

**CALENDAR ITEM  
02**

A Statewide

04/28/11

S Statewide

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**PROPOSED LEGISLATION**

**INTRODUCTION:**

The State Lands Commission staff has been reviewing various legislative proposals introduced in the 112<sup>th</sup> Congress that could affect lands under the Commission's jurisdiction. This report describes a bill (H.R. 1231 – Hastings) entitled "Reversing President Obama's Offshore Moratorium Act", which would open up California's coast to new federal oil and gas leasing and development. Staff proposes a Resolution (Exhibit A) for the Commission to consider adopting in opposition to H.R. 1231.

**LEGISLATIVE PROPOSAL:**

**H.R. 1231 (Hastings): Reversing President Obama's Offshore Moratorium Act**

**SUMMARY:**

H.R. 1231 proposes to amend the Outer Continental Shelf (OCS) Lands Act to require that each 5-year offshore oil and gas leasing program offer leasing in the areas with the most prospective oil and gas resources, including off the coast of California, and to establish a domestic oil and natural gas production goal. As background, since 1968, prior to the Santa Barbara oil spill from a federal OCS platform, the Commission has not entered into any new offshore oil and gas leases. Since 2001, the Commission has passed nine resolutions opposing the resumption or expansion of federal offshore oil and gas leasing operations offshore California's coast, as new offshore oil and gas leasing and the resulting development pose an unacceptable high risk of damage to the marine environment of the state. New offshore oil and gas development not only threatens the environment, but also prevents the nation from reducing its dependency on fossil fuels, contributes to the emission of greenhouse gases.

**OTHER PERTINENT INFORMATION:**

California Environmental Quality Act (CEQA) compliance: Staff has determined this action by the Commission is not subject to the provisions of CEQA because it is not a "project" as defined in Section 15378 of the State CEQA Guidelines (Title 14, California Code of Regulations, section 15000, *et seq.*). Specifically, the proposed action by the Commission to adopt a resolution in opposition of H.R. 1231 has no potential to result in

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either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

**EXHIBITS:**

- A. Proposed Resolution Opposing bill H.R. 1231
- B. Map of Offshore California Oil & Gas Resources  
(Santa Barbara & Ventura Counties) showing Offshore Fields

**RECOMMENDED ACTION:**

IT IS RECOMMENDED THAT THE COMMISSION:

1. Find that the activity is not subject to the requirements of CEQA because the activity is not a project as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines;
2. Adopt the resolution in opposition of H.R. 1231 attached as Exhibit A.

**CALIFORNIA STATE  
LANDS COMMISSION**

GAVIN NEWSOM, *Lieutenant Governor*  
JOHN CHIANG, *Controller*  
ANA J. MATOSANTOS, *Director of Finance*



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**EXHIBIT A**

*AS PROPOSED BY STAFF*

**RESOLUTION OF THE CALIFORNIA STATE LANDS COMMISSION  
IN OPPOSITION TO A BILL IN CONGRESS (H.R. 1231) ENTITLED THE “REVERSING  
PRESIDENT OBAMA’S OFFSHORE MORATORIUM ACT” THAT WOULD RESULT  
IN OPENING THE SOUTHERN CALIFORNIA COAST TO NEW OIL LEASING IN THE  
OUTER CONTINENTAL SHELF BY THE UNITED STATES**

**WHEREAS**, the California coast, stretching over 1,100 miles, is a region blessed with an abundance of rich and diverse resources including its beautiful beaches, unique natural habitats, bustling ports, and world famous tourist attractions; it is truly a special place for its residents, visitors, businesses, and wildlife; and

**WHEREAS**, California’s beaches, bays, and ocean are major attractions, making the multi-billion dollar tourism industry in California a vital part of the national, state and local economies; and

**WHEREAS**, California has the largest ocean economy in the United States, ranking first overall for both employment and gross state product, and containing the first, second, and fifth busiest ports in the country; and

**WHEREAS**, California’s coast supports a wide array of wildlife and habitat, including threatened and endangered species; and

**WHEREAS**, oil spills pose a significant threat to California’s marine environment, economy, and tourism by polluting water and land, killing wildlife, destroying marine habitat, closing beaches, and restricting public access, water related recreation, fishing/trapping activities and ship movement; and

