SENATE JOINT RESOLUTION NO. 5

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - FIRST SESSION

BY SENATORS WIELECHOWSKI, Gardner

Introduced: 1/25/13
Referred: Resources, Judiciary

A RESOLUTION

Urging the United States Congress to provide a means for consistently sharing with all coastal energy-producing states, on an ongoing basis, revenue generated from oil and gas development on the outer continental shelf 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 there are presently 670 active oil and gas leases off Alaska's coast, covering more than 3,700,000 acres; and

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 mineral production revenue shared under the Mineral Lands Leasing Act is distributed to the states automatically, outside of the budget process, and is not subject to appropriation; and

WHEREAS the federal government possesses no similar authority to share federal oil and gas revenue generated on the outer continental shelf with adjacent coastal states to

support production from the outer continental shelf, despite the vital contribution made by those states to meet our nation's energy, economic, and national security needs; 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 to national security made by the oil-producing states of Alabama, Louisiana, Mississippi, and Texas and agreed to distribute to those states 37.5 percent of revenue from oil and gas development in newly leased federal waters in the Gulf of Mexico; and

WHEREAS other oil-producing coastal states, including Alaska and California, which similarly contribute to the national interest, 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 the states' contributions to the nation's energy supply, security, and economy; and

WHEREAS, over the years since statehood, federal oil and gas lease sales from the outer continental shelf off Alaska's coast have consistently generated millions of dollars in revenue for the federal government; and

WHEREAS recent lease sales in the federal waters off the coast of the state have generated billions of dollars in revenue for the federal government; and

WHEREAS additional lease sales are scheduled for 2016 in the Chukchi Sea and for 2017 in the Beaufort Sea;

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 Barack Obama, President of the United States; the Honorable Joseph R. Biden, Jr., Vice-President of the United States and President of the U.S. Senate; the Honorable Ken Salazar, United States Secretary of the

Interior; the Honorable John Boehner, Speaker of the U.S. House of Representatives; the Honorable Eric Cantor, Majority Leader of the U.S. House of Representatives; the Honorable Nancy Pelosi, Minority Leader of the U.S. House of Representatives; the Honorable Harry Reid, Majority Leader of the U.S. Senate; the Honorable Mitch McConnell, Minority Leader of the U.S. Senate; the Honorable Ron Wyden, Chair of the U.S. Senate Committee on Energy and Natural Resources; the Honorable Lisa Murkowski and the Honorable Mark Begich, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress; and all other members of the 113th United States Congress.