

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5429

To direct the Secretary of the Interior to establish and implement a competitive oil and gas leasing program that will result in an environmentally sound program for the exploration, development, and production of the oil and gas resources of the Coastal Plain of Alaska, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 19, 2006

Mr. POMBO introduced the following bill; which was referred to the Committee on Resources

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## A BILL

To direct the Secretary of the Interior to establish and implement a competitive oil and gas leasing program that will result in an environmentally sound program for the exploration, development, and production of the oil and gas resources of the Coastal Plain 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 “American-Made En-  
5       ergy and Good Jobs Act”.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) **COASTAL PLAIN.**—The term “Coastal  
4 Plain” means that area described in appendix I to  
5 part 37 of title 50, Code of Federal Regulations.

6 (2) **SECRETARY.**—The term “Secretary”, except  
7 as otherwise provided, means the Secretary of the  
8 Interior or the Secretary’s designee.

9 **SEC. 3. LEASING PROGRAM FOR LANDS WITHIN THE**  
10 **COASTAL PLAIN.**

11 (a) **IN GENERAL.**—The Secretary shall take such ac-  
12 tions as are necessary—

13 (1) to establish and implement, in accordance  
14 with this Act and acting through the Director of the  
15 Bureau of Land Management in consultation with  
16 the Director of the United States Fish and Wildlife  
17 Service, a competitive oil and gas leasing program  
18 that will result in an environmentally sound program  
19 for the exploration, development, and production of  
20 the oil and gas resources of the Coastal Plain; and

21 (2) to administer the provisions of this Act  
22 through regulations, lease terms, conditions, restric-  
23 tions, prohibitions, stipulations, and other provisions  
24 that ensure the oil and gas exploration, development,  
25 and production activities on the Coastal Plain will  
26 result in no significant adverse effect on fish and

1 wildlife, their habitat, subsistence resources, and the  
2 environment, including, in furtherance of this goal,  
3 by requiring the application of the best commercially  
4 available technology for oil and gas exploration, de-  
5 velopment, and production to all exploration, devel-  
6 opment, and production operations under this Act in  
7 a manner that ensures the receipt of fair market  
8 value by the public for the mineral resources to be  
9 leased.

10 (b) REPEAL.—

11 (1) REPEAL.—Section 1003 of the Alaska Na-  
12 tional Interest Lands Conservation Act of 1980 (16  
13 U.S.C. 3143) is repealed.

14 (2) CONFORMING AMENDMENT.—The table of  
15 contents in section 1 of such Act is amended by  
16 striking the item relating to section 1003.

17 (c) COMPLIANCE WITH REQUIREMENTS UNDER CER-  
18 TAIN OTHER LAWS.—

19 (1) COMPATIBILITY.—For purposes of the Na-  
20 tional Wildlife Refuge System Administration Act of  
21 1966 (16 U.S.C. 668dd et seq.), the oil and gas  
22 leasing program and activities authorized by this  
23 section in the Coastal Plain are deemed to be com-  
24 patible with the purposes for which the Arctic Na-  
25 tional Wildlife Refuge was established, and no fur-

1       ther findings or decisions are required to implement  
2       this determination.

3               (2) ADEQUACY OF THE DEPARTMENT OF THE  
4       INTERIOR'S LEGISLATIVE ENVIRONMENTAL IMPACT  
5       STATEMENT.—The “Final Legislative Environ-  
6       mental Impact Statement” (April 1987) on the  
7       Coastal Plain prepared pursuant to section 1002 of  
8       the Alaska National Interest Lands Conservation  
9       Act of 1980 (16 U.S.C. 3142) and section 102(2)(C)  
10      of the National Environmental Policy Act of 1969  
11      (42 U.S.C. 4332(2)(C)) is deemed to satisfy the re-  
12      quirements under the National Environmental Policy  
13      Act of 1969 that apply with respect to prelease ac-  
14      tivities, including actions authorized to be taken by  
15      the Secretary to develop and promulgate the regula-  
16      tions for the establishment of a leasing program au-  
17      thorized by this Act before the conduct of the first  
18      lease sale.

