HOUSE COMMITTEE ON
# NATURAL RESOURCES
CHAIRMAN BRUCE WESTERMAN

| | |
|---|---|
| **To:** | House Committee on Natural Resources Republican Members |
| **From:** | Energy and Mineral Resources Subcommittee staff, Rob MacGregor (Robert.MacGregor@mail.house.gov) x63044 & William King (Will.King@mail.house.gov) x5-9297 |
| **Date:** | Monday, February 10, 2025 |
| **Subject:** | Oversight Hearing titled "Restoring Energy Dominance: The Path to Unleashing American Offshore Energy" |

---

The Subcommittee on Energy and Mineral Resources will hold an oversight hearing titled *"Restoring Energy Dominance: The Path to Unleashing American Offshore Energy"* on **Tuesday, February 11, 2025, at 10:15 a.m. in 1324 Longworth House Office Building.**

Member offices are requested to notify Lonnie Smith (Lonnie.Smith@mail.house.gov) by 4:30 p.m. on Monday, February 10, 2025, if their Member intends to participate in the hearing.

## I. KEY MESSAGES

- Working with President Trump, Congress will unleash American energy to restore national security and lower prices for American families.
- The Biden administration's actions to diminish offshore oil and gas production have endangered long-term supply and threatened American energy independence. The Department of the Interior's (DOI) 2024-2029 National Outer Continental Shelf Oil and Gas Leasing Proposed Final Program (2024-2029 Program), was released two years late by the Biden administration and significantly limits offshore oil and gas lease sales, proposing only three potential sales in the Gulf of America (GOA or "the Gulf," formerly the Gulf of Mexico) planning region and no sales in Alaska.
- Reductions in new leasing increase the cost to produce for operators, raising consumer costs, and undermining American energy independence.[1]
- Restrictions on domestic offshore drilling push private investment to foreign nations, leading to job losses in the U.S., diminished revenues for Gulf Coast States (GCS), and increased global emissions.[2]

---

[1] Center for Strategic International Studies, Biden Makes Sweeping Changes to Oil and Gas Policy, January 28, 2021 https://www.csis.org/analysis/biden-makes-sweeping-changes-oil-and-gas-policy.
[2] Offshore Magazine, New US 5 Year Plan Calls for 'fewest Oil and Gas lease sales in history' Sept. 29, 2023 https://www.offshore-mag.com/regional-reports/us-gulf-of-mexico/article/14299639/new-us-fiveyear-plan-calls-for-fewest-oil-and-gas-lease-sales-in-history.

- The GOA Region on the Outer Continental Shelf (OCS) accounts for nearly 14% of total U.S. oil production and supports approximately 370,000 jobs. Its reserves include 26.77 billion barrels of oil and 197 trillion cubic feet of gas from 1,325 oil and gas fields.[3, 4]
- The OCS Alaska Region is believed to contain a potential of 24 billion barrels of undiscovered, extractable oil, with the possibility of 34 billion barrels. The estimated gas potential stands at 126 trillion cubic feet, with the possibility of surpassing 230 trillion cubic feet.[5] Alaska's oil and gas industry supports 69,200 jobs and $5.9 billion in wages, or 16% of all the jobs in the state.[6]
- Congress must act decisively to reverse the Biden administration's regulatory overreach to ensure long-term American energy dominance.

## II. WITNESSES

- **Mr. Chett Chiasson**, Executive Director, Greater Lafourche Port Commission, Cut Off, LA
- **Mr. T. Lane Wilson,** Senior Vice President and General Counsel, Williams Companies, Tulsa, OK
- **Mr. Tim Tarpley,** President, Energy Workforce & Technology Council, Houston, TX
- **Ms. Peg Howell,** Founder, Stop Offshore Drilling in the Atlantic (SODA), Volunteer and Spokesperson, Business Alliance for Protecting the Atlantic Coast (BAPAC), Hendersonville, NC *[Minority witness]*

## III. BACKGROUND

### History of the Offshore Planning Process

Since the inception of the National Outer Continental Shelf (OCS) leasing program in 1980, the Department of the Interior, through the Bureau of Ocean Energy Management (BOEM), has implemented nine offshore oil and gas leasing programs prior to publishing the 2024-2029 Program.[7] On average, each program has historically scheduled about 24 lease sales, with sales regularly occurring twice, and often three times, per year.[8] The first three programs, published in 1980, 1982, and 1987, were particularly robust, averaging 40 scheduled sales each.[9] These sales showcased the vast energy potential of the OCS regions and underscored the nation's

