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SENATE BILL NO. 1054

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Rules
on February 16, 2005)

(Patron Prior to Substitute—Senator Wagner)

A *BILL to amend the Code of Virginia by adding a section numbered 2.2-302.1, relating to duties of Virginia Liaison Office; efforts to permit off-shore surveying, exploration, development, and production of potential natural gas resources.*

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 2.2-302.1 as follows:

§ 2.2-302.1. *Efforts to allow off-shore natural gas surveying, exploration, development, and production.*

A. *In addition to its responsibilities enumerated in § 2.2-302, the Office shall work with the members of the State Congressional Delegation and executive agencies to develop, support, and enact federal legislation or take appropriate federal executive action, including measures such as are contained in the proposed federal State Enhanced Authority for Coastal and Offshore Resources Act (SEACOR) or similar legislation to enhance states' authority over coastal and offshore resources, that (i) provide an exemption to the moratorium that prevents until 2012 any surveying, exploration, development, or production of potential natural gas deposits in areas off the Commonwealth's Atlantic shore that are under federal jurisdiction and (ii) incorporate revenue sharing between the federal and state governments for leasing activity that potentially will provide the Commonwealth with significant additional sources of revenue. The requested exemption to the moratorium will:*

1. *Permit surveying, mapping, exploration, development, and production of off-shore deposits of natural gas; and*

2 *Not authorize drilling or other exploratory activity within the Chesapeake Bay.*

B. *The Office shall submit an annual report to the Governor and the chairs of Senate Committee on Commerce and Labor and the House Committee on Commerce and Labor, no later than January 1 of each year, that summarizes the status of the moratorium on off-shore natural gas exploration, development, and production activities; efforts by Congress and executive agencies to provide an exemption to the moratorium as described in subsection A; and activities by the Office in furtherance of this section.*