

117TH CONGRESS
1ST SESSION

S. _____

To modify the disposition of certain outer Continental Shelf revenues and to open Federal financial sharing to heighten opportunities for renewable energy, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. WHITEHOUSE (for himself and Mr. CASSIDY) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To modify the disposition of certain outer Continental Shelf revenues and to open Federal financial sharing to heighten opportunities for renewable energy, 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 **[“_____ Act of**
5 **_____”]**.

1 **SEC. 2. NATIONAL OCEANS AND COASTAL SECURITY FUND;**
2 **PARITY IN OFFSHORE WIND REVENUE SHAR-**
3 **ING.**

4 (a) DEFINITIONS IN THE NATIONAL OCEANS AND
5 COASTAL SECURITY ACT.—Section 902 of the National
6 Oceans and Coastal Security Act (16 U.S.C. 7501) is
7 amended—

8 (1) by striking paragraph (5) and inserting the
9 following:

10 “(5) INDIAN TRIBE.—The term ‘Indian tribe’
11 has the meaning given that term in section 4 of the
12 Indian Self-Determination and Education Assistance
13 Act (25 U.S.C. 5304).”; and

14 (2) in paragraph (7), by striking “has the
15 meaning given that term pursuant to” and inserting
16 “means a ‘tidal shoreline’ or a ‘Great Lake shore-
17 line’, as those terms are used in”.

18 (b) NATIONAL OCEANS AND COASTAL SECURITY
19 FUND.—Section 904 of the National Oceans and Coastal
20 Security Act (16 U.S.C. 7503) is amended—

21 (1) in subsection (a), by inserting “and man-
22 age” after “establish”;

23 (2) in subsection (b), by striking paragraph (1)
24 and inserting the following:

25 “(1) IN GENERAL.—The Fund shall consist of
26 such amounts as—

1 “(A) are deposited in the Fund under sec-
2 tion 105(f)(3)(B) of the Gulf of Mexico Energy
3 Security Act of 2006 (43 U.S.C. 1331 note;
4 Public Law 109–432);

5 “(B) are deposited in the Fund under sub-
6 paragraph (C)(ii)(I)(bb) of section 8(p)(2) of
7 the Outer Continental Shelf Lands Act (43
8 U.S.C. 1337(p)(2)); and

9 “(C) are appropriated or otherwise made
10 available for the Fund.”;

11 (3) by striking subsection (d) and inserting the
12 following:

13 “(d) EXPENDITURE.—

14 “(1) IN GENERAL.—Of the amounts deposited
15 into, and amounts appropriated or otherwise made
16 available for, the Fund for each fiscal year—

17 “(A) not more than 75 percent may be
18 used for the award of grants under section
19 906(b);

20 “(B) not more than 20 percent may be
21 used for the award of grants under section
22 906(c); and

23 “(C) not more than 5 percent may be used
24 by the Administrator and the Foundation for
25 administrative expenses to carry out this title.

1 “(2) LIMITATION.—If less than \$50,000,000 is
2 deposited into, or appropriated or otherwise made
3 available for, the Fund for a fiscal year, in that fis-
4 cal year—

5 “(A) amounts in the Fund shall be used
6 for the award of grants only under section
7 906(c); and

8 “(B) not more than 5 percent may be used
9 by the Administrator and the Foundation for
10 administrative expenses to carry out this title.

11 “(3) DIVISION OF AMOUNTS FOR ADMINISTRA-
12 TIVE EXPENSES.—The amounts referred to in para-
13 graphs (1)(C) and (2)(B) shall be divided between
14 the Administrator and the Foundation pursuant to
15 an agreement reached and documented by both the
16 Administrator and the Foundation.”; and

17 (4) in subsection (e)(2), by striking “section
18 906(a)(1)” and inserting “section 906(a)”.

19 (c) ELIGIBLE USES OF AMOUNTS IN THE NATIONAL
20 OCEANS AND COASTAL SECURITY FUND.—Section 905 of
21 the National Oceans and Coastal Security Act (16 U.S.C.
22 7504) is amended to read as follows:

23 **“SEC. 905. ELIGIBLE USES.**

24 “(a) IN GENERAL.—Amounts in the Fund may be
25 allocated by the Administrator under section 906(b) and

1 the Foundation under section 906(c) to support programs
2 and activities intended to improve understanding and use
3 of ocean and coastal resources and coastal infrastructure.

