areas
13 on the Atlantic Outer Continental Shelf and elsewhere on
14 the Continental Shelf of the United States.

15 (b) FOCUS.—Activities conducted by institutions of
16 higher education under this section shall focus all geologi-
17 cal and geophysical scientific research on obtaining a bet-
18 ter understanding of hydrocarbon potential in the South
19 Atlantic Planning Area while fostering the study of the
20 geological and geophysical sciences at institutions of high-
21 er education in the United States.

22 (c) SELECTION OF INSTITUTIONS.—

23 (1) NOMINATION.—Not later than 180 days
24 after the date of enactment of this Act, the Governor

1 of each State may nominate for participation in a
2 partnership—

3 (A) 1 institution of higher education lo-
4 cated in the State; and

5 (B) 1 institution of higher education that
6 is a historically Black college or university, as
7 defined in section 631(a) of the Higher Edu-
8 cation Act of 1965 (20 U.S.C. 1132(a)) located
9 in the State.

10 (2) PREFERENCE.—In making nominations
11 under paragraph (1), each Governor shall give pref-
12 erence to those institutions of higher education that
13 demonstrate a vigorous rate of admissions of vet-
14 erans of the Armed Forces of the United States and
15 meet the criteria described in paragraph (3).

16 (3) SELECTION.—The Director shall select as a
17 partner any institution of higher education nomi-
18 nated under paragraph (1) that the Director deter-
19 mines demonstrates excellence in 1 or more of the
20 following criteria:

21 (A) Geophysical sciences curriculum.

22 (B) Engineering curriculum.

23 (C) Information technology or other tech-
24 nical studies related to seismic research, includ-
25 ing data processing.

1 (d) RESEARCH AUTHORITY.—

2 (1) IN GENERAL.—Except as provided in para-
3 graph (2), an institution of higher education selected
4 under subsection (c)(3) may conduct research under
5 this section upon the expiration of the 30-day period
6 beginning on the date the institution of higher edu-
7 cation submits notice of the research to the South
8 Atlantic Regional Director of the Bureau of Ocean
9 Energy Management.

10 (2) PERMIT REQUIRED.—An institution of high-
11 er education may not under this section conduct re-
12 search that uses solid or liquid explosives except as
13 authorized by a permit issued by the Director.

14 (e) DATA.—

15 (1) IN GENERAL.—Geological and geophysical
16 activities conducted under this section—

17 (A) shall be considered scientific research
18 and data produced by the activities;

19 (B) shall not be used or shared for com-
20 mercial purposes;

21 (C) shall not be produced for proprietary
22 use or sale; and

23 (D) shall be made available by the Director
24 to the public.

1 (2) SUBMISSION OF DATA TO BOEM.—Not later
2 than 60 days after completion of initial analysis of
3 data collected under this section by an institution of
4 higher education selected under subsection (c)(3),
5 the institution of higher education shall share with
6 the Bureau of Ocean Energy Management any data
7 collected that is requested by the Bureau of Ocean
8 Energy Management.

9 (3) FEES.—The Director may not charge any
10 fee for the provision of data produced in research
11 under this section, other than a data reprocessing
12 fee to pay the cost of duplicating the data.

13 (f) REPORT.—Not less frequently than once every
14 180 days, the Director shall submit to the Committee on
15 Energy and Natural Resources of the Senate and the
16 Committee on Natural Resources of the House of Rep-
17 resentatives a report on the data derived from partner-
18 ships under this section.

19 **SEC. 12. ATLANTIC REGIONAL OFFICE.**

20 Not later than the last day of the outer Continental
21 Shelf leasing program for fiscal years 2012–2017 pre-
22 pared under section 18 of the Outer Continental Shelf
23 Lands Act (43 U.S.C. 1344), the Director shall establish
24 an Atlantic regional office in an area that is—

1 (1) included in the outer Continental Shelf leas-
2 ing program for fiscal years 2017–2022 prepared
3 under section 18 of that Act; and

4 (2) determined by the Director to have the most
5 potential resource development.