---

[3] U.S. Energy Information Administration. "Gulf of Mexico Fact Sheet." Accessed February 6, 2025. https://www.eia.gov/special/gulf_of_mexico/
[4] Bureau of Ocean Energy Management, Press Release, "BOEM Releases oil and gas reserves" – Updated September 2021 https://www.boem.gov/boem-releases-estimated-oil-and-gas-reserves-gulf-mexico.
[5] Bureau of Ocean Energy Management, Assessment Data, "Oil and Gas Potential of Alaska Federal Offshore" August 2023 https://www.boem.gov/about-boem/assessment-data-oil-and-gas-potential-alaska-federal-offshore#:~:text=The%20Alaska%20offshore%20is%20estimated,resources%20exceeding%2034%20billion%20barrels.
[6] Alaska News Source, Ak's Oil and Gas Expected to be huge driver over next 5 years, Aug. 31, 2023, Yelverton; https://www.alaskasnewssource.com/2023/08/31/alaskas-oil-gas-expected-be-huge-economic-driver-over-next-5-years/.
[7] U.S. Bureau of Ocean Energy Management, National Program, Past Programs, Jan 3, 2024 https://www.boem.gov/oil-gas-energy/national-program/national-ocs-oil-and-gas-leasing-program.
[8] National Academies Press, The Evolution of Federal OCS Program, 1992 https://nap.nationalacademies.org/read/2062/chapter/11#110.
[9] U.S. Bureau of Ocean Energy Management, National Program, Past Programs, Sept, 28, 2023 https://www.boem.gov/oil-gas-energy/national-program/national-ocs-oil-and-gas-leasing-program.

commitment to meeting its energy demands while highlighting the economic benefits that coastal states receive from these offshore activities.

Over the past 20 years, offshore oil and gas leasing has generated approximately $129.87 billion in revenue, averaging around $6.49 billion annually.[10] This substantial income stream is pivotal for both federal and state governments, supporting a wide range of public services, infrastructure projects, and conservation initiatives. The Gulf of Mexico Energy Security Act (GOMESA) ensures that funds from offshore development support critical projects across the Gulf States, including hurricane flood protection gates in Louisiana, environmental initiatives in Mississippi like oyster restoration, hurricane protection projects in Texas as well as living shoreline projects for coastal marsh preservation.[11] Alabama benefits from watershed enhancement projects, among other infrastructure improvements, which bolster regional environmental sustainability.[12] Given that these projects were historically made possible by revenue generated from leasing programs with an average of 24 lease sales, a reduction to just 3 lease sales in the 2024-2029 Program threatens to decrease future funding significantly. Depending on market factors like oil prices, this reduction may result in states receiving only a fraction of average annual revenues in future years, posing a substantial challenge to replace such a critical source of funding for government and community initiatives.

**The Biden Administration's 2024-2029 Program**

The Biden administration's Record of Decision for the 2024-2029 Program, published 18 months after the previous plan *expired*, stipulated an effective date of July 1, 2024.[13] This timing created an unprecedented two-year gap between the 2017-2022 leasing Program and the 2024-2029 Program. This delay guaranteed no offshore oil and gas lease sales in 2024 and now provides a paltry single opportunity for a sale in 2025, which BOEM has stated to committee staff will not occur as planned due to National Environmental Policy Act (NEPA) procedural delays.[14] Additionally, the current plan decreased the number of proposed lease sales from 47 under the first Trump administration to only three under the Biden administration. This massive decrease in lease sales signals regulatory uncertainty regarding the nation's long-term energy strategy.[15] Historically, regular GOA lease sales have significantly contributed to U.S. oil and gas production, bolstered U.S. energy security, and exponentially contributed to the economies of Gulf states.

Coupled with the Biden administration's delay in publishing the 2024-2029 Program, there were additional concerns over other regulations and pending rulemakings, including recent directives

---

[10]U.S. Office of Natural Resources Revenue, Jan 5, 2024 Query, Federal Offshore Revenue https://revenuedata.doi.gov/query-data?dataType=Revenue.

[11] U.S. Congress, *Gulf of Mexico Energy Security Act of 2006 (GOMESA)*, Pub. L. No. 109-432, 120 Stat. 2922 (2006)

[12]U.S. Department of Interior, Press Releases, Interior Disburses GOMESA Revenues, March 30,2020 https://www.doi.gov/pressreleases/interior-disburses-353-million-gomesa-revenues-gulf-state-coastal-conservation-and#:~:text=%244%20million%20set%20aside%20for,coastal%20Alabama%20watershed%20enhancement%20project.

[13] U.S. Department of the Interior, Oil and Gas Energy, Decision Memo, Signed National Program, Record of Decision – December 14, 2023 https://www.boem.gov/sites/default/files/documents/oil-gas-energy/Decision-Memo-National-Program-SIGNED.pdf.

[14] Bureau of Ocean Energy Management, *Briefing for House Natural Resources Committee, Subcommittee on Energy and Mineral Resources Staff*, December 17, 2024.