19              (3) COMPLIANCE WITH NEPA FOR OTHER AC-  
20      TIONS.—Before conducting the first lease sale under  
21      this Act, the Secretary shall prepare an environ-  
22      mental impact statement under the National Envi-  
23      ronmental Policy Act of 1969 with respect to the ac-  
24      tions authorized by this Act that are not referred to  
25      in paragraph (2). Notwithstanding any other law,

1 the Secretary is not required to identify nonleasing  
2 alternative courses of action or to analyze the envi-  
3 ronmental effects of such courses of action. The Sec-  
4 retary shall only identify a preferred action for such  
5 leasing and a single leasing alternative, and analyze  
6 the environmental effects and potential mitigation  
7 measures for those two alternatives. The identifica-  
8 tion of the preferred action and related analysis for  
9 the first lease sale under this Act shall be completed  
10 within 18 months after the date of enactment of this  
11 Act. The Secretary shall only consider public com-  
12 ments that specifically address the Secretary's pre-  
13 ferred action and that are filed within 20 days after  
14 publication of an environmental analysis. Notwith-  
15 standing any other law, compliance with this para-  
16 graph is deemed to satisfy all requirements for the  
17 analysis and consideration of the environmental ef-  
18 fects of proposed leasing under this Act.

19 (d) RELATIONSHIP TO STATE AND LOCAL AUTHOR-  
20 ITY.—Nothing in this Act shall be considered to expand  
21 or limit State and local regulatory authority.

22 (e) SPECIAL AREAS.—

23 (1) IN GENERAL.—The Secretary, after con-  
24 sultation with the State of Alaska, the city of  
25 Kaktovik, and the North Slope Borough, may des-

1       ignite up to a total of 45,000 acres of the Coastal  
2       Plain as a Special Area if the Secretary determines  
3       that the Special Area is of such unique character  
4       and interest so as to require special management  
5       and regulatory protection. The Secretary shall des-  
6       ignate as such a Special Area the Sadlerochit Spring  
7       area, comprising approximately 4,000 acres.

8               (2) MANAGEMENT.—Each such Special Area  
9       shall be managed so as to protect and preserve the  
10       area’s unique and diverse character including its  
11       fish, wildlife, and subsistence resource values.

12              (3) EXCLUSION FROM LEASING OR SURFACE  
13       OCCUPANCY.—The Secretary may exclude any Spe-  
14       cial Area from leasing. If the Secretary leases a Spe-  
15       cial Area, or any part thereof, for purposes of oil  
16       and gas exploration, development, production, and  
17       related activities, there shall be no surface occu-  
18       pancy of the lands comprising the Special Area.

19              (4) DIRECTIONAL DRILLING.—Notwithstanding  
20       the other provisions of this subsection, the Secretary  
21       may lease all or a portion of a Special Area under  
22       terms that permit the use of horizontal drilling tech-  
23       nology from sites on leases located outside the Spe-  
24       cial Area.

1 (f) LIMITATION ON CLOSED AREAS.—The Sec-  
2 retary’s sole authority to close lands within the Coastal  
3 Plain to oil and gas leasing and to exploration, develop-  
4 ment, and production is that set forth in this Act.

5 (g) REGULATIONS.—

6 (1) IN GENERAL.—The Secretary shall pre-  
7 scribe such regulations as may be necessary to carry  
8 out this Act, including rules and regulations relating  
9 to protection of the fish and wildlife, their habitat,  
10 subsistence resources, and environment of the Coast-  
11 al Plain, by no later than 15 months after the date  
12 of enactment of this Act.

13 (2) REVISION OF REGULATIONS.—The Sec-  
14 retary shall periodically review and, if appropriate,  
15 revise the rules and regulations issued under sub-  
16 section (a) to reflect any significant biological, envi-  
17 ronmental, or engineering data that come to the Sec-  
18 retary’s attention.

