

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 3410  
OFFERED BY MR. HASTINGS OF WASHINGTON**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Energy Security and  
3 Transportation Jobs Act”.

**4 SEC. 2. TABLE OF CONTENTS.**

5 The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

**TITLE I—EXPANDING OFFSHORE ENERGY DEVELOPMENT**

Sec. 101. Outer Continental Shelf leasing program.

Sec. 102. Domestic oil and natural gas production goal.

**TITLE II—CONDUCTING PROMPT OFFSHORE LEASE SALES**

Sec. 201. Requirement to conduct proposed oil and gas Lease Sale 216 in the Central Gulf of Mexico.

Sec. 202. Requirement to conduct proposed oil and gas Lease Sale 220 on the Outer Continental Shelf offshore Virginia.

Sec. 203. Requirement to conduct oil and gas lease Sale 222 in the Central Gulf of Mexico.

Sec. 204. Lease sale offshore California with no new offshore impact.

Sec. 205. Requirement to conduct oil and gas Lease Sale 214 in the North Aleutian Basin offshore Alaska.

Sec. 206. Additional leases.

Sec. 207. Definitions.

**TITLE III—LEASING IN NEW OFFSHORE AREAS**

Sec. 301. Leasing in the Eastern Gulf of Mexico.

Sec. 302. Reforming oil and gas leasing in the Eastern Gulf of Mexico.

Sec. 303. Areas added to Central Gulf of Mexico Planning Area.

Sec. 304. Application of Outer Continental Shelf Lands Act with respect to territories of the United States.

TITLE IV—OUTER CONTINENTAL SHELF REVENUE SHARING

Sec. 401. Disposition of Outer Continental Shelf revenues to coastal States.

TITLE V—MISCELLANEOUS PROVISIONS

Sec. 501. Policies regarding buying, building, and working for America.

Sec. 502. Regulations.

1 **TITLE I—EXPANDING OFFSHORE**  
2 **ENERGY DEVELOPMENT**

3 **SEC. 101. OUTER CONTINENTAL SHELF LEASING PROGRAM.**

4 Section 18(a) of the Outer Continental Shelf Lands  
5 Act (43 U.S.C. 1344(a)) is amended by adding at the end  
6 the following:

7 “(5)(A) In each oil and gas leasing program  
8 under this section, the Secretary shall make avail-  
9 able for leasing and conduct lease sales including—

10 “(i) at least 50 percent of the available un-  
11 leased acreage within each outer Continental  
12 Shelf planning area considered to have the larg-  
13 est undiscovered, technically recoverable oil and  
14 gas resources (on a total btu basis) based upon  
15 the most recent national geologic assessment of  
16 the outer Continental Shelf, with an emphasis  
17 on offering the most geologically prospective  
18 parts of the planning area; and

19 “(ii) any State subdivision of an outer  
20 Continental Shelf planning area that the Gov-  
21 ernor of the State that represents that subdivi-  
22 sion requests be made available for leasing.

1           “(B) In this paragraph the term ‘available un-  
2 leased acreage’ means that portion of the outer Con-  
3 tinental Shelf that is not under lease at the time of  
4 a proposed lease sale, and that has not otherwise  
5 been made unavailable for leasing by law.

6           “(6)(A) In the 2012–2017 5-year oil and gas  
7 leasing program, the Secretary shall make available  
8 for leasing any outer Continental Shelf planning  
9 areas that—

10           “(i) are estimated to contain more than  
11 2,500,000,000 barrels of oil; or

12           “(ii) are estimated to contain more than  
13 7,500,000,000,000 cubic feet of natural gas.

14           “(B) To determine the planning areas described  
15 in subparagraph (A), the Secretary shall use the  
16 document entitled ‘Minerals Management Service  
17 Assessment of Undiscovered Technically Recoverable  
18 Oil and Gas Resources of the Nation’s Outer Conti-  
19 nental Shelf, 2006’.”.