[15] Federal Register, Availability of 2019-2024 Draft Proposed OCS Oil and Gas Leasing Plan, January 8, 2018 https://www.federalregister.gov/documents/2018/01/08/2018-00083/notice-of-availability-of-the-2019-2024-draft-proposed-outer-continental-shelf-oil-and-gas-leasing.

to adopt onerous procedures related to the Rice's whale,[16] full removal guidance on infrastructure decommissioning in the Pacific OCS region,[17] updated bonding requirements,[18] novel bid adequacy procedures,[19] and burdensome Council on Environmental Quality (CEQ) NEPA regulations.[20] These misguided actions have exacerbated concerns about the U.S. economy, energy security, and workforce stability. Fortunately, President Trump's Executive Orders (EOs) and Presidential memoranda on energy, particularly the "Regulatory Freeze Pending Review,"[21] halted many of these disruptive policies.

**Delayed PEIS for Lease Sale 262**

Under the National OCS Oil and Gas Leasing Program, each proposed lease sale undergoes a comprehensive environmental review under NEPA. This process typically involves the preparation of a Programmatic Environmental Impact Statement (PEIS), which evaluates the potential environmental impacts of multiple sales within a region over the program's five-year period. The PEIS informs federal decision-making on access to offshore resources, lease stipulations, and mitigation measures, balancing energy development with environmental protection. However, once the PEIS and associated decisions are finalized, reversing or modifying restrictive policies within them often requires extensive administrative processes and can take years, effectively locking in barriers to development.

The Draft PEIS for GOA oil and gas lease sales in the 2024-2029 five-year program includes a number of obstructionist provisions, with its preferred "Alternative C" posing severe risks to U.S. energy security, economic stability, and environmental stewardship.[22] This alternative restricts vast swaths of Gulf acreage without scientific or legal basis. Among the most concerning elements is the exclusion of millions of acres based on speculative concerns about the Rice's whale. Despite court rulings, such as *Louisiana v. Haaland*, that found BOEM's reliance on unverified acoustic data and vague distribution models insufficient, the agency continues to press forward with these exclusions. Furthermore, Rice's whales are largely confined to the De Soto Canyon area, and existing lease stipulations have proven effective in managing risks without broad exclusions. For comparison, the De Soto Canyon area is around 237,000 acres, a region 97.85% smaller than the proposed 11 million acres of critical habitat in the Biden administration's Draft PEIS.[23]

---

[16] BOEM Issues Voluntary Precautionary Measures for Rice's Whale in Gulf of Mexico, News Release, August 21, 2023 https://www.boem.gov/newsroom/notes-stakeholders/boem-issues-voluntary-precautionary-measures-rices-whale-gulf-mexico.

[17] U.S. Department of the Interior, Pacific Oil and Gas Decommissioning Activities, December 12, 2023 https://www.boem.gov/regions/pacific-ocs-region/oil-gas/pacific-oil-and-gas-decommissioning-activities.

[18] U.S. Regulatory Databases, Rulemaking Docket, Risk Management and Financial Assurance for OCS Lease and Grant Obligations, Aug 25, 2023 https://www.regulations.gov/docket/BOEM-2023-0027/document.

[19] U.S. Federal Register, Modifications to the Bid Adequacy Procedures for Offshore Oil and Gas Lease Sales, Jan 19, 2023 https://www.federalregister.gov/documents/2023/01/19/2023-00842/modifications-to-the-bid-adequacy-procedures-for-offshore-oil-and-gas-lease-sales.

[20] U.S. Federal Register, NEPA Implementing Regs Phase 2, July 31, 2023 https://www.federalregister.gov/documents/2023/07/31/2023-15405/national-environmental-policy-act-implementing-regulations-revisions-phase-2.

[21] "Regulatory Freeze Pending Review," The White House, January 20, 2025, https://www.whitehouse.gov/presidential-actions/2025/01/regulatory-freeze-pending-review/

[22] Bureau of Ocean Energy Management, Draft Gulf of Mexico Oil and Gas Programmatic Environmental Impact Statement, available at https://www.boem.gov/sites/default/files/documents/renewable-energy/state-activities/Draft%20Gulf%20of%20Mexico%20Oil%20and%20Gas%20Programmatic%20EIS.pdf.

[23] NOAA Office of Ocean Exploration and Research. "Geology of the De Soto Canyon Area." NOAA Ocean Explorer. https://oceanexplorer.noaa.gov/explorations/04deepscope/background/geology/geology.html (Accessed February 3, 2025).

