

Congress of the United States
Washington, DC 20510

October 2, 2018

The Honorable Lisa Murkowski
Chairman
Committee on Energy and Natural Resources
522 Hart Senate Office Building
Washington, DC 20510

The Honorable Maria Cantwell
Ranking Member
Committee on Energy and Natural Resources
511 Hart Senate Office Building
Washington, DC 20510

Dear Chairman Murkowski and Ranking Member Cantwell:

We strongly support addressing parity in revenue sharing for coastal states in any package that may be considered by your Committee or the Senate. Legislation is moving forward that would allow unallocated federal mineral revenues to be committed to various programs. The majority of this funding will be generated from offshore oil and gas development in the Gulf of Mexico. If Congress moves to designate federal mineral revenues to specific uses, then it is important this opportunity achieves equitable revenue sharing for the coastal producing states.

You are well aware that mineral revenues generated from federal lands located within a state are governed by the Mineral Lands Leasing Act of 1920. Under that Act, 50 percent of the mineral funds generated are shared with the host state to offset the impacts of the federal mineral development. There is no cap on the amount of federal revenues that may be shared with these states. By contrast, under the Gulf of Mexico Energy Security Act, our states that host offshore federal mineral development receive only a 37.5 percent share of the revenue generated off our coasts, with a cap of \$500 million annually that we must share among our four states.

The current revenue sharing with coastal producing states is not equivalent to the sharing that is occurring with the mineral lands states. Our states have experienced significant impacts from federal offshore mineral development, including environmental damage to our coasts. We are committed to ensuring that our states are treated fairly and that our states are not forgotten when decisions are made about the disposition of unallocated federal mineral revenues.

We look forward to working with both of you and your colleagues on the Senate Energy and Natural Resources Committee to ensure that parity in revenue sharing is included in any legislation that allocates federal mineral revenues, which in this case are primarily generated off our coasts. Thank you for your attention to the concerns of our coastal producing states.

Sincerely,



Roger F. Wicker
United States Senator



Doug Jones
United States Senator



Richard Shelby
United States Senator



John Cornyn
United States Senator



John Kennedy
United States Senator



Ted Cruz
United States Senator



Cindy Hyde-Smith
United States Senator

cc: Senator Mitch McConnell
cc: Senator Charles E. Schumer