20 **SEC. 102. DOMESTIC OIL AND NATURAL GAS PRODUCTION**

21           **GOAL.**

22           Section 18(b) of the Outer Continental Shelf Lands  
23 Act (43 U.S.C. 1344(b)) is amended to read as follows:

24           “(b) DOMESTIC OIL AND NATURAL GAS PRODUC-  
25 TION GOAL.—

1           “(1) IN GENERAL.—In developing a 5-year oil  
2 and gas leasing program, and subject to paragraph  
3 (2), the Secretary shall determine a domestic stra-  
4 tegic production goal for the development of oil and  
5 natural gas as a result of that program. Such goal  
6 shall be—

7           “(A) the best estimate of the possible in-  
8 crease in domestic production of oil and natural  
9 gas from the outer Continental Shelf;

10           “(B) focused on meeting domestic demand  
11 for oil and natural gas and reducing the de-  
12 pendence of the United States on foreign en-  
13 ergy; and

14           “(C) focused on the production increases  
15 achieved by the leasing program at the end of  
16 the 15-year period beginning on the effective  
17 date of the program.

18           “(2) 2012–2017 PROGRAM GOAL.—For pur-  
19 poses of the 2012–2017 5-year oil and gas leasing  
20 program, the production goal referred to in para-  
21 graph (1) shall be an increase by 2027, from the lev-  
22 els of oil and gas produced as of the date of enact-  
23 ment of this paragraph, of—

24           “(A) no less than 3,000,000 barrels in the  
25 amount of oil produced per day; and

1           “(B) no less than 10,000,000,000 cubic  
2           feet in the amount of natural gas produced per  
3           day.

4           “(3) REPORTING.—The Secretary shall report  
5           annually, beginning at the end of the 5-year period  
6           for which the program applies, to the Committee on  
7           Natural Resources of the House of Representatives  
8           and the Committee on Energy and Natural Re-  
9           sources of the Senate on the progress of the pro-  
10          gram in meeting the production goal. The Secretary  
11          shall identify in the report projections for production  
12          and any problems with leasing, permitting, or pro-  
13          duction that will prevent meeting the goal.”.

14       **TITLE II—CONDUCTING PROMPT**  
15       **OFFSHORE LEASE SALES**

16       **SEC. 201. REQUIREMENT TO CONDUCT PROPOSED OIL AND**  
17               **GAS LEASE SALE 216 IN THE CENTRAL GULF**  
18               **OF MEXICO.**

19           (a) IN GENERAL.—The Secretary of the Interior shall  
20          conduct offshore oil and gas Lease Sale 216 under section  
21          8 of the Outer Continental Shelf Lands Act (43 U.S.C.  
22          1337) as soon as practicable, but not later than 4 months  
23          after the date of enactment of this Act.

24           (b) ENVIRONMENTAL REVIEW.—For the purposes of  
25          that lease sale, the Environmental Impact Statement for

1 the 2007–2012 5 Year Outer Continental Shelf Plan and  
2 the Multi-Sale Environmental Impact Statement are  
3 deemed to satisfy the requirements of the National Envi-  
4 ronmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

5 **SEC. 202. REQUIREMENT TO CONDUCT PROPOSED OIL AND**  
6 **GAS LEASE SALE 220 ON THE OUTER CONTI-**  
7 **NENTAL SHELF OFFSHORE VIRGINIA.**

8 (a) IN GENERAL.—Notwithstanding the inclusion of  
9 Lease Sale 220 in the Proposed Outer Continental Shelf  
10 Oil & Gas Leasing Program 2012–2017, the Secretary  
11 shall conduct offshore oil and gas Lease Sale 220 under  
12 section 8 of the Outer Continental Shelf Lands Act (43  
13 U.S.C. 1337) as soon as practicable, but not later than  
14 one year after the date of enactment of this Act.

15 (b) REQUIREMENT TO MAKE REPLACEMENT LEASE  
16 BLOCKS AVAILABLE.—

17 (1) IN GENERAL.—For each lease block in a  
18 proposed lease sale under this section for which the  
19 Secretary of Defense, in consultation with the Sec-  
20 retary of the Interior, under the Memorandum of  
21 Agreement referred to in subsection (c)(2), issues a  
22 statement proposing deferral from a lease offering  
23 due to defense-related activities that are irreconcil-  
24 able with mineral exploration and development, the  
25 Secretary of the Interior, in consultation with the

1 Secretary of Defense, shall make available in the  
2 same lease sale two other lease blocks in the Virginia  
3 lease sale planning area that are acceptable for oil  
4 and gas exploration and production in order to miti-  
5 gate conflict.