In addition, the Draft PEIS extends its avoidance-based policy to wind energy areas, proposing to block oil and gas leasing altogether in regions identified for potential offshore wind development. This contradicts BOEM's statutory obligation under the Outer Continental Shelf Lands Act (OCSLA) to balance multiple uses of the OCS. Historically, conflicts between offshore uses, whether for oil, gas, or wind energy, have been effectively managed through stipulations and lease conditions. However, "Alternative C" abandons this balanced, case-by-case approach, opting instead for unnecessary exclusion zones. The fact that President Trump's Presidential memorandum[24] temporarily withdrew all OCS areas from wind leasing underscores the absurdity of blocking oil and gas leasing in these same areas based on speculative future wind projects that may not materialize.

The Draft PEIS also targets significant sediment resource areas, proposing blanket exclusions rather than allowing for managed, mitigated operations. BOEM's past analyses have demonstrated that sediment resources obtained for coastal restoration and resiliency can be protected through mitigation measures such as Notices to Lessees (NTLs) and operational restrictions on bottom-disturbing activities. However, the Draft PEIS fails to justify why mitigation is deemed inadequate, instead resorting to wholesale exclusions that undermine oil and gas development and sediment management efforts.

These exclusionary measures are compounded by flawed greenhouse gas (GHG) analyses that inflate the projected impacts of leasing while ignoring the global benefits of GOA oil and gas production. GOA operations have some of the lowest carbon intensity in the world, displacing higher-emission foreign imports and enhancing U.S. and global environmental performance.[25] Yet, BOEM relies on speculative and unverified foreign GHG models to justify restrictions while improperly incorporating the discredited social cost of greenhouse gases (SC-GHG) metric, an approach criticized in President Trump's "Unleashing American Energy" Executive Order 14154.[26] The EO identifies SC-GHG as a politicized, empirically flawed tool that should not influence agency decision-making.

BOEM's approach threatens to devastate investment in the Gulf, driving operators to regions of the world with less stringent environmental protections and fewer regulatory obstacles. With the Gulf currently producing 1.9 million barrels of oil equivalent per day and supporting hundreds of thousands of jobs, these policies risk undermining energy independence, national security, and economic growth. Congress and stakeholders must hold BOEM accountable to OCSLA mandates and demand immediate adoption of "Alternative B"[27] as the preferred alternative. Alternative B provides the necessary flexibility for safe, responsible offshore development while maintaining robust environmental safeguards. Anything less would be a deliberate abdication of BOEM's duty to support America's energy needs and prosperity.

---

[24] The White House, *Temporary Withdrawal of All Areas on the Outer Continental Shelf from Offshore Wind Leasing and Review of the Federal Government's Leasing and Permitting Practices for Wind Projects*, available at https://www.whitehouse.gov/presidential-actions/2025/01/temporary-withdrawal-of-all-areas-on-the-outer-continental-shelf-from-offshore-wind-leasing-and-review-of-the-federal-governments-leasing-and-permitting-practices-for-wind-projects/.

[25] ICF, GHG Emission Intensity of Crude Oil and Condensate Production, May 8, 2023 – Harry Vidas https://www.noia.org/wp-content/uploads/2023/05/NOIA-Study-GHG-Emission-Intensity-of-Crude-Oil-and-Condensate-Production.pdf?utm_source=Mailchimp&utm_medium=email&utm_campaign=ICF+study+emissions.

[26] The White House. "Unleashing American Energy." Presidential Actions, January 2025. Available at: https://www.whitehouse.gov/presidential-actions/2025/01/unleashing-american-energy/

[27] U.S. Federal Register, NEPA Implementing Regs Phase 2, July 31, 2023 https://www.federalregister.gov/documents/2023/07/31/2023-15405/national-environmental-policy-act-implementing-regulations-revisions-phase-2.

**Biological Opinion in Jeopardy**

Under Section 7 of the Endangered Species Act (ESA), a Biological Opinion (BiOp) is the result of a formal consultation process designed to assess whether a federal action is likely to jeopardize the continued existence of a listed species or result in the destruction or adverse modification of designated critical habitat.[28] The BiOp informs an Incidental Take Statement (ITS), authorizing limited, non-intentional harm ("take") to protected species under specific conditions, which federal agencies and project operators must follow to maintain compliance with the ESA.

In *Sierra Club v. National Marine Fisheries Service*, the U.S. District Court for the District of Maryland found that the 2020 BiOp on Federally Regulated Oil and Gas Program Activities in the GOA violated both the Administrative Procedure Act (APA)[29] and Section 7 of the Endangered Species Act (ESA).[30] As a result, the court ordered the vacatur of the BiOp, initially set to take effect on December 20, 2024, but later extended vacatur to May 21, 2025, to allow time for the National Marine Fisheries Service (NMFS) to complete a revised BiOp.

This ruling came in response to litigation led by radical environmental groups, with the court determining that NMFS had "underestimated" risks to endangered species, including the Rice's whale, a species recently reclassified under the ESA. The vacatur of the BiOp creates regulatory and operational uncertainty for the GOA's oil and gas industry, as it nullifies the programmatic ESA protections used by agencies such as BOEM and the Bureau of Safety and Environmental Enforcement to streamline permitting processes. Though NMFS is working on a revised BiOp, its release is unlikely to prevent further lawsuits, setting the stage for protracted legal battles that will create chaotic crises across offshore operations.