19 **SEC. 4. LEASE SALES.**

20 (a) IN GENERAL.—Lands may be leased pursuant to  
21 this Act to any person qualified to obtain a lease for depos-  
22 its of oil and gas under the Mineral Leasing Act (30  
23 U.S.C. 181 et seq.).

24 (b) PROCEDURES.—The Secretary shall, by regula-  
25 tion, establish procedures for—

1           (1) receipt and consideration of sealed nomina-  
2           tions for any area in the Coastal Plain for inclusion  
3           in, or exclusion (as provided in subsection (c)) from,  
4           a lease sale;

5           (2) the holding of lease sales after such nomina-  
6           tion process; and

7           (3) public notice of and comment on designa-  
8           tion of areas to be included in, or excluded from, a  
9           lease sale.

10          (c) LEASE SALE BIDS.—Bidding for leases under  
11 this Act shall be by sealed competitive cash bonus bids.

12          (d) ACREAGE MINIMUM IN FIRST SALE.—In the first  
13 lease sale under this Act, the Secretary shall offer for lease  
14 those tracts the Secretary considers to have the greatest  
15 potential for the discovery of hydrocarbons, taking into  
16 consideration nominations received pursuant to subsection  
17 (b)(1), but in no case less than 200,000 acres.

18          (e) TIMING OF LEASE SALES.—The Secretary  
19 shall—

20           (1) conduct the first lease sale under this Act  
21           within 22 months after the date of the enactment of  
22           this Act; and

23           (2) conduct additional sales so long as sufficient  
24           interest in development exists to warrant, in the Sec-  
25           retary's judgment, the conduct of such sales.



1 **SEC. 5. GRANT OF LEASES BY THE SECRETARY.**

2 (a) IN GENERAL.—The Secretary may grant to the  
3 highest responsible qualified bidder in a lease sale con-  
4 ducted pursuant to section 4 any lands to be leased on  
5 the Coastal Plain upon payment by the lessee of such  
6 bonus as may be accepted by the Secretary.

7 (b) SUBSEQUENT TRANSFERS.—No lease issued  
8 under this Act may be sold, exchanged, assigned, sublet,  
9 or otherwise transferred except with the approval of the  
10 Secretary. Prior to any such approval the Secretary shall  
11 consult with, and give due consideration to the views of,  
12 the Attorney General.

13 **SEC. 6. LEASE TERMS AND CONDITIONS.**

14 (a) IN GENERAL.—An oil or gas lease issued pursu-  
15 ant to this Act shall—

16 (1) provide for the payment of a royalty of not  
17 less than 12½ percent in amount or value of the  
18 production removed or sold from the lease, as deter-  
19 mined by the Secretary under the regulations appli-  
20 cable to other Federal oil and gas leases;

21 (2) provide that the Secretary may close, on a  
22 seasonal basis, portions of the Coastal Plain to ex-  
23 ploratory drilling activities as necessary to protect  
24 caribou calving areas and other species of fish and  
25 wildlife;

1           (3) require that the lessee of lands within the  
2 Coastal Plain shall be fully responsible and liable for  
3 the reclamation of lands within the Coastal Plain  
4 and any other Federal lands that are adversely af-  
5 fected in connection with exploration, development,  
6 production, or transportation activities conducted  
7 under the lease and within the Coastal Plain by the  
8 lessee or by any of the subcontractors or agents of  
9 the lessee;

10           (4) provide that the lessee may not delegate or  
11 convey, by contract or otherwise, the reclamation re-  
12 sponsibility and liability to another person without  
13 the express written approval of the Secretary;

14           (5) provide that the standard of reclamation for  
15 lands required to be reclaimed under this Act shall  
16 be, as nearly as practicable, a condition capable of  
17 supporting the uses which the lands were capable of  
18 supporting prior to any exploration, development, or  
19 production activities, or upon application by the les-  
20 see, to a higher or better use as approved by the  
21 Secretary;

