

STATE OF ALASKA THE LEGISLATURE

2008

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Resolve No.
48



Urging the United States Congress to provide a means for consistently sharing, on an ongoing basis, revenue generated from oil and gas development on the outer continental shelf with all coastal energy-producing states to ensure that those states develop, support, and maintain necessary infrastructure and preserve environmental integrity.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

WHEREAS, under the Mineral Lands Leasing Act of 1920, the federal government shares with the states 50 percent of revenue from mineral production on federal land within each state's boundaries; and

WHEREAS the shared mineral production revenue is distributed to the states automatically, outside of the budget process, and is not subject to appropriation; and

WHEREAS there is not a similar authority for the federal government to share federal oil and gas revenue generated on the outer continental shelf with adjacent coastal states, despite the vital contribution made by those states to our nation's energy, economic, and national security needs in support of production from the outer continental shelf; and

WHEREAS the states that sustain this critical energy production and development

deserve a share of the revenue generated because they provide infrastructure to support offshore operations and because of the environmental effects and other risks associated with oil and gas development on the outer continental shelf; and

WHEREAS, under the Gulf of Mexico Energy Security Act of 2006, the federal government recognized the contributions made by Alabama, Louisiana, Mississippi, and Texas to national security and agreed to give them 37.5 percent of revenue from oil and gas development in newly leased federal waters in the Gulf of Mexico; and

WHEREAS other coastal states, including Alaska and California, also support and should receive, on a regular and ongoing basis, a fair share of revenue generated through development on the outer continental shelf as compensation and reward for their contributions to the nation's energy supply, security, and economy; and

WHEREAS there are presently 263 active oil and gas leases off Alaska's coast, covering more than 550,000 hectares; and

WHEREAS, since statehood, oil and gas production from the outer continental shelf off Alaska's coast has generated millions of dollars in revenue for the federal government; and

WHEREAS the February 2008 lease sale in the Chukchi Sea generated an additional \$2,600,000,000 in revenue for the federal government;

BE IT RESOLVED that the Alaska State Legislature urges the United States Congress to provide a means for consistently sharing, on an ongoing basis, revenue generated from oil and gas development on the outer continental shelf with all coastal energy-producing states to ensure that those states develop, support, and maintain necessary infrastructure and preserve environmental integrity.

COPIES of this resolution shall be sent to the Honorable George W. Bush, President of the United States; the Honorable Richard B. Cheney, Vice-President of the United States and President of the U.S. Senate; the Honorable Dirk Kempthorne, United States Secretary of the Interior; the Honorable Harry Reid, Majority Leader of the U.S. Senate; the Honorable Mitch McConnell, Minority Leader of the U.S. Senate; the Honorable Nancy Pelosi, Speaker of the U.S. House of Representatives; the Honorable John Boehner, Minority Leader of the U.S. House of Representatives; the Honorable Jeff Bingaman, Chair of the U.S. Senate Committee on Energy and Natural Resources; the Honorable Ted Stevens and the Honorable Lisa Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative,

members of the Alaska delegation in Congress; and all other members of the 110th United States Congress.