6 (2) VIRGINIA LEASE SALE PLANNING AREA DE-  
7 FINED.—In this subsection the term “Virginia lease  
8 sale planning area” means the area of the outer  
9 Continental Shelf (as that term is defined in the  
10 Outer Continental Shelf Lands Act (33 U.S.C. 1331  
11 et seq.)) that is bounded by—

12 (A) a northern boundary consisting of a  
13 straight line extending from the northernmost  
14 point of Virginia’s seaward boundary to the  
15 point on the seaward boundary of the United  
16 States exclusive economic zone located at 37 de-  
17 grees 17 minutes 1 second North latitude, 71  
18 degrees 5 minutes 16 seconds West longitude;  
19 and

20 (B) a southern boundary consisting of a  
21 straight line extending from the southernmost  
22 point of Virginia’s seaward boundary to the  
23 point on the seaward boundary of the United  
24 States exclusive economic zone located at 36 de-

1           grees 31 minutes 58 seconds North latitude, 71  
2           degrees 30 minutes 1 second West longitude.

3           (c) BALANCING MILITARY AND ENERGY PRODUC-  
4 TION GOALS.—

5           (1) JOINT GOALS.—In recognition that the  
6           Outer Continental Shelf oil and gas leasing program  
7           and the domestic energy resources produced there-  
8           from are integral to national security, the Secretary  
9           of the Interior and the Secretary of Defense shall  
10          work jointly in implementing this section in order to  
11          ensure achievement of the following common goals:

12                   (A) Preserving the ability of the Armed  
13                   Forces of the United States to maintain an op-  
14                   timum state of readiness through their contin-  
15                   ued use of the Outer Continental Shelf.

16                   (B) Allowing effective exploration, develop-  
17                   ment, and production of our Nation's oil, gas,  
18                   and renewable energy resources.

19           (2) PROHIBITION ON CONFLICTS WITH MILI-  
20 TARY OPERATIONS.—No person may engage in any  
21 exploration, development, or production of oil or nat-  
22 ural gas off the coast of Virginia that would conflict  
23 with any military operation, as determined in ac-  
24 cordance with the Memorandum of Agreement be-  
25 tween the Department of Defense and the Depart-



1       ment of the Interior on Mutual Concerns on the  
2       Outer Continental Shelf signed July 20, 1983, and  
3       any revision or replacement for that agreement that  
4       is agreed to by the Secretary of Defense and the  
5       Secretary of the Interior after that date but before  
6       the date of issuance of the lease under which such  
7       exploration, development, or production is con-  
8       ducted.

9       **SEC. 203. REQUIREMENT TO CONDUCT OIL AND GAS LEASE**

10                   **SALE 222 IN THE CENTRAL GULF OF MEXICO.**

11       (a) IN GENERAL.—The Secretary shall conduct off-  
12 shore oil and gas Lease Sale 222 under section 8 of the  
13 Outer Continental Shelf Lands Act (43 U.S.C. 1337) by  
14 as soon as practicable, but not later than September 1,  
15 2012

16       (b) ENVIRONMENTAL REVIEW.—For the purposes of  
17 that lease sale, the Environmental Impact Statement for  
18 the 2007–2012 5 Year Outer Continental Shelf Plan and  
19 the Multi-Sale Environmental Impact Statement are  
20 deemed to satisfy the requirements of the National Envi-  
21 ronmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

22       **SEC. 204. LEASE SALE OFFSHORE CALIFORNIA WITH NO**  
23                   **NEW OFFSHORE IMPACT.**

24       (a) SOUTHERN CALIFORNIA LEASE SALE.—The Sec-  
25 retary shall offer for sale leases of tracts in the Southern

1 California Planning Area in the Santa Maria and Santa  
2 Barbara/Ventura Basins in accordance with section 8 of  
3 the Outer Continental Shelf Lands Act (43 U.S.C. 1337)  
4 as soon as practicable, but not later than July 1, 2014.