The stakes for the U.S. energy sector could not be higher. If a new BiOp is vacated again or delayed by litigation, thousands of permits could face indefinite paralysis. In that scenario, operators might be forced into functionally impossible individualized ESA consultations for each new permit or operational plan, a process that NMFS and BOEM have already deemed infeasible themselves, for such a high-volume industry.

Adding to the pressures mentioned above, BOEM's recent Draft PEIS proposes mitigation measures like 10-knot speed limits, night travel prohibitions, and vessel spotter requirements that would create insurmountable logistical challenges for operators. While these measures target oil and gas operations under the guise of species protection, other industries face no comparable restrictions.[31] Congress must act decisively to curb this regulatory overreach and restore a balance that supports both environmental stewardship and the energy security the nation depends upon. Without immediate intervention, this manufactured emergency will drive operators from the Gulf, devastate American jobs, and increase reliance on high-emission foreign oil, an outcome that undermines U.S. competitiveness and global emissions goals alike.

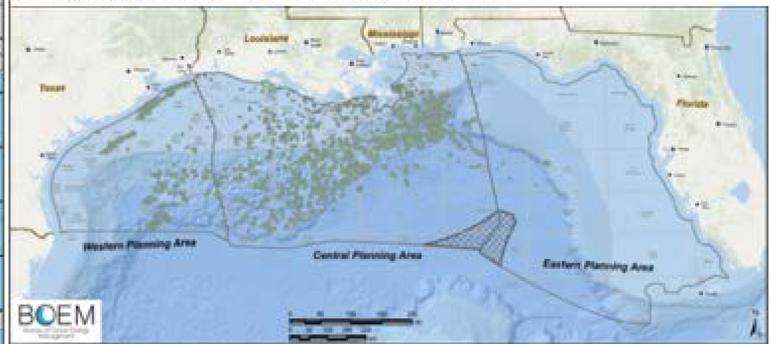
---

[28] (16 U.S.C. § 1536(a)(2), (b)(3)(A)).
[29] 5 U.S.C. § 706(2)(A)
[30] 16 U.S.C. § 1536(a)(2).
[31] United States District Court for the District of Columbia, *Sierra Club et al. v. National Marine Fisheries Service.*, No. 1:23-cv-01212, Memorandum Opinion (Aug. 7, 2024), available at https://www.noia.org/wp-content/uploads/2024/08/GOM-BiOp-Order.pdf.

*Proposed Rice's Whale Critical Habitat*


*Source: NOAA, NMFS 2024*

*Existing Offshore Leasehold in the Gulf of America*




*The expanded proposed critical habitat area shown left bisects the length of the Central and Western Gulf of America, putting an active and prolific energy producing area off-limits with extreme mitigation measures outside of the original habitat, which was almost entirely in the Eastern Planning Area shown above.* ***Source: BOEM. 2024***

## Biden's 625 Million Acre Offshore Ban

The Biden administration's January 6, 2025, withdrawal of 625 million acres of the OCS—spanning the Atlantic, Pacific, GOA, and northern Bering Sea—represents one of the most brazen retreats from long-term American energy security in U.S. history. Under the pretense of environmental protection, this withdrawal abuses Section 12(a) of OCSLA, bypassing Congress and public input to impose a sweeping, indefinite oil and gas leasing ban. This action locks away some of the nation's most resource-rich areas, crippling an offshore energy sector that has delivered nearly 20% of America's crude oil production and generated hundreds of billions in revenues for federal and state governments. It betrays workers, communities, and industries that depend on energy development, all while emboldening OPEC, Russia, and China to exploit America's self-imposed weakness. By cutting off opportunities for future leasing, the withdrawal prevents coastal states from capitalizing on their energy potential, depriving them of future revenues and jobs. The House Committee on Natural Resources demanded full transparency from the Biden administration on the political motivations and economic damage behind this order.[32]

In response, President Trump issued an Executive Order on January 20, 2025, immediately rescinding this disastrous withdrawal and restoring access to America's offshore resources.[33] Yet legal battles are likely to follow, as activist courts and radical environmental groups will undoubtedly seek to reinstate President Biden's withdrawal. Courts have previously questioned whether Section 12(a) permits a president to revoke another's withdrawal, raising the urgent need for congressional intervention to limit such unilateral authority.

