MINUTE ITEM

This Calendar Item No. 87 was approved as Minute Item No. 87 by the California State Lands Commission by a vote of 3 to 6 at its

Minute Item 87

06/26/06

CALIFORNIA STATE LANDS COMMISSION

Regular Item 87: The Commission listened to a staff report on oncethrough cooling resolution and took comments from the public. The Commission approved the revised resolution as presented by a 3-0 vote.

> 0017.3 MINUTE PAGE

CALENDAR ITEM 87

06/26/06 P. Thayer

RESOLUTION BY THE CALIFORNIA STATE LANDS COMMISSION SUPPORTING THE FEDERAL AND STATE PROHIBITIONS AGAINST NEW OFFSHORE OIL AND GAS LEASES AND OPPOSING LEGISLATION INTRODUCED IN THE 2005-2006 SESSION OF CONGRESS TO WEAKEN THESE PROHIBITIONS

-1-

000446

0017.5
MINUTE PAGE

CALIFORNIA STATE LANDS COMMISSION

CRUZ M. BUSTAMANTE, Lieutenant Governor STEVE WESTLY, Controller MICHAEL C. GENEST, Director of Finance



EXECUTIVE OFFICE 100 Howe Avenue, Suite 100-South Sacramento, CA 95825-8202

PAUL D. THAYER, Executive Officer (916) 574-1800 Fax (916) 574-1810 California Relay Service TDD Phone 1-800-735-2929 Voice Phone 1-800-735-2922

EXHIBIT A

PROPOSED

RESOLUTION BY THE CALIFORNIA STATE LANDS COMMISSION SUPPORTING THE FEDERAL AND STATE PROHIBITIONS AGAINST NEW OFFSHORE OIL AND GAS LEASES AND OPPOSING LEGISLATION INTRODUCED IN THE 2005-2006 SESSION OF CONGRESS TO WEAKEN THESE PROHIBITIONS

WHEREAS, The 1969 oil spill in federal waters off California spilled 3,200,000 gallons of crude oil, resulted in long lasting environmental and economic harm to California's coast and became a rallying event for Californians and all Americans who cared about protecting the environment; and

WHEREAS, California took the lead in protecting America's coast by enacting new prohibitions on offshore oil and gas leasing in 1969, 1970, and 1971; and

WHEREAS, In 1994, the California Coastal Sanctuary Act of 1994 (Chapter 3.4 (commencing with Section 6240) of Part 1 of Division 6 of the Public Resources Code), was enacted, creating a permanent, statewide coastal sanctuary that prohibits new oil and gas leasing in state waters, from Mexico to the Oregon border; and

WHEREAS, The California State Lands Commission, California's land manager for the offshore waters, had already adopted an administrative moratorium (1988 and 1989) on entering into any new leases for offshore oil and gas development and, since 2000, has encouraged current lessees to quitclaim leases back to the state adding those lands to the state sanctuary; and

WHEREAS, A bipartisan consensus in Congress has protected the California and other American coasts from expanded offshore drilling for the past 25 years, renewing this protection each year in the form of a legislative moratorium contained in the appropriations bill for the Department of the Interior; and

WHEREAS, President George W. Bush's current White House budget for fiscal year 2007, released in January 2006, supports a continuation of this congressional offshore leasing moratorium; and

WHEREAS, Executive action in 1991 by former President George H.W. Bush protects the same areas through enactment of the "Presidential Offshore Leasing Deferrals,"

0000447

001733

CALERDAR PAGE

HINUTE PAGE

which President William J. Clinton subsequently extended until 2012 to ensure that protected coastal areas would not be threatened by offshore drilling impacts; and **WHEREAS**, For the past several years, the U.S. Congress has discussed numerous measures that would have opened California's coast and the whole Outer Continental Shelf (OCS) to increased oil and gas drilling; and

WHEREAS, Since August of 2003, the State Lands Commission has adopted four different resolutions opposing these measures and any attempt to weaken the prohibitions against new oil and gas leasing in federal or state waters; and

WHEREAS, In 2006, an attempt to authorize new offshore gas leases, contained in the Interior Department appropriations bill, was narrowly defeated in a House floor vote; and

WHEREAS, Other draft bills now undergoing discussion, including HR 4761, (Jindal), the Domestic Energy Production through offshore Exploration and Equitable Treatment of State Holdings Act of 2006, and HR 4318 (Peterson), the Outer Continental Shelf Natural Gas Relief Act, would, if adopted, end the bipartisan congressional offshore leasing moratorium and the longstanding presidential offshore drilling deferrals, while pressuring coastal jurisdictions to facilitate new federal offshore drilling by making a state's share of the federal revenues from these activities contingent on state approval of new and expanded federal offshore leasing; and

WHEREAS, In addition, the protection of California's spectacular 1,100-mile coastline is of the utmost importance to a number of our state's coastal and ocean dependent industries, including tourism and commercial fishing, which contributed over fifty billion dollars (\$50,000,000,000) to California's economy in 1999; and

WHEREAS, California's ocean waters are also home to four important federal sanctuaries, the Monterey Bay National Marine Sanctuary, the Gulf of the Farallones National Marine Sanctuary, the Cordell Bank National Marine Sanctuary, and the Channel Islands National Marine Sanctuary that are areas of special conservation, recreational, ecological, historical, cultural, archaeological, scientific, educational, and esthetic qualities and, are particularly sensitive to the impacts of oil development; and

WHEREAS, Additional offshore oil leasing and production would degrade the quality of California's coastal air and water, and adversely impact its marine resources, including severe impacts from seismic surveys on marine mammals, that could include threatened and endangered species; and

WHEREAS, Offshore oil development poses a serious risk of oil spills, especially with the introduction of deepwater drilling technologies and floating oil storage and processing vessels, thereby threatening marine ecosystems, and that would have devastating effects on the southern sea otter, listed as a threatened species since 1997, as well as onshore wildlife, birds, and their habitats in the ocean, in estuaries, and on beaches; and

WHEREAS, Offshore oil development also leads to the industrialization of the shoreline, creating land use conflicts with recreational, environmental, and other onshore coastal

300448

001721

CALENDAR PAGE

dependent uses, visual degradation of coastal areas, and potentially life threatening public safety risks; now, therefore, be it

RESOLVED BY THE CALIFORNIA STATE LANDS COMMISSION, That the Commission urges Congress to continue the federal offshore oil and gas leasing moratorium as a permanent prohibition on new oil and gas leases; and be it further

RESOLVED, That the Commission respectfully opposes the damaging coastal provisions of proposed federal energy policies, including, but not limited to, the adoption of HR 4761, (Jindal) and HR 4318 (Peterson), and any other coastal provisions, that weaken existing protection from new oil and gas leasing or California's legitimate role in energy siting decisions, due to the threat posed by such legislation to the economic integrity of California's coastal dependent tourism and fishing economies, and any consolidation of offshore authority with the federal government; and be it further

RESOLVED, That the Commission directs the Executive Officer of the Commission to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.