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31 32 33 **HOUSE BILL NO. 1132**

Offered January 11, 2006 Prefiled January 11, 2006

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

Patron—Cline

Referred to Committee on Rules

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. Off-shore natural gas resources.

A. In addition to its responsibilities enumerated in § 2.2-302, the Virginia Liaison Office shall work with the members of the State Congressional Delegation and federal executive agencies to develop, support, and enact federal legislation, and to take appropriate federal executive action, 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, (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, and (iii) otherwise will enhance states' authority over coastal and offshore resources. The moratorium exemption to be sought by the Virginia Liaison Office shall (i) permit surveying, mapping, exploration, development, and production of off-shore deposits of natural gas; and (ii) 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 the 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

C. At the close of each fiscal year, the Comptroller shall transfer to the Home Energy Assistance Fund established pursuant to § 63.2-805 all license fees, lease payments, royalties, and similar moneys paid by the federal government to the Commonwealth attributable to the development of natural gas deposits in areas off the Commonwealth's Atlantic shore.