22           (6) contain terms and conditions relating to  
23 protection of fish and wildlife, their habitat, subsist-  
24 ence resources, and the environment as required  
25 pursuant to section 3(a)(2);

1           (7) provide that the lessee, its agents, and its  
2           contractors use best efforts to provide a fair share,  
3           as determined by the level of obligation previously  
4           agreed to in the 1974 agreement implementing sec-  
5           tion 29 of the Federal Agreement and Grant of  
6           Right of Way for the Operation of the Trans-Alaska  
7           Pipeline, of employment and contracting for Alaska  
8           Natives and Alaska Native Corporations from  
9           throughout the State;

10           (8) prohibit the export of oil produced under  
11           the lease; and

12           (9) contain such other provisions as the Sec-  
13           retary determines necessary to ensure compliance  
14           with the provisions of this Act and the regulations  
15           issued under this Act.

16           (b) PROJECT LABOR AGREEMENTS.—The Secretary,  
17           as a term and condition of each lease under this Act and  
18           in recognizing the Government’s proprietary interest in  
19           labor stability and in the ability of construction labor and  
20           management to meet the particular needs and conditions  
21           of projects to be developed under the leases issued pursu-  
22           ant to this Act and the special concerns of the parties to  
23           such leases, shall require that the lessee and its agents  
24           and contractors negotiate to obtain a project labor agree-  
25           ment for the employment of laborers and mechanics on

1 production, maintenance, and construction under the  
2 lease.

3 **SEC. 7. COASTAL PLAIN ENVIRONMENTAL PROTECTION.**

4 (a) NO SIGNIFICANT ADVERSE EFFECT STANDARD  
5 TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—

6 The Secretary shall, consistent with the requirements of  
7 section 3, administer the provisions of this Act through  
8 regulations, lease terms, conditions, restrictions, prohibi-  
9 tions, stipulations, and other provisions that—

10 (1) ensure the oil and gas exploration, develop-  
11 ment, and production activities on the Coastal Plain  
12 will result in no significant adverse effect on fish  
13 and wildlife, their habitat, and the environment;

14 (2) require the application of the best commer-  
15 cially available technology for oil and gas explo-  
16 ration, development, and production on all new ex-  
17 ploration, development, and production operations;  
18 and

19 (3) ensure that the maximum amount of sur-  
20 face acreage covered by production and support fa-  
21 cilities, including airstrips and any areas covered by  
22 gravel berms or piers for support of pipelines, does  
23 not exceed 2,000 acres on the Coastal Plain.

1 (b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—

2 The Secretary shall also require, with respect to any pro-  
3 posed drilling and related activities, that—

4 (1) a site-specific analysis be made of the prob-  
5 able effects, if any, that the drilling or related activi-  
6 ties will have on fish and wildlife, their habitat, sub-  
7 sistence resources, and the environment;

8 (2) a plan be implemented to avoid, minimize,  
9 and mitigate (in that order and to the extent prac-  
10 ticable) any significant adverse effect identified  
11 under paragraph (1); and

12 (3) the development of the plan shall occur  
13 after consultation with the agency or agencies hav-  
14 ing jurisdiction over matters mitigated by the plan.

15 (c) REGULATIONS TO PROTECT COASTAL PLAIN  
16 FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS,  
17 AND THE ENVIRONMENT.—Before implementing the leas-  
18 ing program authorized by this Act, the Secretary shall  
19 prepare and promulgate regulations, lease terms, condi-  
20 tions, restrictions, prohibitions, stipulations, and other  
21 measures designed to ensure that the activities undertaken  
22 on the Coastal Plain under this Act are conducted in a  
23 manner consistent with the purposes and environmental  
24 requirements of this Act.