4 “(b) PROGRAMS AND ACTIVITIES.—The programs
5 and activities referred to in subsection (a) may include sci-
6 entific research related to changing environmental condi-
7 tions, ocean observing projects, efforts to enhance resil-
8 iency of infrastructure and communities, habitat protec-
9 tion and restoration, and efforts to support sustainable
10 seafood production carried out by States, local govern-
11 ments, Indian tribes, regional and interstate collaboratives
12 such as regional ocean partnerships, nongovernmental or-
13 ganizations, public-private partnerships, and academic in-
14 stitutions.

15 “(c) PROHIBITION ON USE OF FUNDS FOR LITIGA-
16 TION OR OTHER PURPOSES.—No funds made available
17 under this title may be used—

18 “(1) to fund litigation against the Federal Gov-
19 ernment; or

20 “(2) to fund the creation of national marine
21 monuments, marine protected areas, or marine spa-
22 tial plans.”.

23 (d) GRANTS UNDER THE NATIONAL OCEANS AND
24 COASTAL SECURITY ACT.—Section 906 of the National

1 Oceans and Coastal Security Act (16 U.S.C. 7505) is
2 amended—

3 (1) in subsection (a)—

4 (A) by striking paragraph (2);

5 (B) by striking “(a) ADMINISTRATION OF
6 GRANTS.—” and all that follows through “the
7 following:” and inserting the following:

8 “(a) ADMINISTRATION OF GRANTS.—Not later than
9 90 days after funds are deposited into the Fund and made
10 available to the Administrator and the Foundation for ad-
11 ministrative purposes, the Administrator and the Founda-
12 tion shall establish the following:”;

13 (C) in subparagraph (A), by striking “such
14 subsections” and inserting “this section”;

15 (D) by striking subparagraph (B) and in-
16 serting the following:

17 “(B) Selection procedures and criteria for
18 the awarding of grants under this section that
19 require consultation with the Administrator and
20 the Secretary of the Interior.”;

21 (E) in subparagraph (C), by striking
22 clause (ii) and inserting the following:

23 “(ii) under subsection (c) to entities
24 including States, local governments, Indian
25 tribes, regional and interstate

1 collaboratives such as regional ocean part-
2 nerships, nongovernmental organizations,
3 public-private partnerships, and academic
4 institutions.”;

5 (F) in subparagraph (D), by striking “Per-
6 formance accountability and monitoring” and
7 inserting “Performance, accountability, and
8 monitoring”; and

9 (G) by redesignating subparagraphs (A)
10 through (H) as paragraphs (1) through (8), re-
11 spectively, and moving such paragraphs, as so
12 redesignated, 2 ems to the left;

13 (2) by striking subsection (b) and inserting the
14 following:

15 “(b) GRANTS TO COASTAL STATES.—

16 “(1) IN GENERAL.—The Administrator shall
17 award grants to coastal States as follows:

18 “(A) 70 percent of available amounts shall
19 be allocated equally among coastal States.

20 “(B) 15 percent of available amounts shall
21 be allocated on the basis of the ratio of tidal
22 shoreline miles in a coastal State to the tidal
23 shoreline miles of all coastal States.

24 “(C) 15 percent of available amounts shall
25 be allocated on the basis of the ratio of popu-

1 lation density of the coastal counties of a coast-
2 al State to the average population density of all
3 coastal counties based on the most recent data
4 available from the Bureau of the Census.

5 “(2) MAXIMUM ALLOCATION TO STATES.—Not-
6 withstanding paragraph (1), not more than 5 per-
7 cent of the total funds distributed under this sub-
8 section may be allocated to any single coastal State.
9 Any amount exceeding that limitation shall be redis-
10 tributed equally among the remaining coastal States.

11 “(3) OPTIONAL MATCHING FUNDS.—Each enti-
12 ty seeking to receive a grant under this subsection
13 is encouraged, but not required, to demonstrate that
14 funds of any amount are available from non-Federal
15 sources to supplement the amount of the grant.”;
16 and

17 (3) in subsection (c)—

18 (A) in paragraph (1), by striking “Admin-
19 istrator and the”; and

20 (B) by adding at the end the following:

21 “(3) EXCLUSION OF FUNDS FROM LIMITA-
22 TION.— The amount of a grant awarded under this
23 subsection shall not count toward the limitation
24 under subsection (b)(2) on funding to coastal States
25 through grants awarded under subsection (b).”.