In the 119th Congress, Representatives Higgins (R-LA) and Hunt (R-TX) have introduced H.R. 513 which legislatively rescinds President Biden's recent offshore withdrawals. The bill revokes

---

[32] House Committee on Natural Resources. "Letter on Outer Continental Shelf Withdrawal." Accessed January 10,2025 . https://naturalresources.house.gov/uploadedfiles/letter_on_ocs_withdrawl_final.pdf
[33] The White House. "Initial Rescissions of Harmful Executive Orders and Actions." The White House, 6 Jan. 2025, https://www.whitehouse.gov/presidential-actions/2025/01/initial-rescissions-of-harmful-executive-orders-and-actions/

all presidential leasing bans except for the 2020 Trump withdrawals, limits any future withdrawals to 150,000 acres or 26 lease blocks (contiguous or non-contiguous), and caps cumulative withdrawals at 500,000 acres without congressional approval. It also establishes a 20-year sunset on withdrawals, mandates geological, economic, and national security assessments for new restrictions, gives Congress the authority to review and overturn such actions, and requires that no withdrawal contradict an approved Five-Year Offshore Oil and Gas Leasing Program.[34]

**The Gulf of Mexico Energy Security Act and Consequences of Limited Oil and Gas Leasing for States**

The 2024-2029 Program delay, failure to plan a sale in 2024, and stalled environmental reviews for sales in 2025 will have wide-ranging long-term impacts on Gulf Coast states and their coastal communities. Limiting OCS leasing reduces jobs, contracts, and employment opportunities, particularly in states like Alabama, Louisiana, Mississippi, and Texas, which has a cascading effect on local economies in terms of lost wages, tax revenues, sales realized, and GDP.[35]

GOMESA[36] provides critical revenues to energy-producing states in the GOA region, directly stemming from offshore leasing and production. These revenues support vital initiatives such as hurricane preparedness, coastal restoration, infrastructure improvements, flood planning, and other essential projects. Of note, $353,600,000 has been disbursed from GOMESA to the Gulf states for Fiscal Year (FY) 2024.[37]

An Energy and Mineral Resources Subcommittee oversight hearing last year warned that with the historically low lease sale offerings, these revenues would begin to diminish, leading to shortfalls in the future.[38] While royalty revenue remains strong, partially due to higher oil and gas prices and more regular lease offerings that occurred in the past, the Office of Natural Resources Revenue (ONRR) has reported the amounts disbursed to the Treasury from all GOA leases were $9.597 billion in FY 2022, $6.011 billion in FY 2023, and $5.355 billion in FY 2024, demonstrating a disturbing downward trend.

Given that the average life cycle of an offshore oil and gas well is between 20 and 40 years, the current lapse in lease offerings will potentially lead to royalty revenue declines in the medium to long term and will diminish bonus bids from the lease sales themselves in the short term. The FY 2024 GOMESA disbursements by state were: Alabama, $49,800,000; Louisiana, $156,300,000; Mississippi, $51,900,000; and Texas, $95,600,000.[39] Without new lease sales and the associated revenue, states will face significant challenges in funding priority initiatives that ensure their communities' resilience and preparedness. During FY 2023, ONRR disbursed nearly $870

---

[34] House of Representatives, Office of Rep. Clay Higgins. "Higgins, Hunt, Weber Introduce Legislation to Overturn Biden Drilling Ban." January 17, 2025. https://clayhiggins.house.gov/2025/01/17/higgins-hunt-weber-introduce-legislation-to-overturn-biden-drilling-ban/.

[35] Grist, It Doesn't Have to Be This Way, December 16, 2021, Adam Mahoney; https://grist.org/climate-energy/it-doesnt-have-to-be-this-way-lessons-from-the-slow-death-of-louisianas-oil-industry/.

[36] The Outer Continental Shelf Lands Act of 1978, as amended - 43 U.S.C. §1331.

[37] U.S. Department of the Interior Natural Resources Revenue Data, accessed January 2024 https://revenuedata.doi.gov/query-data?dataType=Revenue.

[38] House Committee on Natural Resources, Oversight Hearing on Energy and Mineral Resource Development on Federal Lands and Waters: Regulatory and Policy Challenges, 118th Congress, available at https://naturalresources.house.gov/calendar/eventsingle.aspx?EventID=415354.

[39] U.S. Department of the Interior Natural Resources Revenue Data, accessed July 2023 at https://revenuedata.doi.gov/how-revenue-works/gomesa/.

million to the U.S. Treasury from GOMESA-eligible bonuses, rentals, and royalties in the GOA. In FY 2024 those disbursements dropped to $859 million.[40]

**GOMESA Disbursements to States/CPSs and the LWCF State Grant Program, FY2023-FY2024**
($ millions)

| Year of Disbursement | Alabama | Louisiana | Mississippi | Texas | Subtotal State Revenue | LWCF State Program | Total Revenue Shared |
|---|---|---|---|---|---|---|---|
| FY2023 | 49.7 | 156.2 | 51.8 | 95.5 | **353.2** | 117.9 | **471.1** |
| FY2024 | 49.8 | 156.3 | 51.9 | 95.6 | **353.6** | 117.9 | **471.5** |