1 (d) COMPLIANCE WITH FEDERAL AND STATE ENVI-  
2 RONMENTAL LAWS AND OTHER REQUIREMENTS.—The  
3 proposed regulations, lease terms, conditions, restrictions,  
4 prohibitions, and stipulations for the leasing program  
5 under this Act shall require compliance with all applicable  
6 provisions of Federal and State environmental law, and  
7 shall also require the following:

8 (1) Standards at least as effective as the safety  
9 and environmental mitigation measures set forth in  
10 items 1 through 29 at pages 167 through 169 of the  
11 “Final Legislative Environmental Impact State-  
12 ment” (April 1987) on the Coastal Plain.

13 (2) Seasonal limitations on exploration, develop-  
14 ment, and related activities, where necessary, to  
15 avoid significant adverse effects during periods of  
16 concentrated fish and wildlife breeding, denning,  
17 nesting, spawning, and migration.

18 (3) That exploration activities, except for sur-  
19 face geological studies, be limited to the period be-  
20 tween approximately November 1 and May 1 each  
21 year and that exploration activities shall be sup-  
22 ported, if necessary, by ice roads, winter trails with  
23 adequate snow cover, ice pads, ice airstrips, and air  
24 transport methods, except that such exploration ac-  
25 tivities may occur at other times if the Secretary

1 finds that such exploration will have no significant  
2 adverse effect on the fish and wildlife, their habitat,  
3 and the environment of the Coastal Plain.

4 (4) Design safety and construction standards  
5 for all pipelines and any access and service roads,  
6 that—

7 (A) minimize, to the maximum extent pos-  
8 sible, adverse effects upon the passage of mi-  
9 gratory species such as caribou; and

10 (B) minimize adverse effects upon the flow  
11 of surface water by requiring the use of cul-  
12 verts, bridges, and other structural devices.

13 (5) Prohibitions on general public access and  
14 use on all pipeline access and service roads.

15 (6) Stringent reclamation and rehabilitation re-  
16 quirements, consistent with the standards set forth  
17 in this Act, requiring the removal from the Coastal  
18 Plain of all oil and gas development and production  
19 facilities, structures, and equipment upon completion  
20 of oil and gas production operations, except that the  
21 Secretary may exempt from the requirements of this  
22 paragraph those facilities, structures, or equipment  
23 that the Secretary determines would assist in the  
24 management of the Arctic National Wildlife Refuge

1 and that are donated to the United States for that  
2 purpose.

3 (7) Appropriate prohibitions or restrictions on  
4 access by all modes of transportation.

5 (8) Appropriate prohibitions or restrictions on  
6 sand and gravel extraction.

7 (9) Consolidation of facility siting.

8 (10) Appropriate prohibitions or restrictions on  
9 use of explosives.

10 (11) Avoidance, to the extent practicable, of  
11 springs, streams, and river system; the protection of  
12 natural surface drainage patterns, wetlands, and ri-  
13 parian habitats; and the regulation of methods or  
14 techniques for developing or transporting adequate  
15 supplies of water for exploratory drilling.

16 (12) Avoidance or minimization of air traffic-re-  
17 lated disturbance to fish and wildlife.

18 (13) Treatment and disposal of hazardous and  
19 toxic wastes, solid wastes, reserve pit fluids, drilling  
20 muds and cuttings, and domestic wastewater, includ-  
21 ing an annual waste management report, a haz-  
22 ardous materials tracking system, and a prohibition  
23 on chlorinated solvents, in accordance with applica-  
24 ble Federal and State environmental law.



1           (14) Fuel storage and oil spill contingency plan-  
2           ning.

3           (15) Research, monitoring, and reporting re-  
4           quirements.

5           (16) Field crew environmental briefings.

6           (17) Avoidance of significant adverse effects  
7           upon subsistence hunting, fishing, and trapping by  
8           subsistence users.

9           (18) Compliance with applicable air and water  
10          quality standards.

11          (19) Appropriate seasonal and safety zone des-  
12          ignations around well sites, within which subsistence  
13          hunting and trapping shall be limited.