1 (e) ANNUAL REPORT ON OPERATION OF THE NA-
2 TIONAL OCEANS AND COASTAL SECURITY FUND.—Sec-
3 tion 907(a) of the National Oceans and Coastal Security
4 Act (16 U.S.C. 7506(a)) is amended by striking “Subject
5 to” and all that follows through “the Foundation” and
6 inserting the following: “Not later than 60 days after the
7 end of each fiscal year, the Administrator and the Founda-
8 tion”.

9 (f) REPEAL OF AUTHORIZATION OF APPROPRIATIONS
10 FOR FISCAL YEARS 2017, 2018, AND 2019.—Section 908
11 of the National Oceans and Coastal Security Act (16
12 U.S.C. 7507) is repealed.

13 (g) PARITY IN OFFSHORE WIND REVENUE SHAR-
14 ING.—Section 8(p)(2) of the Outer Continental Shelf
15 Lands Act (43 U.S.C. 1337(p)(2)) is amended—

16 (1) in subparagraph (A), by striking “(A) The
17 Secretary” and inserting the following:

18 “(A) IN GENERAL.—Subject to subpara-
19 graphs (B) and (C), the Secretary”;

20 (2) in subparagraph (B), by striking “(B) The
21 Secretary” and inserting the following:

22 “(B) DISPOSITION OF REVENUES FOR
23 PROJECTS LOCATED WITHIN 3 NAUTICAL MILES
24 SEAWARD OF STATE SUBMERGED LAND.—The
25 Secretary”; and

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

2 “(C) DISPOSITION OF REVENUES FOR OFF-
3 SHORE WIND PROJECTS IN CERTAIN AREAS.—

4 “(i) DEFINITIONS.—In this subpara-
5 graph:

6 “(I) COVERED OFFSHORE WIND
7 PROJECT.—The term ‘covered off-
8 shore wind project’ means a wind-
9 powered electric generation project in
10 a wind energy area on the outer Con-
11 tinental Shelf that is not wholly or
12 partially located within an area sub-
13 ject to subparagraph (B).

14 “(II) ELIGIBLE STATE.—The
15 term ‘eligible State’ means a State a
16 point on the coastline of which is lo-
17 cated within 75 miles of the geo-
18 graphic center of the covered offshore
19 wind project.

20 “(ii) REQUIREMENT.—

21 “(I) IN GENERAL.—Of the oper-
22 ating fees, rentals, bonuses, royalties,
23 and other payments that are paid to
24 the Secretary under subparagraph (A)
25 from covered offshore wind projects—

1 “(aa) 25 percent shall be de-
2 posited in the Treasury and cred-
3 ited to miscellaneous receipts;

4 “(bb) 37.5 percent shall be
5 deposited in the National Oceans
6 and Coastal Security Fund estab-
7 lished under section 904(a) of
8 the National Oceans and Coastal
9 Security Act (16 U.S.C.
10 7503(a)); and

11 “(cc) 37.5 percent shall be
12 deposited in a special account in
13 the Treasury, from which the
14 Secretary, subject to subclause
15 (II), shall disburse to each eligi-
16 ble State an amount (based on a
17 formula established by the Sec-
18 retary of the Interior by rule-
19 making not later than 180 days
20 after the date of enactment of
21 the [_____ Act of _____])
22 that is inversely proportional to
23 the respective distances be-
24 tween—

1 “(AA) the point on the
2 coastline of each eligible
3 State that is closest to the
4 geographic center of the ap-
5 plicable leased tract; and

6 “(BB) the geographic
7 center of the leased tract.

8 “(II) MINIMUM ALLOCATION.—

9 The amount allocated to an eligible
10 State each fiscal year under item (cc)
11 of subclause (I) shall be at least 10
12 percent of the amounts available
13 under that item.

14 “(iii) TIMING.—The amounts required
15 to be deposited under item (cc) of clause
16 (ii)(I) for the applicable fiscal year shall be
17 made available in accordance with that
18 item during the fiscal year immediately fol-
19 lowing the applicable fiscal year.

20 “(iv) AUTHORIZED USES.—

21 “(I) IN GENERAL.—Subject to
22 subclause (II), each State shall use all
23 amounts received under clause
24 (ii)(I)(cc) in accordance with all appli-

1 cable Federal and State laws, only for
2 1 or more of the following purposes:

3 “(aa) Projects and activities
4 for the purposes of coastal pro-
5 tection, including conservation,
6 coastal restoration, hurricane
7 protection, and infrastructure di-
8 rectly affected by coastal wetland
9 losses.