5 (b) USE OF EXISTING STRUCTURES OR ONSHORE-  
6 BASED DRILLING.—Leases offered for sale under this sec-  
7 tion shall include such terms and conditions as are nec-  
8 essary to require that development and production may  
9 occur only from existing offshore infrastructure or from  
10 onshore-based drilling.

11 (c) RELATIONSHIP TO LEASING PROGRAM.—Areas  
12 shall be offered for lease under this section notwith-  
13 standing the omission of the Southern California Planning  
14 Area from any outer Continental Shelf leasing program  
15 under section 18 of the Outer Continental Shelf Lands  
16 Act (43 U.S.C. 1344).

17 (d) RELATIONSHIP TO STATE COASTAL ZONE MAN-  
18 AGEMENT PROGRAM.—Section 307(c) of the Coastal Zone  
19 Management Act of 1972 (16 U.S.C. 1456(c)) shall not  
20 apply to lease sales under this section and activities con-  
21 ducted under leases issued in such sales, including explo-  
22 ration, development, and production..

23 (e) ENVIRONMENTAL IMPACT STATEMENT REQUIRE-  
24 MENT.—

1           (1) IN GENERAL.—Before conducting the first  
2 lease sale under this section, the Secretary shall pre-  
3 pare an environmental impact statement for the  
4 lease sales required under this section, under section  
5 102 of the National Environmental Policy Act of  
6 1969 (42 U.S.C. 4332).

7           (2) ACTIONS TO BE CONSIDERED.—

8           (A) IN GENERAL.—Notwithstanding sec-  
9 tion 102 of the National Environmental Policy  
10 Act of 1969 (42 U.S.C. 4332), in such state-  
11 ment—

12                   (i) the Secretary is not required to  
13 identify nonleasing alternative courses of  
14 action or to analyze the environmental ef-  
15 fects of such alternative courses of action;  
16 and

17                   (ii) the Secretary shall only—

18                           (I) identify a preferred action for  
19 leasing and not more than one alter-  
20 native leasing proposal; and

21                           (II) analyze the environmental ef-  
22 fects and potential mitigation meas-  
23 ures for such preferred action and  
24 such alternative leasing proposal.

1 (B) DEADLINE.—The identification of the  
2 preferred action and related analysis for the  
3 first lease sale under this Act shall be com-  
4 pleted within 18 months after the date of enact-  
5 ment of this Act.

6 (3) CONSIDERATION OF PUBLIC COMMENTS.—  
7 In preparing such statement, the Secretary shall  
8 only consider public comments that specifically ad-  
9 dress the Secretary's preferred action and that are  
10 filed within 20 days after publication of an environ-  
11 mental analysis.

12 (4) COMPLIANCE.—Compliance with this sub-  
13 section is deemed to satisfy all requirements for the  
14 analysis and consideration of the environmental ef-  
15 fects of proposed leasing under this section.

16 **SEC. 205. REQUIREMENT TO CONDUCT OIL AND GAS LEASE**  
17 **SALE 214 IN THE NORTH ALEUTIAN BASIN**  
18 **OFFSHORE ALASKA.**

19 (a) IN GENERAL.—The Secretary of the Interior shall  
20 conduct the lease sale formerly known as Lease Sale 214,  
21 for the tracts located in the North Aleutian Basin Outer  
22 Continental Shelf Planning Area, not later than 1 year  
23 after the date of enactment of this Act.

24 (b) RELATIONSHIP TO LEASING PROGRAM.—Areas  
25 shall be offered for lease under this section notwith-

1 standing inclusion of areas referred to in subsection (a)  
2 in the Proposed Outer Continental Shelf Oil & Gas Leas-  
3 ing Program 2012–2017.