14          (20) Reasonable stipulations for protection of  
15          cultural and archeological resources.

16          (21) All other protective environmental stipula-  
17          tions, restrictions, terms, and conditions deemed  
18          necessary by the Secretary.

19          (e) CONSIDERATIONS.—In preparing and promul-  
20          gating regulations, lease terms, conditions, restrictions,  
21          prohibitions, and stipulations under this section, the Sec-  
22          retary shall consider the following:

23                 (1) The stipulations and conditions that govern  
24                 the National Petroleum Reserve-Alaska leasing pro-  
25                 gram, as set forth in the 1999 Northeast National

1 Petroleum Reserve-Alaska Final Integrated Activity  
2 Plan/Environmental Impact Statement.

3 (2) The environmental protection standards  
4 that governed the initial Coastal Plain seismic explo-  
5 ration program under parts 37.31 to 37.33 of title  
6 50, Code of Federal Regulations.

7 (3) The land use stipulations for exploratory  
8 drilling on the KIC-ASRC private lands that are set  
9 forth in Appendix 2 of the August 9, 1983, agree-  
10 ment between Arctic Slope Regional Corporation and  
11 the United States.

12 (f) FACILITY CONSOLIDATION PLANNING.—

13 (1) IN GENERAL.—The Secretary shall, after  
14 providing for public notice and comment, prepare  
15 and update periodically a plan to govern, guide, and  
16 direct the siting and construction of facilities for the  
17 exploration, development, production, and transpor-  
18 tation of Coastal Plain oil and gas resources.

19 (2) OBJECTIVES.—The plan shall have the fol-  
20 lowing objectives:

21 (A) Avoiding unnecessary duplication of fa-  
22 cilities and activities.

23 (B) Encouraging consolidation of common  
24 facilities and activities.

1           (C) Locating or confining facilities and ac-  
2           tivities to areas that will minimize impact on  
3           fish and wildlife, their habitat, and the environ-  
4           ment.

5           (D) Utilizing existing facilities wherever  
6           practicable.

7           (E) Enhancing compatibility between wild-  
8           life values and development activities.

9           (g) ACCESS TO PUBLIC LANDS.—The Secretary  
10 shall—

11           (1) manage public lands in the Coastal Plain  
12           subject to subsections (a) and (b) of section 811 of  
13           the Alaska National Interest Lands Conservation  
14           Act (16 U.S.C. 3121); and

15           (2) ensure that local residents shall have rea-  
16           sonable access to public lands in the Coastal Plain  
17           for traditional uses.

18 **SEC. 8. EXPEDITED JUDICIAL REVIEW.**

19           (a) FILING OF COMPLAINT.—

20           (1) DEADLINE.—Subject to paragraph (2), any  
21           complaint seeking judicial review of any provision of  
22           this Act or any action of the Secretary under this  
23           Act shall be filed—

1 (A) except as provided in subparagraph  
2 (B), within the 90-day period beginning on the  
3 date of the action being challenged; or

4 (B) in the case of a complaint based solely  
5 on grounds arising after such period, within 90  
6 days after the complainant knew or reasonably  
7 should have known of the grounds for the com-  
8 plaint.

9 (2) VENUE.—Any complaint seeking judicial re-  
10 view of any provision of this Act or any action of the  
11 Secretary under this Act may be filed only in the  
12 United States Court of Appeals for the District of  
13 Columbia.

14 (3) LIMITATION ON SCOPE OF CERTAIN RE-  
15 VIEW.—Judicial review of a Secretarial decision to  
16 conduct a lease sale under this Act, including the en-  
17 vironmental analysis thereof, shall be limited to  
18 whether the Secretary has complied with the terms  
19 of this Act and shall be based upon the administra-  
20 tive record of that decision. The Secretary's identi-  
21 fication of a preferred course of action to enable  
22 leasing to proceed and the Secretary's analysis of  
23 environmental effects under this Act shall be pre-  
24 sumed to be correct unless shown otherwise by clear  
25 and convincing evidence to the contrary.