10 “(bb) Mitigation of damage
11 to fish, wildlife, or natural re-
12 sources, including through fish-
13 eries science and research.

14 “(cc) Implementation of a
15 federally approved marine, coast-
16 al, or comprehensive conservation
17 management plan.

18 “(dd) Mitigation of the im-
19 pact of outer Continental Shelf
20 activities through the funding of
21 onshore infrastructure projects.

22 “(ee) Planning assistance
23 and the administrative costs of
24 complying with this section.

1 “(II) LIMITATION.—Of the
2 amounts received by a State under
3 clause (ii)(I)(cc), not more than 3 per-
4 cent shall be used for the purposes de-
5 scribed in subclause (I)(ee).

6 “(v) ADMINISTRATION.—Subject to
7 clause (vi)(III), amounts made available
8 under clause (ii)(I) shall—

9 “(I) be made available, without
10 further appropriation, in accordance
11 with this paragraph;

12 “(II) remain available until ex-
13 pended; and

14 “(III) be in addition to any
15 amount appropriated under any other
16 Act.

17 “(vi) REPORTING REQUIREMENT.—

18 “(I) IN GENERAL.—Not later
19 than 180 days after the end of each
20 fiscal year, the Governor of each eligi-
21 ble State that receives amounts under
22 clause (ii)(I)(cc) for the applicable fis-
23 cal year shall submit to the Secretary
24 a report that describes the use of the

1 amounts by the eligible State during
2 the period covered by the report.

3 “(II) PUBLIC AVAILABILITY.—On
4 receipt of a report under subclause
5 (I), the Secretary shall make the re-
6 port available to the public on the
7 website of the Department of the In-
8 terior.

9 “(III) LIMITATION.—If the Gov-
10 ernor of an eligible State that receives
11 amounts under clause (ii)(I)(cc) for
12 the applicable fiscal year fails to sub-
13 mit the report required under sub-
14 clause (I) by the deadline specified in
15 that subclause, any amounts that
16 would otherwise be provided to the eli-
17 gible State under clause (ii)(I)(cc) for
18 the succeeding fiscal year shall be de-
19 posited in the National Oceans and
20 Coastal Security Fund established
21 under section 904(a) of the National
22 Oceans and Coastal Security Act (16
23 U.S.C. 7503(a)).”.

24 (h) EXEMPTION OF CERTAIN PAYMENTS FROM SE-
25 QUESTRATION.—

1 (1) IN GENERAL.—Section 255(g)(1)(A) of the
2 Balanced Budget and Emergency Deficit Control
3 Act of 1985 (2 U.S.C. 905(g)(1)(A)) is amended by
4 inserting after “Payments to Social Security Trust
5 Funds (28–0404–0–1–651).” the following:

6 “Payments to States pursuant to subpara-
7 graph (C)(ii)(I)(cc) of section 8(p)(2) of the
8 Outer Continental Shelf Lands Act (43 U.S.C.
9 1337(p)(2)).”.

10 (2) APPLICABILITY.—The amendment made by
11 this subsection shall apply to any sequestration
12 order issued under the Balanced Budget and Emer-
13 gency Deficit Control Act of 1985 (2 U.S.C. 900 et
14 seq.) on or after the date of enactment of this Act.

15 **SEC. 3. GULF OF MEXICO OUTER CONTINENTAL SHELF**
16 **REVENUES.**

17 (a) DEFINITION OF QUALIFIED OUTER CONTI-
18 NENTAL SHELF REVENUES.—Section 102(9)(A) of the
19 Gulf of Mexico Energy Security Act of 2006 (43 U.S.C.
20 1331 note; Public Law 109–432) is amended—

21 (1) in clause (i)(II), by striking “and” after the
22 semicolon;

23 (2) in clause (ii)—

24 (A) in the matter preceding subclause (I),
25 by striking “fiscal year 2017 and each fiscal

1 year thereafter” and inserting “each of fiscal
2 years 2017 through 2021”; and

3 (B) in subclause (III), by striking the pe-
4 riod and inserting “; and”; and

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

6 “(iii) in the case of fiscal year 2022
7 and each fiscal year thereafter, all rentals,
8 royalties, bonus bids, and other sums due
9 and payable to the United States received
10 on or after October 1, 2021, from leases
11 entered into on or after October 1, 2000,
12 for—

13 “(I) the 181 Area;

14 “(II) the 181 South Area; and

15 “(III) the 2002–2007 planning
16 area.”.