**Source:** *Congressional Research Service, 2025*

## Impacts to Alaska

Under the current leasing schedule, the State of Alaska will not have the opportunity to participate in any federal offshore oil and gas lease sale until at least 2030. Alaskans, including Governor Mike Dunlevy, have expressed deep concern over the Biden administration's 2024-2029 Program for offshore oil and gas leasing, which notably excludes sales in the state over the course of the 2024-2029 Program.[41] This is particularly problematic for jobs in the state. According to McKinley Research, the oil and gas industry supports nearly 70,000 jobs, accounting for 16% of all jobs in the state.[42] In Alaska, one direct oil and gas job supports 15 additional jobs in the state.[43] Additional data shows that every $1 in direct oil and gas wages supports $4 in additional wages in Alaska[44].

Prior to the publication of the Record of Decision for the 2024-2029 Program, Jerry Moses, Governor Dunleavy's State Director of Federal Affairs, testified in the Energy and Mineral Resources Subcommittee on October 18, 2023, that the Program was a major setback for the state.[45] Alaska is historically reliant on its rich natural resources, particularly the Cook Inlet's natural gas development. This resource is critical for heating homes and powering businesses and serves 60% of the state's residents.[46] Mr. Moses also testified that "the aging fields and lack of new leases are driving up production costs and directly translating into higher consumer prices."[47] Rather than offering new lease opportunities with stipulations tailored to the state's unique needs and environment, BOEM leaves no opportunity to rejuvenate the region with new supply until at least 2030. These restrictive policies contradict the principles of OCSLA, limiting

---

[40] Office of Natural Resources Revenue (ONRR), "Natural Resources Revenue Data," at https://revenuedata.doi.gov/query-data?dataType=Revenue&period=Calendar%20Year&calendarYear=2017%2C2018%2C2019%2C2020%2C2021%2C2022&groupBy=stateOffshoreName.

[41] Letter from Alaska Governor Mike Dunleavy to BOEM, October 6, 2022, at https://www.regulations.gov/comment/BOEM-2022-0031-6328.

[42] McKinley Research Group, The Role of the Oil & Gas Industry in Alaska's Economy, November 2023, available at https://www.aoga.org/wp-content/uploads/2024/04/MRG-Economic-Impacts-of-Oil-and-Gas-Report-Final-3.7.24.pdf.

[43] *Id.*

[44] Alaska News Source, Ak's Oil and Gas Expected to be huge driver over next 5 years, Aug. 31, 2023, Yelverton; https://www.alaskasnewssource.com/2023/08/31/alaskas-oil-gas-expected-be-huge-economic-driver-over-next-5-years/.

[45] House Committee on Natural Resources. Energy and Mineral Resources Subcommittee Hearing. October 18, 2023. https://naturalresources.house.gov/calendar/eventsingle.aspx?EventID=414951.

[46] KTOO. From gas to power lines to a green bank: A look at some of Gov. Dunleavy's energy proposals. December 20, 2023. https://www.ktoo.org/2023/12/20/from-gas-to-power-lines-to-a-green-bank-a-look-at-some-of-gov-dunleavys-energy-proposals/.

[47] House Committee on Natural Resources. Energy and Mineral Resources Subcommittee Hearing. October 18, 2023. https://naturalresources.house.gov/calendar/eventsingle.aspx?EventID=414951.

Alaska's ability to meet its energy needs. This leaves many Alaskans facing rising energy bills with uncertainty about how they will heat their homes in harsh winter conditions. Without new supply from Cook Inlet, families and businesses that depend on affordable local energy may increasingly struggle to stay warm and keep the lights on.

**Impact on Consumers**

The absence of offshore lease sales will have far-reaching and adverse impacts on consumers, particularly in states like Alabama, Louisiana, Mississippi, and Texas where the economy is closely tied to the energy sector. With their extensive refining capacities and numerous energy-related jobs, these states are acutely vulnerable to fluctuations in the availability of oil and gas leases.[48] The direct connection between leasing activity and local economies means that any curtailment in lease offerings can lead to immediate and tangible economic repercussions.

The GOA region alone supports 370,000 offshore-related jobs.[49] Direct jobs in offshore oil and natural gas development pay on average $69,650 a year – 29% higher than the national average salary.[50] A downturn in leasing activities results in job losses and reduced wages, leading to a decrease in purchasing power for many families. This, in turn, can have a multiplier effect on local economies, as reduced spending power impacts other sectors such as retail, services, and real estate.

