

## Calendar No. 578

118TH CONGRESS  
2D SESSION**S. 620**

To provide for the distribution of certain outer Continental Shelf revenues to the State of Alaska, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MARCH 2, 2023

Ms. MURKOWSKI (for herself and Mr. SULLIVAN) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

NOVEMBER 21, 2024

Reported by Mr. MANCHIN, without amendment

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**A BILL**

To provide for the distribution of certain outer Continental Shelf revenues to the State of Alaska, and for other purposes.

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 “Alaska Offshore Parity  
5 Act”.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) COASTAL POLITICAL SUBDIVISION.—The  
4 term “coastal political subdivision” means—

5 (A) a county-equivalent subdivision of the  
6 State—

7 (i) all or part of which lies within the  
8 coastal zone (as defined in section 304 of  
9 the Coastal Zone Management Act of 1972  
10 (16 U.S.C. 1453)) of the State; and

11 (ii) the closest coastal point of which  
12 is not more than 200 nautical miles from  
13 the geographical center of any leased tract  
14 in the Alaska outer Continental Shelf re-  
15 gion; and

16 (B) a municipal subdivision of the State  
17 that is determined by the State to be a signifi-  
18 cant staging area for oil and gas servicing, sup-  
19 ply vessels, operations, suppliers, or workers.

20 (2) INSTITUTION OF HIGHER EDUCATION.—The  
21 term “institution of higher education” has the  
22 meaning given the term in section 102 of the Higher  
23 Education Act of 1965 (20 U.S.C. 1002).

24 (3) QUALIFIED REVENUES.—

25 (A) IN GENERAL.—The term “qualified  
26 revenues” means all revenues derived from all

1 rentals, royalties, bonus bids, and other sums  
 2 due and payable to the United States from en-  
 3 ergy development in the Alaska outer Conti-  
 4 nental Shelf region.

5 (B) EXCLUSIONS.—The term “qualified  
 6 revenues” does not include—

7 (i) revenues generated from leases  
 8 subject to section 8(g) of the Outer Conti-  
 9 nental Shelf Lands Act (43 U.S.C.  
 10 1337(g)); or

11 (ii) revenues from the forfeiture of a  
 12 bond or other surety securing obligations  
 13 other than royalties, civil penalties, or roy-  
 14 alties taken by the Secretary in-kind and  
 15 not sold.

16 (4) SECRETARY.—The term “Secretary” means  
 17 the Secretary of the Interior.

18 (5) STATE.—The term “State” means the State  
 19 of Alaska.

20 **SEC. 3. DISPOSITION OF QUALIFIED REVENUES IN ALASKA.**

21 (a) IN GENERAL.—Notwithstanding section 9 of the  
 22 Outer Continental Shelf Lands Act (43 U.S.C. 1338) and  
 23 subject to the other provisions of this section, for fiscal  
 24 year 2024 and each fiscal year thereafter, the Secretary  
 25 of the Treasury shall deposit—

1           (1) 50 percent of qualified revenues in the gen-  
2           eral fund of the Treasury;

3           (2) 30 percent of qualified revenues in a special  
4           account in the Treasury, to be distributed by the  
5           Secretary to the State;

6           (3) 7.5 percent of qualified revenues in a spe-  
7           cial account in the Treasury, to be distributed by the  
8           Secretary to coastal political subdivisions; and

9           (4) 12.5 percent of qualified revenues in the  
10          National Oceans and Coastal Security Fund estab-  
11          lished under section 904(a) of the National Oceans  
12          and Coastal Security Act (16 U.S.C. 7503(a)).

13          (b) ALLOCATION AMONG COASTAL POLITICAL SUB-  
14          DIVISIONS.—Of the amount paid by the Secretary to  
15          coastal political subdivisions under subsection (a)(3)—

16               (1) 90 percent shall be allocated among costal  
17               political subdivisions described in section 2(1)(A) in  
18               amounts (based on a formula established by the Sec-  
19               retary by regulation) that are inversely proportional  
20               to the respective distances between the point in each  
21               coastal political subdivision that is closest to the geo-  
22               graphic center of the applicable leased tract and not  
23               more than 200 miles from the geographic center of  
24               the leased tract; and

1           (2) 10 percent shall be divided equally among  
2           each coastal political subdivision described in section  
3           2(1)(B).

4           (c) TIMING.—The amounts required to be deposited  
5           under subsection (a) for the applicable fiscal year shall  
6           be made available in accordance with that subsection dur-  
7           ing the fiscal year immediately following the applicable fis-  
8           cal year.

