

**Opening Statement of
Chairman Paul Gosar
Wednesday, October 11, 2017 at 2:00 p.m.
1334 Longworth House Office Building
Before the Energy and Mineral Resources Subcommittee
Legislative Hearing on:**

“The Accessing Strategic Resources Offshore Act” or the “ASTRO Act”

Today the Subcommittee will consider a discussion draft of the “Accessing Strategic Resources Offshore Act” or “ASTRO Act.” The previous administration took incredible liberties when it came to locking up OCS lands from offshore oil and gas exploration and development, and this bill attempts to restore access and provide a more practical and functional path to development for all stakeholders.

Our offshore oil and gas industry provides our nation and the world with a safe and reliable source of energy, billions of dollars in revenues to the government, and has resulted in the creation of millions of direct and indirect jobs across the country. It is critical that we maintain and increase access to offshore exploration and production to improve upon these trends. This bill seeks to achieve this in several ways.

Production on OCS lands directly impacts adjacent coastal communities, and it is important that we share the revenues generated with those most affected. The Gulf of Mexico is home to one of the world’s largest, most well-developed offshore oil regions, and the Gulf coastal states are in many ways defined by the industry. These states have borne the environmental risks and social burdens brought on by a complex, infrastructure-intensive industry. They saw their coastlines transformed by the port systems, pipelines, and refineries required to support offshore production. In 2006, Congress passed the “Gulf of Mexico Energy Security Act,” which provides critical revenues to the Gulf producing states, allowing them to offset the effects of OCS production and mitigate associated risks. The ASTRO Act provides the same revenue sharing structure, in roughly the same proportions, to the Mid and South Atlantic states of Virginia, North Carolina, South Carolina, and Georgia, in addition to Alaska. By establishing an equitable revenue sharing scheme in the early days of Atlantic and Alaskan OCS production, we can raise support for increased access in these areas.

The ASTRO Act attempts to increase access to OCS lands by placing limitations on the President’s authority to withdraw OCS lands from oil and gas leasing. At the twilight of his presidency, President Obama relied on Section 12(a) of the Outer Continental Shelf Lands Act, or “OCSLA,” to withdraw 118.8 million acres from oil and gas development off Alaska and the Atlantic. Section 4 of this bill reverses this dramatic unilateral action, and limits future moratoria by requiring Congressional action.

The ASTRO Act also amends another overly restrictive statutory requirement that impedes access to offshore development. Under OCSLA, the Secretary of the Interior is directed to develop an offshore oil and gas leasing plan that dictates lease sales for five years. While it is important to carefully manage our offshore resources through an integrated planning process, this process has been used as a political football. For instance, the previous administration excluded 94% of

America's OCS lands from development through the planning process and withdrawal of lands, robbing coastal towns of potential economic growth and jobs. Section 5 of this draft seeks to provide increased flexibility to the leasing structure by allowing the Secretary to hold lease sales in areas excluded from a 5-year plan, contingent upon stakeholder engagement and completion of environmental reviews. By providing the Secretary this option, he can carefully evaluate and manage our OCS resources according to the immediate needs of our nation.

Section 7 of this bill aims to improve the function of the two Bureaus that oversee all offshore exploration and production. This bill requires the Department of Interior to investigate areas of duplication and inefficiency between the Bureau of Ocean Energy Management and the Bureau of Safety and Environmental Enforcement, in an effort to optimize performance.

In conclusion, the ASTRO Act provides a multifaceted approach to improving access to oil and gas development on the Outer Continental Shelf. We are looking forward to discussing the various aspects of this bill with our witnesses today, to provide a brighter energy future for tomorrow.