4 **SEC. 206. ADDITIONAL LEASES.**

5 Section 18 of the Outer Continental Shelf Lands Act  
6 (43 U.S.C. 1344) is amended by adding at the end the  
7 following:

8 “(i) **ADDITIONAL LEASE SALES.**—In addition to  
9 lease sales in accordance with a leasing program in effect  
10 under this section, the Secretary may hold lease sales for  
11 areas identified by the Secretary to have the greatest po-  
12 tential for new oil and gas development as a result of local  
13 support, new seismic findings, or nomination by interested  
14 persons.”.

15 **SEC. 207. DEFINITIONS.**

16 In this title:

17 (1) The term “Environmental Impact State-  
18 ment for the 2007–2012 5 Year Outer Continental  
19 Shelf Plan” means the Final Environmental Impact  
20 Statement for Outer Continental Shelf Oil and Gas  
21 Leasing Program: 2007–2012 (April 2007) prepared  
22 by the Secretary.

23 (2) The term “Multi-Sale Environmental Im-  
24 pact Statement” means the Environmental Impact  
25 Statement for Proposed Western Gulf of Mexico

1 Outer Continental Shelf Oil and Gas Lease Sales  
2 204, 207, 210, 215, and 218, and Proposed Central  
3 Gulf of Mexico Outer Continental Shelf Oil and Gas  
4 Lease Sales 205, 206, 208, 213, 216, and 222 (Sep-  
5 tember 2008) prepared by the Secretary.

6 (3) The term “Secretary” means the Secretary  
7 of the Interior.

8 **TITLE III—LEASING IN NEW**  
9 **OFFSHORE AREAS**

10 **SEC. 301. LEASING IN THE EASTERN GULF OF MEXICO.**

11 Section 104 of division C of the Tax Relief and  
12 Health Care Act of 2006 (Public Law 109–432; 120 Stat.  
13 3003) is repealed.

14 **SEC. 302. REFORMING OIL AND GAS LEASING IN THE EAST-**  
15 **ERN GULF OF MEXICO.**

16 (a) REFORMING ADMINISTRATIVE BOUNDARIES.—  
17 Effective July 1, 2012, for purposes of administering the  
18 Outer Continental Shelf Lands Act (43 U.S.C. 1331 et  
19 seq.) the boundary between the Central Gulf of Mexico  
20 Outer Continental Shelf Planning Area and the Eastern  
21 Gulf of Mexico Outer Continental Shelf Planning Area  
22 shall be 86 degrees, 41 minutes west longitude.

23 (b) EXTENDING THE MORATORIUM.—Effective dur-  
24 ing the period beginning on the date of enactment of this  
25 Act and ending June 30, 2025, the Secretary of the Inte-

1 rior shall not offer for leasing, preleasing, or any related  
2 activity any area in the Eastern Gulf of Mexico Outer  
3 Continental Shelf Planning Area except as required under  
4 subsection (c).

5 (c) LIMITED NEW LEASING IN THE EASTERN GULF  
6 OF MEXICO.—

7 (1) IN GENERAL.—Notwithstanding the Pro-  
8 posed Outer Continental Shelf Oil & Gas Leasing  
9 Program 2012–2017, the Secretary shall conduct  
10 planning and leasing for one lease sale in the East-  
11 ern Gulf of Mexico Outer Continental Shelf Planning  
12 Area in each of 2013, 2014, and 2015. Each lease  
13 sale shall only consist of 50 contiguous Outer Conti-  
14 nental Shelf lease blocks in those areas the Sec-  
15 retary considers to have the greatest potential for oil  
16 and gas after issuing a request for , receiving, and  
17 considering public comment. In reviewing potential  
18 areas for such leasing, the Secretary shall focus on  
19 those areas for which there are known quantities of  
20 hydrocarbons that can be conventionally produced  
21 using existing or reasonably foreseeable technology,  
22 and for which oil and gas exploration, development,  
23 production, and marketing could be carried out in  
24 an expeditious manner.

1           (2) LEASE CONDITIONS.—In addition to such  
2 requirements as otherwise apply, each lease sale  
3 under this subsection shall be subject to the fol-  
4 lowing:

5           (A) The Secretary may include limits on  
6 permanent surface occupancy on any lease  
7 block if surface occupancy is incompatible with  
8 military operations.