**WHEREAS**, the California’s marine environments have suffered from significant disasters such as the 1969 Santa Barbara oil spill, which spewed more than 3 million gallons of crude oil into the Pacific Ocean, and the 2007 Cosco Busan oil spill, which dumped approximately 58,000 gallons of medium grade fuel oil in the San Francisco Bay; and

**WHEREAS**, the California State Lands Commission (Commission) has exclusive jurisdiction over all ungranted tide and submerged lands owned by the state, and of the beds of navigable rivers, streams, lakes, bays, estuaries, inlets, and straits; and

**WHEREAS**, the Commission serves the people of California by managing lands, waterways, and resources entrusted to its care through economic development, protection, preservation, and restoration; and

**WHEREAS**, the Commission has exercised its stewardship by expressly supporting the former presidential and congressional moratoria on oil and gas leasing within protected offshore areas; and

**WHEREAS**, since 1968, prior to the Santa Barbara oil spill from a federal OCS platform, the Commission has not entered into any new offshore oil and gas leases; and

**WHEREAS**, the Commission formally imposed its own offshore oil and gas leasing moratorium in 1988 and 1989; and

**WHEREAS**, since 2001, the Commission has passed nine resolutions opposing the resumption or expansion of federal offshore oil and gas leasing operations; and

**WHEREAS**, the Commission believes that additional offshore oil and gas leasing and development threatens the environment, prevents the nation from reducing its dependency on fossil fuels, contributes to the emission of greenhouse gases, and adversely affects tourism and fisheries; and

**WHEREAS**, beginning in 1921, and many times since, the California Legislature has enacted laws that set aside offshore areas where oil and gas leasing was generally prohibited; and

**WHEREAS**, in 1994, the Legislature created the California Coastal Sanctuary, which included all of the state's unleased waters subject to tidal influence, and prohibited new oil and gas leases in the Sanctuary, finding that offshore oil and gas production in certain areas of state waters poses an unacceptable high risk of damage and disruption to the marine environment of the state; and

**WHEREAS**, in 2006, the Governors of California, Washington, and Oregon formed the West Coast Governors' *Agreement On Ocean Health* and released an action plan that opposes new offshore oil and gas development; and

**WHEREAS**, one year ago the devastating effects of an oil spill were unfortunately realized once again when British Petroleum's Deepwater Horizon offshore oil facility in the Gulf of Mexico exploded on April 20, 2010, leaving 11 oil workers dead, 17 injured, and spewed an estimated 62,000 barrels of oil a day for over 80 days, totaling 4.9 million barrels or 205.8 million gallons, making the spill the worst in United States history; and

**WHEREAS**, the Bureau of Ocean Energy Management, Regulation and Enforcement revised Outer Continental Shelf (OCS) oil and gas leasing strategy for 2012-2017 does not include any plans for new leasing along the California Coast; and

**WHEREAS**, H.R. 1231, known as the Reversing President Obama's Offshore Moratorium Act, seeks to amend the OCS Lands Act to require that each 5-year offshore oil and gas leasing program offer leasing in the areas with the most prospective oil and gas resources, including off the coast of California, and to establish a domestic oil and natural gas production goal; and

**WHEREAS**, on April 13, 2011 the House Committee on Natural Resources ordered H.R. 1231 be reported to the floor of the House of Representatives for a vote; and

**WHEREAS**, on August 10, 2010 the Commission passed a resolution that urged Congress and the President of the United States to permanently ban new offshore oil and gas lease sales off the coast of California; and

**WHEREAS**, the Commission believes that the federal government should be shifting its focus from OCS oil and gas leasing to the development of renewable energy sources; now therefore, be it

**Resolved by the California State Lands Commission** that it opposes enactment of H.R. 1231, the Reversing President Obama's Offshore Moratorium Act; and be it further

**Resolved**, that it requests that the federal government prohibit new offshore oil and gas leasing off the coast of California and continue to move forward with renewable energy development; and be it further

**Resolved**, that the Commission's Executive Officer transmit copies of this resolution to the President and Vice President of the United States, to the Governor of California, to the Majority and Minority Leaders of the United States Senate, to the Speaker and Minority Leader of the United States House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Secretary of the United States Department of the Interior, to the Director of the Bureau of Ocean Energy Management, Regulation and Enforcement, and to each member of the California State Senate and Assembly.

Adopted by the California State Lands Commission on \_\_\_\_\_.

## Exhibit B

# Offshore California Oil & Gas Resources

(Santa Barbara & Ventura Counties)