Furthermore, states like Texas and Louisiana are energy producers and significant players in the refining industry. Reducing domestic crude oil production due to fewer lease sales could lead to underutilization of refining capacity, resulting in lost revenues and potentially leading to higher costs for refined products. This could further strain state economies and their ability to fund essential public services, including education, healthcare, and infrastructure development. Pressures on refineries have been felt in the region since the 1980s and additional curtailing of economic opportunity in the region could have dire consequences for what has already been an assault on the industry in the region. As of January 1, 2021, there were 51 refineries located in the Gulf states of Alabama, Florida, Louisiana, Mississippi, and Texas, compared to 113 in 1982.[51]

**International Market Dynamics and Domestic Opportunities**

International oil producers like Brazil, Guyana, Russia, Saudi Arabia, Venezuela, and Iran are empowered by the U.S. restricting domestic oil and gas development opportunities. These countries benefit from a reduced competitive threat from the U.S., enabling them to reap higher profits. Globally, as countries like Guyana and Brazil discover vast reserves, U.S. operators may shift investments abroad, benefiting economies potentially at odds with U.S. interests. These shifts can inadvertently finance adversaries and impact global trade routes and security.

---

[48] Grist, It Doesn't Have to Be This Way, December 16, 2021, Adam Mahoney; https://grist.org/climate-energy/it-doesnt-have-to-be-this-way-lessons-from-the-slow-death-of-louisianas-oil-industry/.
[49] American Petroleum Institute, Jobs, National Security, Greater Emissions Reductions Rely on U.S> Offshore Energy, August 8, 2023 https://www.api.org/news-policy-and-issues/blog/2023/08/08/jobs-national-security-greater-emissions-reductions-rely-on-us-offshore-energy-production.
[50] Id.
[51] U.S. EIA Petroleum & Other Liquids, Number and Capacity of Petroleum Refineries, January 1, 2024. https://www.eia.gov/dnav/pet/pet_pnp_cap1_dcu_nus_a.htm.

Increased reliance on hostile energy producers jeopardizes global stability by placing vital trade routes—such as the Panama Canal, Strait of Hormuz, Suez Canal, and emerging Arctic shipping lanes—under the influence of nations that weaponize energy for geopolitical leverage. This threatens critical supply chains, inflates costs, and risks severe disruptions to both U.S. and global economic security.[52] The Biden administration's stance, intended to address climate change by limiting domestic production, deserves severe criticism. Simply put, the U.S. can produce energy cleaner and more efficiently than anywhere else in the world.[53] When we fail to develop our domestic energy resources, American workers, families, and businesses bear the brunt of rising energy costs and lost economic opportunities, as entire industries are pushed elsewhere in search of more favorable conditions. Further, it weakens U.S. economic and national security, handing power to adversaries amid global conflicts and destabilizing key alliances and trade networks.

## Republican Solutions to Restore Robust Energy Development Offshore

House Republicans are determined to use the 119th Congress to advance commonsense legislative solutions to restore the United States' energy dominance. Republicans will advance legislative solutions to promote American energy production and work to send them to President Trump's desk.

Republicans continue to fight for consumers by introducing solutions to rebuff the Biden administration's shameful energy policies. H.R. 5616, the BRIDGE Production Act,[54] introduced in the 118th Congress by Rep. Garret Graves (R-LA), contrasts sharply with the former Biden administration's three-sale plan. H.R. 5616 mandates a minimum of thirteen offshore lease sales over five years in the GOA and Alaska's Cook Inlet. This legislation enhances energy security and boosts domestic production, presenting a more balanced approach. It ensures timely lease sales, prompt awarding of leases, and offers clear judicial remedies for any litigated lease sales. Additionally, H.R. 1, introduced by Rep. Scalise (R-LA), which passed in the House of Representatives in March 2023, mandates two offshore lease sales annually in both Alaska and the GOA, ensuring long-term certainty in the offshore leasing program.

---

[52] Bradley Arant Boult Cummings LLP, Melting Arctic to Open Up New Trade Routes and Geopolitical Flashpoints, August 2023, available at https://www.bradley.com/insights/publications/2023/08/melting-arctic-to-open-up-new-trade-routes-and-geopolitical-flashpoints.

[53] ICF, GHG Emission Intensity of Crude Oil and Condensate Production, May 8, 2023 – Harry Vidas https://www.noia.org/wp-content/uploads/2023/05/NOIA-Study-GHG-Emission-Intensity-of-Crude-Oil-and-Condensate-Production.pdf?utm_source=Mailchimp&utm_medium=email&utm_campaign=ICF+study+emissions.

[54] House Committee on Natural Resources, *Hearing Memorandum: Subcommittee on Energy and Mineral Resources Legislative Hearing on Two Bills*, 118th Congress, September 28, 2023, available at https://naturalresources.house.gov/uploadedfiles/hearing_memo_--_sub_on_emr_leg_hrg_on_2_bills_09.28.23.pdf.