9           (B) The Secretary may include limits on  
10 drilling schedules and surface occupancy to ac-  
11 commodate defense activities on a short-term or  
12 seasonal basis. Such limits shall be treated as  
13 administrative suspensions of a lease term.

14           (C) The Secretary may limit permanent  
15 surface infrastructure on any Outer Continental  
16 Shelf lease block that is closer than 12 nautical  
17 miles to the coast of any State, unless that in-  
18 frastructure is approved by the State.

19           (d) REQUIREMENT TO MAKE REPLACEMENT LEASE  
20 BLOCKS AVAILABLE.—For each lease block in a proposed  
21 lease sale under this section for which the Secretary of  
22 Defense, in consultation with the Secretary of the Interior,  
23 under the Memorandum of Agreement referred to in sub-  
24 section (e)(2) issues a statement proposing deferral from  
25 a lease offering due to defense-related activities that are



1 irreconcilable with mineral exploration and development,  
2 the Secretary of the Interior, in consultation with the Sec-  
3 retary of Defense, shall make available in the same lease  
4 sale two other lease blocks in the same Outer Continental  
5 Shelf planning area that are acceptable for oil and gas  
6 exploration and production in order to mitigate conflict.

7 (e) BALANCING MILITARY AND ENERGY PRODUC-  
8 TION GOALS.—

9 (1) JOINT GOALS.—In recognition that the  
10 Outer Continental Shelf oil and gas leasing program  
11 and the domestic energy resources produced there-  
12 from are integral to national security, the Secretary  
13 of the Interior and the Secretary of Defense shall  
14 work jointly in implementing this section in order to  
15 ensure achievement of the goals of—

16 (A) preserving the ability of the Armed  
17 Forces of the United States to maintain an op-  
18 timum state of readiness through their contin-  
19 ued use of the Outer Continental Shelf; and

20 (B) allowing effective exploration, develop-  
21 ment, and production of our Nation's oil, gas,  
22 and renewable energy resources.

23 (C) recognizing the Outer Continental  
24 Shelf oil and gas leasing program is an integral

1 part of the Nation's energy security program to  
2 develop domestic oil and gas resources.

3 (2) PROHIBITION ON CONFLICTS WITH MILI-  
4 TARY OPERATIONS.—No person may engage in any  
5 exploration, development, or production of oil or nat-  
6 ural gas in the Eastern Gulf of Mexico Outer Conti-  
7 nental Shelf Planning Area that would conflict with  
8 any military operation, as determined in accordance  
9 with the Memorandum of Agreement between the  
10 Department of Defense and the Department of the  
11 Interior on Mutual Concerns on the Outer Conti-  
12 nental Shelf signed July 20, 1983, and any revision  
13 or replacement for that agreement that is agreed to  
14 by the Secretary of Defense and the Secretary of the  
15 Interior after that date but before the date of  
16 issuance of the lease under which such exploration,  
17 development, or production is conducted.

18 **SEC. 303. AREAS ADDED TO CENTRAL GULF OF MEXICO**  
19 **PLANNING AREA.**

20 The Secretary shall conduct an offshore oil and gas  
21 lease sale under section 8 of the Outer Continental Shelf  
22 Lands Act (43 U.S.C. 1337) for the areas added to the  
23 Central Gulf of Mexico Outer Continental Shelf Planning  
24 Area as a result of the enactment of section 302(a) as  
25 soon as practicable, but not later than the first lease sale

1 under such section after the date of the enactment of this  
2 Act in which any area in such planning area is made avail-  
3 able for leasing.

4 **SEC. 304. APPLICATION OF OUTER CONTINENTAL SHELF**  
5 **LANDS ACT WITH RESPECT TO TERRITORIES**  
6 **OF THE UNITED STATES.**

7 Section 2 of the Outer Continental Shelf Lands Act  
8 (43 U.S.C. 1331) is amended—

9 (1) in paragraph (a), by inserting after “con-  
10 trol” the following: “or lying within the United  
11 States’ exclusive economic zone and the Continental  
12 Shelf adjacent to any territory of the United  
13 States”; and

14 (2) in paragraph (p), by striking “and” after  
15 the semicolon at the end;

16 (3) in paragraph (q), by striking the period at  
17 the end and inserting “; and”; and

18 (4) by adding at the end the following:

19 “(r) The term ‘State’ includes each territory of  
20 the United States.”.