9           (d) AUTHORIZED USES.—

10           (1) IN GENERAL.—Subject to paragraph (2),  
11           the State shall use all amounts received under sub-  
12           section (a)(2) in accordance with all applicable Fed-  
13           eral and State laws, for 1 or more of the following  
14           purposes:

15                   (A) Projects and activities for the purposes  
16                   of coastal protection, conservation, and restora-  
17                   tion, including onshore infrastructure and relo-  
18                   cation of communities directly affected by  
19                   coastal erosion, melting permafrost, or climate  
20                   change-related losses.

21                   (B) Mitigation of damage to fish, wildlife,  
22                   or natural resources.

23                   (C) Mitigation of the impact of outer Con-  
24                   tinental Shelf activities through the funding of

1 onshore infrastructure projects and related  
2 rights-of-way.

3 (D) Adaptation planning, vulnerability as-  
4 sessments, and emergency preparedness assist-  
5 ance to build healthy and resilient communities.

6 (E) Installation and operation of energy  
7 systems to reduce energy costs and greenhouse  
8 gas emissions compared to systems in use as of  
9 the date of enactment of this Act.

10 (F) Programs at institutions of higher edu-  
11 cation in the State.

12 (G) Other purposes, as determined by the  
13 Governor of the State, with approval from the  
14 State legislature.

15 (H) Planning assistance and the adminis-  
16 trative costs of complying with this section.

17 (2) LIMITATION.—Not more than 3 percent of  
18 amounts received by the State under subsection  
19 (a)(2) may be used for the purposes described in  
20 paragraph (1)(H).

21 (e) ADMINISTRATION.—Amounts made available  
22 under paragraphs (2) and (3) of subsection (a) shall—

23 (1) be made available, without further appro-  
24 priation, in accordance with this section;

25 (2) remain available until expended; and

1           (3) be in addition to any amounts appropriated  
2           under any other provision of law.

3           (f) REPORTING REQUIREMENT FOR FISCAL YEAR  
4 2025 AND THEREAFTER.—

5           (1) IN GENERAL.—Beginning with fiscal year  
6           2025, not later than 180 days after the end of each  
7           fiscal year in which the State receives amounts  
8           under subsection (a)(2), the State shall submit to  
9           the Secretary a report that describes the use of the  
10          amounts by the State during the preceding fiscal  
11          year covered by the report.

12          (2) PUBLIC AVAILABILITY.—On receipt of a re-  
13          port required under paragraph (1), the Secretary  
14          shall make the report available to the public on the  
15          website of the Department of the Interior.

16          (3) LIMITATION.—If the State fails to submit  
17          the report required under paragraph (1) by the  
18          deadline specified in that paragraph, any amounts  
19          that would otherwise be provided to the State under  
20          subsection (a)(2) for the succeeding fiscal year shall  
21          be withheld for the succeeding fiscal year until the  
22          date on which the report is submitted.

23          (4) CONTENTS OF REPORT.—Each report re-  
24          quired under paragraph (1) shall include, for each

1 project funded in whole or in part using amounts re-  
2 ceived under subsection (a)(2)—

3 (A) the name and description of the  
4 project;

5 (B) the amount received under subsection  
6 (a)(2) that is allocated to the project; and

7 (C) a description of how each project is  
8 consistent with the authorized uses under sub-  
9 section (d).

10 (5) CLARIFICATION.—Nothing in this sub-  
11 section—

12 (A) requires or provides authority for the  
13 Secretary to delay, modify, or withhold payment  
14 under this subsection, other than for failure to  
15 submit a report as required under this sub-  
16 section;

17 (B) requires or provides authority for the  
18 Secretary to review or approve uses of funds re-  
19 ported under this subsection;

20 (C) requires or provides authority for the  
21 Secretary to approve individual projects that re-  
22 ceive funds reported under this subsection;

23 (D) requires the State to obtain the ap-  
24 proval of, or review by, the Secretary prior to



1 spending funds disbursed under subsection  
2 (a)(2);

3 (E) requires or provides authority for the  
4 Secretary to issue guidance relating to the con-  
5 tents of, or to determine the completeness of,  
6 the report required under this subsection;

7 (F) requires the State to obligate or ex-  
8 pend funds disbursed under subsection (a)(2)  
9 by a certain date; or

10 (G) requires or provides authority for the  
11 Secretary to request the State to return unobli-  
12 gated funds.

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