1 (b) LIMITATION ON OTHER REVIEW.—Actions of the  
2 Secretary with respect to which review could have been  
3 obtained under this section shall not be subject to judicial  
4 review in any civil or criminal proceeding for enforcement.

5 **SEC. 9. FEDERAL AND STATE DISTRIBUTION OF REVENUES.**

6 (a) IN GENERAL.—Notwithstanding any other provi-  
7 sion of law, of the amount of adjusted bonus, rental, and  
8 royalty revenues from Federal oil and gas leasing and op-  
9 erations authorized under this Act—

10 (1) 50 percent shall be paid to the State of  
11 Alaska; and

12 (2) except as provided in section 12(d), the bal-  
13 ance shall be deposited into the Treasury as mis-  
14 cellaneous receipts.

15 (b) PAYMENTS TO ALASKA.—Payments to the State  
16 of Alaska under this section shall be made semiannually.

17 **SEC. 10. RIGHTS-OF-WAY ACROSS THE COASTAL PLAIN.**

18 (a) IN GENERAL.—The Secretary shall issue rights-  
19 of-way and easements across the Coastal Plain for the  
20 transportation of oil and gas—

21 (1) except as provided in paragraph (2), under  
22 section 28 of the Mineral Leasing Act (30 U.S.C.  
23 185), without regard to title XI of the Alaska Na-  
24 tional Interest Lands Conservation Act (30 U.S.C.  
25 3161 et seq.); and

1           (2) under title XI of the Alaska National Inter-  
2           est Lands Conservation Act (30 U.S.C. 3161 et  
3           seq.), for access authorized by sections 1110 and  
4           1111 of that Act (16 U.S.C. 3170 and 3171).

5           (b) TERMS AND CONDITIONS.—The Secretary shall  
6           include in any right-of-way or easement issued under sub-  
7           section (a) such terms and conditions as may be necessary  
8           to ensure that transportation of oil and gas does not result  
9           in a significant adverse effect on the fish and wildlife, sub-  
10          sistence resources, their habitat, and the environment of  
11          the Coastal Plain, including requirements that facilities be  
12          sited or designed so as to avoid unnecessary duplication  
13          of roads and pipelines.

14          (c) REGULATIONS.—The Secretary shall include in  
15          regulations under section 3(g) provisions granting rights-  
16          of-way and easements described in subsection (a) of this  
17          section.

18          **SEC. 11. CONVEYANCE.**

19          In order to maximize Federal revenues by removing  
20          clouds on title to lands and clarifying land ownership pat-  
21          terns within the Coastal Plain, the Secretary, notwith-  
22          standing the provisions of section 1302(h)(2) of the Alas-  
23          ka National Interest Lands Conservation Act (16 U.S.C.  
24          3192(h)(2)), shall convey—

1           (1) to the Kaktovik Inupiat Corporation the  
2 surface estate of the lands described in paragraph 1  
3 of Public Land Order 6959, to the extent necessary  
4 to fulfill the Corporation's entitlement under sec-  
5 tions 12 and 14 of the Alaska Native Claims Settle-  
6 ment Act (43 U.S.C. 1611 and 1613) in accordance  
7 with the terms and conditions of the Agreement be-  
8 tween the Department of the Interior, the United  
9 States Fish and Wildlife Service, the Bureau of  
10 Land Management, and the Kaktovik Inupiat Cor-  
11 poration effective January 22, 1993; and

12           (2) to the Arctic Slope Regional Corporation  
13 the remaining subsurface estate to which it is enti-  
14 tled pursuant to the August 9, 1983, agreement be-  
15 tween the Arctic Slope Regional Corporation and the  
16 United States of America.