1 **TITLE IV—OUTER CONTINENTAL**  
2 **SHELF REVENUE SHARING**

3 **SEC. 401. DISPOSITION OF OUTER CONTINENTAL SHELF**  
4 **REVENUES TO COASTAL STATES.**

5 (a) IN GENERAL.—Section 9 of the Outer Conti-  
6 nental Shelf Lands Act (43 U.S.C. 1338) is amended—

7 (1) in the existing text—

8 (A) in the first sentence, by striking “All  
9 rentals,” and inserting the following:

10 “(c) DISPOSITION OF REVENUE UNDER OLD  
11 LEASES.—All rentals,”; and

12 (B) in subsection (c) (as designated by the  
13 amendment made by subparagraph (A) of this  
14 paragraph), by striking “for the period from  
15 June 5, 1950, to date, and thereafter” and in-  
16 serting “in the period beginning June 5, 1950,  
17 and ending on the date of enactment of the En-  
18 ergy Security and Transportation Jobs Act”;

19 (2) by adding after subsection (c) (as so des-  
20 ignated) the following:

21 “(d) DEFINITIONS.—In this section:

22 “(1) COASTAL STATE.—The term ‘coastal  
23 State’ includes a territory of the United States.

24 “(2) NEW LEASING REVENUES.—The term ‘new  
25 leasing revenues’—

1           “(A) means amounts received by the  
2           United States as bonuses, rents, and royalties  
3           under leases for oil and gas, wind, tidal, or  
4           other energy exploration, development, and pro-  
5           duction on areas of the outer Continental Shelf  
6           that are authorized to be made available for  
7           leasing as a result of enactment of the Energy  
8           Security and Transportation Jobs Act; and

9           “(B) does not include amounts received by  
10          the United States under any lease of an area lo-  
11          cated in the boundaries of the Central Gulf of  
12          Mexico and Western Gulf of Mexico Outer Con-  
13          tinental Shelf Planning Areas on the date of  
14          the enactment of the Energy Security and  
15          Transportation Jobs Act, including a lease  
16          issued before, on, or after such date of enact-  
17          ment.”; and

18          (3) by inserting before subsection (c) (as so  
19          designated) the following:

20          “(a) PAYMENT OF NEW LEASING REVENUES TO  
21          COASTAL STATES.—

22                 “(1) IN GENERAL.—Except as provided in para-  
23                 graph (2), of the amount of new leasing revenues re-  
24                 ceived by the United States each fiscal year, 37.5  
25                 percent shall be allocated and paid in accordance

1 with subsection (b) to coastal States that are af-  
2 fected States with respect to the leases under which  
3 those revenues are received by the United States.

4 “(2) PHASE-IN.—Paragraph (1) shall be ap-  
5 plied—

6 “(A) with respect to new leasing revenues  
7 under leases awarded under the first leasing  
8 program under section 18(a) that takes effect  
9 after the date of enactment of the Energy Secu-  
10 rity and Transportation Jobs Act, by sub-  
11 stituting ‘12.5 percent’ for ‘37.5 percent’; and

12 “(B) with respect to new leasing revenues  
13 under leases awarded under the second leasing  
14 program under section 18(a) that takes effect  
15 after the date of enactment of the Energy Secu-  
16 rity and Transportation Jobs Act, by sub-  
17 stituting ‘25 percent’ for ‘37.5 percent’.

18 “(b) ALLOCATION OF PAYMENTS.—

19 “(1) IN GENERAL.—The amount of new leasing  
20 revenues received by the United States with respect  
21 to a leased tract that are required to be paid to  
22 coastal States in accordance with this subsection  
23 each fiscal year shall be allocated among and paid  
24 to coastal States that are within 200 miles of the  
25 leased tract, in amounts that are inversely propor-

1 tional to the respective distances between the point  
2 on the coastline of each such State that is closest to  
3 the geographic center of the lease tract, as deter-  
4 mined by the Secretary.