17 (b) ELIMINATION OF LIMITATION ON AMOUNT OF
18 DISTRIBUTED QUALIFIED OUTER CONTINENTAL SHELF
19 REVENUES.—Section 105 of the Gulf of Mexico Energy
20 Security Act of 2006 (43 U.S.C. 1331 note; Public Law
21 109–432) is amended by striking subsection (f) and in-
22 serting the following:

23 “(f) LIMITATIONS ON AMOUNT OF DISTRIBUTED
24 QUALIFIED OUTER CONTINENTAL SHELF REVENUES.—

25 “(1) LIMITATIONS.—

1 “(A) FISCAL YEARS 2016 THROUGH 2021.—
2 Subject to paragraph (2), the total amount of
3 qualified outer Continental Shelf revenues made
4 available under subsection (a)(2) shall not ex-
5 ceed—

6 “(i) \$500,000,000 for each of fiscal
7 years 2016 through 2019; and

8 “(ii) \$650,000,000 for each of fiscal
9 years 2020 and 2021.

10 “(B) FISCAL YEARS 2022 THROUGH 2055.—
11 Subject to paragraph (2), the total amount of
12 qualified outer Continental Shelf revenues made
13 available under subsection (a)(2)(B) shall not
14 exceed \$125,000,000 for each of fiscal years
15 2022 through 2055.

16 “(2) EXPENDITURES.—

17 “(A) FISCAL YEARS 2016 THROUGH 2021.—
18 For the purpose of paragraph (1)(A), for each
19 of fiscal years 2016 through 2021, expenditures
20 under subsection (a)(2) shall be net of receipts
21 from that fiscal year from any area in the 181
22 Area in the Eastern Planning Area and the 181
23 South Area.

24 “(B) FISCAL YEARS 2022 THROUGH 2055.—
25 For the purpose of paragraph (1)(B), for each

1 of fiscal years 2022 through 2055, expenditures
2 under subsection (a)(2)(B) shall be net of re-
3 cepts from that fiscal year from any area in
4 the 181 Area in the Eastern Planning Area and
5 the 181 South Area.

6 “(3) PRO RATA REDUCTIONS; REVERSION.—

7 “(A) FISCAL YEARS 2016 THROUGH 2021.—

8 If paragraph (1)(A) limits the amount of quali-
9 fied outer Continental Shelf revenues that
10 would be paid under subparagraphs (A) and
11 (B) of subsection (a)(2)—

12 “(i) the Secretary shall reduce the
13 amount of qualified outer Continental
14 Shelf revenues provided to each recipient
15 on a pro rata basis; and

16 “(ii) any remainder of the qualified
17 outer Continental Shelf revenues shall re-
18 vert to the general fund of the Treasury.

19 “(B) FISCAL YEARS 2022 THROUGH 2055.—

20 If paragraph (1)(B) limits the amount of quali-
21 fied outer Continental Shelf revenues that
22 would be paid under subsection (a)(2)(B), any
23 remainder of the qualified outer Continental
24 Shelf revenues shall be deposited in the Na-
25 tional Oceans and Coastal Security Fund estab-

1 lished under section 904(a) of the National
2 Oceans and Coastal Security Act (16 U.S.C.
3 7503(a)).”.

4 (c) EXEMPTION OF CERTAIN PAYMENTS FROM SE-
5 QUESTRATION.—

6 (1) IN GENERAL.—Section 255(g)(1)(A) of the
7 Balanced Budget and Emergency Deficit Control
8 Act of 1985 (2 U.S.C. 905(g)(1)(A)) is amended by
9 inserting after “Payments to Social Security Trust
10 Funds (28–0404–0–1–651).” the following:

11 “Payments to States pursuant to section
12 105(a)(2)(A) of the Gulf of Mexico Energy Se-
13 curity Act of 2006 (Public Law 109–432; 43
14 U.S.C. 1331 note) (014–5535–0–2–302).”.

15 (2) APPLICABILITY.—The amendment made by
16 this subsection shall apply to any sequestration
17 order issued under the Balanced Budget and Emer-
18 gency Deficit Control Act of 1985 (2 U.S.C. 900 et
19 seq.) on or after the date of enactment of this Act.