17 **SEC. 12. LOCAL GOVERNMENT IMPACT AID AND COMMU-**  
18 **NITY SERVICE ASSISTANCE.**

19 (a) FINANCIAL ASSISTANCE AUTHORIZED.—

20           (1) IN GENERAL.—The Secretary may use  
21 amounts available from the Coastal Plain Local Gov-  
22 ernment Impact Aid Assistance Fund established by  
23 subsection (d) to provide timely financial assistance  
24 to entities that are eligible under paragraph (2) and  
25 that are directly impacted by the exploration for or

1 production of oil and gas on the Coastal Plain under  
2 this Act.

3 (2) ELIGIBLE ENTITIES.—The North Slope  
4 Borough, the City of Kaktovik, and any other bor-  
5 ough, municipal subdivision, village, or other com-  
6 munity in the State of Alaska that is directly im-  
7 pacted by exploration for, or the production of, oil  
8 or gas on the Coastal Plain under this Act, as deter-  
9 mined by the Secretary, shall be eligible for financial  
10 assistance under this section.

11 (b) USE OF ASSISTANCE.—Financial assistance  
12 under this section may be used only for—

13 (1) planning for mitigation of the potential ef-  
14 fects of oil and gas exploration and development on  
15 environmental, social, cultural, recreational, and sub-  
16 sistence values;

17 (2) implementing mitigation plans and main-  
18 taining mitigation projects;

19 (3) developing, carrying out, and maintaining  
20 projects and programs that provide new or expanded  
21 public facilities and services to address needs and  
22 problems associated with such effects, including fire-  
23 fighting, police, water, waste treatment, medivac,  
24 and medical services; and



1           (4) establishment of a coordination office, by  
2 the north slope borough, in the city of kaktovik,  
3 which shall—

4           (A) coordinate with and advise developers  
5 on local conditions, impact, and history of the  
6 areas utilized for development; and

7           (B) provide to the Committee on Resources  
8 of the House of Representatives and the Com-  
9 mittee on Energy and Natural Resources of the  
10 Senate an annual report on the status of co-  
11 ordination between developers and the commu-  
12 nities affected by development.

13 (c) APPLICATION.—

14           (1) IN GENERAL.—Any community that is eligi-  
15 ble for assistance under this section may submit an  
16 application for such assistance to the Secretary, in  
17 such form and under such procedures as the Sec-  
18 retary may prescribe by regulation.

19           (2) NORTH SLOPE BOROUGH COMMUNITIES.—A  
20 community located in the North Slope Borough may  
21 apply for assistance under this section either directly  
22 to the Secretary or through the North Slope Bor-  
23 ough

24           (3) APPLICATION ASSISTANCE.—The Secretary  
25 shall work closely with and assist the North Slope

1 Borough and other communities eligible for assist-  
2 ance under this section in developing and submitting  
3 applications for assistance under this section.

4 (d) ESTABLISHMENT OF FUND.—

5 (1) IN GENERAL.—There is established in the  
6 Treasury the Coastal Plain Local Government Im-  
7 pact Aid Assistance Fund.

8 (2) USE.—Amounts in the fund may be used  
9 only for providing financial assistance under this  
10 section.

11 (3) DEPOSITS.—Subject to paragraph (4), there  
12 shall be deposited into the fund amounts received by  
13 the United States as revenues derived from rents,  
14 bonuses, and royalties from Federal leases and lease  
15 sales authorized under this Act.

16 (4) LIMITATION ON DEPOSITS.—The total  
17 amount in the fund may not exceed \$11,000,000.

18 (5) INVESTMENT OF BALANCES.—The Sec-  
19 retary of the Treasury shall invest amounts in the  
20 fund in interest bearing government securities.

21 (e) AUTHORIZATION OF APPROPRIATIONS.—To pro-  
22 vide financial assistance under this section there is author-  
23 ized to be appropriated to the Secretary from the Coastal

- 1 Plain Local Government Impact Aid Assistance Fund
- 2 \$5,000,000 for each fiscal year.

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