5 “(2) MINIMUM AND MAXIMUM ALLOCATION.—

6 The amount allocated to a coastal State under para-  
7 graph (1) each fiscal year with respect to a leased  
8 tract shall be—

9 “(A) in the case of a coastal State that is  
10 the nearest State to the geographic center of  
11 the leased tract, not less than 25 percent of the  
12 total amounts allocated with respect to the  
13 leased tract;

14 “(B) in the case of any other coastal State,  
15 not less than 10 percent, and not more than 15  
16 percent, of the total amounts allocated with re-  
17 spect to the leased tract; and

18 “(C) in the case of a coastal State that is  
19 the only coastal State within 200 miles of a  
20 least tract, 100 percent of the total amounts al-  
21 located with respect to the leased tract.

22 “(3) ADMINISTRATION.—Amounts allocated to  
23 a coastal State under this subsection—

24 “(A) shall be available to the coastal State  
25 without further appropriation;

1           “(B) shall remain available until expended;  
2           and

3           “(C) shall be in addition to any other  
4           amounts available to the coastal State under  
5           this Act.

6           “(4) USE OF FUNDS.—

7           “(A) IN GENERAL.—Except as provided in  
8           subparagraph (B), a coastal State may use  
9           funds allocated and paid to it under this sub-  
10          section for any purpose as determined by the  
11          laws of that State.

12          “(B) RESTRICTION ON USE FOR MATCH-  
13          ING.—Funds allocated and paid to a coastal  
14          State under this subsection may not be used as  
15          matching funds for any other Federal pro-  
16          gram.”.

17          (b) LIMITATION ON APPLICATION.—This section and  
18          the amendment made by this section shall not affect the  
19          application of section 105 of the Gulf of Mexico Energy  
20          Security Act of 2006 (title I of division C of Public Law  
21          109–432; (43 U.S.C. 1331 note), as in effect before the  
22          enactment of this Act, with respect to revenues received  
23          by the United States under oil and gas leases issued for  
24          tracts located in the Western and Central Gulf of Mexico  
25          Outer Continental Shelf Planning Areas, including such



1 leases issued on or after the date of the enactment of this  
2 Act.

3           **TITLE V—MISCELLANEOUS**  
4                           **PROVISIONS**

5   **SEC. 501. POLICIES REGARDING BUYING, BUILDING, AND**  
6                           **WORKING FOR AMERICA.**

7           (a) CONGRESSIONAL INTENT.—It is the intent of the  
8 Congress that—

9                   (1) this Act will support a healthy and growing  
10 United States domestic energy sector that, in turn,  
11 helps to reinvigorate American manufacturing,  
12 transportation, and service sectors by employing the  
13 vast talents of United States workers to assist in the  
14 development of energy from domestic sources; and

15                   (2) Congress will monitor the deployment of  
16 personnel and material onshore and offshore to en-  
17 courage the development of American technology  
18 and manufacturing to enable United States workers  
19 to benefit from this Act through good jobs and ca-  
20 reers, as well as the establishment of important in-  
21 dustrial facilities to support expanded access to  
22 American resources.

23           (b) REQUIREMENT.—The Secretary of the Interior  
24 shall when possible, and practicable, encourage the use of  
25 United States workers and equipment manufactured in

1 the United States in all construction related to mineral  
2 and renewable energy resource development on the Outer  
3 Continental Shelf under this Act.

4 **SEC. 502. REGULATIONS.**

5 Section 30(a) of the Outer Continental Shelf Lands  
6 Act (43 U.S.C. 1356(a)) is amended by striking “shall  
7 issue regulations which” and inserting “shall issue regula-  
8 tions that shall be supplemental to, complementary with,  
9 and under no circumstances a substitution for the provi-  
10 sions of the Constitution and laws of the United States  
11 extended to the subsoil and seabed of the outer Conti-  
12 nental Shelf by section 4(a)(1), except insofar as such laws  
13 would otherwise apply to individuals who have extraor-  
14 dinary ability in the sciences, arts, education, or business,  
15 which has been demonstrated by sustained national or  
16 international acclaim, and that”.

