

**Statement for the Record**  
**U.S. Department of the Interior**  
**House Committee on Natural Resources**  
**Subcommittee on Water, Wildlife, and Fisheries**  
**On**

**H.R. 8542, Offshore Parity Act of 2026**

**June 3, 2026**

Thank you for the opportunity to provide this Statement for the Record regarding H.R. 8542, the Offshore Parity Act of 2026. The bill would amend the Outer Continental Shelf Lands Act (OCSLA) to expand potential state oversight of and revenues from the submerged lands offshore Louisiana, Mississippi, and Alabama from three nautical miles to nine nautical miles offshore, to be more aligned with the existing seaward boundaries applicable to Texas and portions of Florida under current law.

H.R. 8542 would establish an “expanded submerged lands” area for Louisiana, Mississippi, and Alabama and authorize participating states to assume management authority over offshore leasing, rights-of-way, and certain fisheries management activities within that newly defined area. Under the legislation, the Secretary of the Interior would be required to delegate management authority to a participating state upon a determination that the state possesses adequate administrative, technical, and regulatory capacity to oversee offshore activities and ensure compliance with applicable federal laws and regulations.

The bill would further authorize participating states to establish rental, royalty, and leasing terms for future offshore leases issued within the expanded submerged land areas and to retain revenues generated from those future leases. Existing leases and ongoing operations would remain subject to transition provisions intended to preserve existing revenue distributions, contractual rights, and operational continuity.

The Department of the Interior (Department) recognizes the importance of offshore energy development in supporting domestic energy production, economic activity, coastal infrastructure, and state revenues in the Gulf of America region. The Department also recognizes the longstanding partnership between the federal government and Gulf Coast states in managing offshore resources and supporting safe and environmentally responsible offshore operations.

Implementation of H.R. 8542 would represent a significant change to current authorities governing offshore resource development and management under OCSLA. The Department looks forward to working with the Sponsor to clarify how a federal-state partnership structure would operate in practice, including transition arrangements for existing offshore structures and associated decommissioning responsibilities. Notably, the transfer of decommissioning responsibilities of over 500 offshore structures and approximately 1,800 wells from federal oversight could also shift an estimated minimum of \$2.5 billion in associated liabilities to the participating states.

The Department remains interested in exploring innovative solutions that enhance responsible offshore resource development and looks forward to working with the Sponsor and the Subcommittee further on this issue.