

110TH CONGRESS  
2D SESSION

# H. R. 6418

To achieve greater national energy independence by terminating longstanding moratoriums on the domestic production of offshore oil and natural gas and to authorize States to petition for authorization to conduct offshore oil and natural gas exploration and extraction in the coastal zone of their State.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 2008

Mr. POE (for himself, Mr. BOUSTANY, Mr. BURTON of Indiana, and Mr. LAMBORN) introduced the following bill; which was referred to the Committee on Natural Resources

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## A BILL

To achieve greater national energy independence by terminating longstanding moratoriums on the domestic production of offshore oil and natural gas and to authorize States to petition for authorization to conduct offshore oil and natural gas exploration and extraction in the coastal zone of their State.

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 “Developing Resources  
5 Immediately and Long-Term through Leases on Our Na-

1 tion's Offshore Waters Act of 2008" or the "DRILL  
2 NOW Act of 2008".

3 **SEC. 2. TERMINATION OF LAWS PROHIBITING THE SPEND-**  
4 **ING OF APPROPRIATED FUNDS FOR OUTER**  
5 **CONTINENTAL SHELF LEASING ACTIVITIES.**

6 All provisions of existing Federal law prohibiting the  
7 spending of appropriated funds to conduct oil and natural  
8 gas leasing and preleasing activities for any area of the  
9 Outer Continental Shelf shall have no force or effect.

10 **SEC. 3. REVOCATION OF EXISTING PRESIDENTIAL WITH-**  
11 **DRAWALS.**

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

20 **SEC. 4. REVOCATION OF EXISTING PRESIDENTIAL AUTHOR-**  
21 **ITY.**

22 All authorities given to the President with respect to  
23 the leasing of Federal submerged lands of the Outer Con-  
24 tinental Shelf, given under section 12(a) of the Outer Con-

1 tinal Shelf Lands Act (43 U.S.C. 1341(a)), are hereby  
2 revoked, except in the interest of national security.

3 **SEC. 5. AVAILABILITY OF CERTAIN AREAS FOR LEASING.**

4 Section 8 of the Outer Continental Shelf Lands Act  
5 (43 U.S.C. 1337) is amended by adding at the end the  
6 following:

7 “(q) AVAILABILITY OF CERTAIN AREAS FOR LEAS-  
8 ING.—

9 “(1) DEFINITIONS.—In this subsection:

10 “(A) GOVERNOR.—The term ‘Governor’  
11 means the Governor of a State.

12 “(B) QUALIFIED REVENUES.—The term  
13 ‘qualified revenues’ means all rentals, royalties,  
14 bonus bids, and other sums due and payable to  
15 the United States from leases entered into on  
16 or after the date of enactment of this Act for  
17 natural gas exploration and extraction activities  
18 authorized by the Secretary under this sub-  
19 section.

20 “(2) PETITION.—

21 “(A) IN GENERAL.—The Governor may  
22 submit to the Secretary a petition requesting  
23 that the Secretary issue leases authorizing the  
24 conduct of oil and natural gas exploration and

1 extraction activities in any area that is at least  
2 50 miles beyond the coastal zone of the State.

3 “(B) CONTENTS.—In any petition under  
4 subparagraph (A), the Governor shall include a  
5 detailed plan of the proposed exploration and  
6 extraction activities, as applicable.

7 “(3) ACTION BY SECRETARY.—

8 “(A) IN GENERAL.—Subject to subpara-  
9 graph (D), as soon as practicable after the date  
10 of receipt of a petition under paragraph (2), the  
11 Secretary shall approve or deny the petition.

12 “(B) REQUIREMENTS FOR EXPLORATION  
13 AND EXTRACTION.—The Secretary shall not ap-  
14 prove a petition submitted under paragraph  
15 (2)(A) unless the State enacts legislation sup-  
16 porting exploration and extraction of oil and  
17 natural gas in the coastal zone of the State.

18 “(C) CONSISTENCY WITH LEGISLATION.—  
19 The plan provided in the petition under para-  
20 graph (2)(B) shall be consistent with the legis-  
21 lation described in subparagraph (B) as appli-  
22 cable.

23 “(D) CONFLICTS WITH MILITARY OPER-  
24 ATIONS AND NATIONAL SECURITY.—The Sec-  
25 retary shall not approve a petition for a drilling

1 activity under this paragraph if the drilling ac-  
2 tivity would conflict with any military operation  
3 or national security, as determined by the  
4 President.

5 “(4) DISPOSITION OF REVENUES.—Notwith-  
6 standing section 9, for each applicable fiscal year,  
7 the Secretary of the Treasury shall deposit—

8 “(A) 25 percent of qualified revenues in a  
9 Clean and Alternative Energy Fund in the  
10 Treasury, which shall be established by the Sec-  
11 retary;

12 “(B) 25 percent of qualified revenues in  
13 the general fund of the Treasury;

14 “(C) 37.5 percent of qualified revenues in  
15 a special account in the Treasury from which  
16 the Secretary shall disburse to the State; and

17 “(D) 6.25 percent to provide financial as-  
18 sistance to States in accordance with section 6  
19 of the Land and Water Conservation Fund Act  
20 of 1965 (16 U.S.C. 4601–8), which shall be con-  
21 sidered income to the Land and Water Con-  
22 servation Fund for purposes of section 2 of that  
23 Act (16 U.S.C. 4601–5); and

24 “(E) 6.25 percent to a reserve fund to be  
25 used to mitigate for any environmental damage

1           that occurs as a result of extraction activities  
2           authorized under this subsection, regardless of  
3           whether the damage is—

4                     “(i) reasonably foreseeable; or

5                     “(ii) caused by negligence, natural  
6                     disasters, or other acts.

7           “(5) EXISTING LEASES.—Any funds that would  
8           be received by the United States as royalties under  
9           any Federal oil and gas lease of an area on the  
10          outer Continental Shelf within 50 miles of the coast-  
11          al zone of the State of Texas, Louisiana, Mississippi,  
12          or Alabama that is in effect on the date of enact-  
13          ment of the DRILL NOW Act of 2008 shall be paid  
14          to that State if the State enacts a statute that es-  
15          tablishes a plan for expenditure of those funds.”.

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