

1 SJR92  
2 185415-1  
3 By Senator Waggoner  
4 RFD:  
5 First Read: 25-APR-17

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7  
8 SUPPORTING THE SAFE EXPLORATION OF OIL AND GAS IN  
9 THE GULF OF MEXICO AND CONTINUED AND EXPANDED FEDERAL REVENUE  
10 SHARING.  
11

12 WHEREAS, on January 17, 2017, then U.S. Department  
13 of the Interior Secretary Sally Jewell approved the 2017-2022  
14 Proposed Final Program scheduling potential oil and natural  
15 gas lease sales in federal waters of the Outer Continental  
16 Shelf; and

17 WHEREAS, the program includes waters off the coast  
18 of Alabama in the Central and Eastern Gulf of Mexico Planning  
19 Areas; and

20 WHEREAS, the program also includes nearby waters off  
21 the coast of Mississippi and Louisiana in the Central Gulf of  
22 Mexico Planning Area and off the coast of western Florida in  
23 the Eastern Gulf of Mexico Planning Area, the development of  
24 which will benefit Alabama's economy and citizens; and

25 WHEREAS, the Department of the Interior estimates  
26 that the Central and Western Gulf of Mexico Planning Areas  
27 contain an estimated mean 45 billion barrels and 130 trillion

1 cubic feet of undiscovered oil and natural gas, with the  
2 region contributing nearly 20 percent of the nation's crude  
3 oil production; and

4 WHEREAS, the program does not include the vast  
5 majority of the Eastern Gulf of Mexico Planning Area that is  
6 currently subject to a Congressional moratorium through 2022;  
7 and

8 WHEREAS, the entire Eastern Gulf of Mexico Planning  
9 Area contains an additional 3.6 billion barrels and 11.5  
10 trillion cubic feet of undiscovered oil and natural gas; and

11 WHEREAS, the Department of the Interior estimates  
12 that in fiscal year 2014 alone, Gulf of Mexico offshore oil  
13 and natural gas activity sustained 651,000 jobs, including  
14 18,000 in Alabama, and provided over seven billion dollars in  
15 revenue to the federal government; and

16 WHEREAS, the oil and natural gas industry  
17 contributes more than 11 billion dollars to Alabama's economy;  
18 and

19 WHEREAS, the Department of the Interior estimates  
20 that without Gulf of Mexico lease sales, the nation would have  
21 to rely on imports to replace nearly 60 percent of the  
22 foregone production; and without Gulf of Mexico lease sales  
23 over the next five years, between five billion dollars and 13  
24 billion dollars in environmental and social costs would  
25 result; and

26 WHEREAS, industry and regulators alike have taken  
27 significant steps to further ensure safe and responsible

1 offshore operations, including implementation of what the  
2 Department of the Interior has called the "most aggressive and  
3 comprehensive reforms to offshore oil and gas regulation and  
4 oversight in U.S. history"; and

5 WHEREAS, an analysis by Quest Offshore estimates  
6 that additional production in the portion of the Eastern Gulf  
7 of Mexico Planning Area that has been the subject of a  
8 Congressional moratorium could generate an additional one  
9 million barrels of oil equivalent per day, or nearly 60  
10 percent of the nation's daily crude oil and petroleum product  
11 imports from the Persian Gulf; and

12 WHEREAS, the Quest Offshore analysis also estimates  
13 that additional production in the portion of the Eastern Gulf  
14 of Mexico Planning Area that has been the subject of a  
15 Congressional moratorium could generate nearly 230,000 jobs,  
16 including 23,000 in Alabama, over 18 billion dollars in annual  
17 Gross Domestic Product, including over 1.7 billion dollars for  
18 Alabama's economy, and nearly 70 billion dollars in cumulative  
19 federal and state government revenue, including over 3.5  
20 billion dollars for Alabama; and

21 WHEREAS, offshore oil and natural gas revenue  
22 sharing, authorized by the Gulf of Mexico Energy Security Act  
23 of 2006, is essential to maintaining a strong Alabama  
24 coastline and economy and ensuring the long-term  
25 sustainability of Alabama's energy infrastructure; and

26 WHEREAS, the previous administration proposed the  
27 repeal of revenue sharing; and

1                   WHEREAS, members of the Alabama Congressional  
2                   Delegation have supported revenue sharing and efforts to lift  
3                   the existing statutory cap of Gulf of Mexico revenue sharing;  
4                   now therefore,

5                   BE IT RESOLVED BY THE LEGISLATURE OF ALABAMA, BOTH  
6                   HOUSES THEREOF CONCURRING, That we urge the federal government  
7                   to provide for continued access to the Central and Western  
8                   Gulf of Mexico Planning Areas, and that portion of the Eastern  
9                   Gulf of Mexico Planning Area that is not currently subject to  
10                  a Congressional moratorium.

11                  BE IT FURTHER RESOLVED, That we urge the federal  
12                  government to provide for expanded access in the remainder of  
13                  the Eastern Gulf of Mexico Planning Area in future five-year  
14                  offshore leasing programs.

15                  BE IT FURTHER RESOLVED, That we further urge the  
16                  federal government to end previous efforts to repeal revenue  
17                  sharing with Gulf Coast states and support Congressional  
18                  efforts to lift the existing revenue sharing cap currently in  
19                  place for Alabama, Mississippi, Louisiana, and Texas.

20                  BE IT FURTHER RESOLVED, That a copy of this  
21                  resolution be transmitted to the President of the United  
22                  States, the Secretary of the Department of the Interior, the  
23                  Speaker of the U.S. House of Representatives, the Majority  
24                  Leader of the U.S. Senate, and each Member of Alabama's  
25                  Congressional Delegation.