



Select Policy Council on Strategic & Economic Planning

Meeting Packet

Friday, April 16, 2010
1:00 PM
Webster Hall (212 Knott)

Committee Meeting Notice

HOUSE OF REPRESENTATIVES

Select Policy Council on Strategic & Economic Planning

Start Date and Time: Friday, April 16, 2010 01:00 pm

End Date and Time: Friday, April 16, 2010 05:00 pm

Location: Webster Hall (212 Knott)

Duration: 4.00 hrs

Consideration of Council's final report to Speaker on Energy Exploration in State Waters

NOTICE FINALIZED on 04/15/2010 15:20 by Voran.Michelle

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1 A bill to be entitled
2 An act relating to offshore oil and gas development;
3 creating s. 163.3210, F.S.; providing that a governing
4 body may not prohibit the issuance of a development permit
5 or development order for activities pertaining to drilling
6 exploration, production, or transportation by pipeline of
7 oil, gas, or other petroleum products from an oil and gas
8 lease covering sovereignty submerged lands; creating s.
9 253.471, F.S.; requiring the Board of Trustees of the
10 Internal Improvement Trust Fund to establish a grid system
11 for identifying lease blocks within the state's
12 territorial waters in the Gulf of Mexico seaward of the
13 mean high water line; amending s. 253.52, F.S.; providing
14 an exception; creating s. 253.521, F.S. requiring the
15 Board of Trustees of the Internal Improvement Trust Fund
16 to hold lease sales bi-annually for the purchase of oil
17 and gas leases for submerged lands underlying the
18 territorial coastal waters of the state, as defined in the
19 Submerged Lands Act, 43 U.S.C. ss. 1301-1315; requiring
20 that the leases include certain special stipulations;
21 creating s. 253.522, F.S.; requiring the Board of Trustees
22 of the Internal Improvement Trust Fund to accept
23 nominations of submerged lands lease blocks; providing
24 that the nominating person or entity include certain
25 information with the nomination; requiring a nomination
26 fee; amending s. 253.53, F.S.; providing that bids for
27 leases for the development of oil and gas for submerged
28 lands underlying the territorial coastal waters of the

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29 state, as defined in the Submerged Lands Act, 43 U.S.C.
 30 ss. 1301-1315, include a \$1 million submission fee and a
 31 statement identifying the bidder's identity; providing for
 32 a definite rental, cash consideration, and royalty
 33 payments; amending s. 253.54, F.S.; providing that the
 34 Board of Trustees of the Internal Improvement Trust Fund
 35 take into consideration certain factors and guidelines
 36 when determining the highest and best bid for leases for
 37 the development of oil and gas for submerged lands
 38 underlying the territorial coastal waters of the state, as
 39 defined in the Submerged Lands Act, 43 U.S.C. ss. 1301-
 40 1315; amending s. 253.55, F.S.; providing limitations that
 41 must be included in the terms of each oil and gas lease
 42 for submerged lands underlying the coastal waters of the
 43 state, as defined in the Submerged Lands Act, 43 U.S.C.
 44 ss. 1301-1315; amending s. 253.571, F.S.; providing that
 45 for each oil and gas lease for submerged lands underlying
 46 the coastal waters of the state, as defined in the
 47 Submerged Lands Act, 43 U.S.C. ss. 1301-1315, the Board of
 48 Trustees of the Internal Improvement Trust Fund require a
 49 surety or performance bond or an irrevocable letter of
 50 credit from each lessee; providing that the financial
 51 security shall cover any damages caused by mining,
 52 drilling, exploration, development, production,
 53 transportation, decommissioning, and all activities
 54 appurtenant to these functions; requiring the surety or
 55 performance bond or irrevocable letter of credit to be for
 56 an amount not less than \$500 million; amending s. 253.61,

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57 F.S., providing an exemption from land-leasing
 58 restrictions for leases on submerged lands underlying the
 59 coastal waters of the state, as defined in the Submerged
 60 Lands Act, 43 U.S.C. ss. 1301-1315; amending s. 258.396,
 61 F.S.; providing an exemption from land-leasing
 62 restrictions for leases on submerged lands underlying the
 63 coastal waters of the state, as defined in the Submerged
 64 Lands Act, 43 U.S.C. ss. 1301-1315; amending s. 258.42,
 65 F.S.; providing an exemption from land-leasing
 66 restrictions for leases on submerged lands underlying the
 67 coastal waters of the state, as defined in the Submerged
 68 Lands Act, 43 U.S.C. ss. 1301-1315; amending s. 377.24,
 69 F.S.; providing that the Department of Environmental
 70 Protection must receive from the lessee and approve an
 71 exploration plan before any exploratory well in search of
 72 oil and gas can be drilled or permitted on submerged lands
 73 underlying the territorial coastal waters of the state, as
 74 defined in the Submerged Lands Act, 43 U.S.C. ss. 1301-
 75 1315; providing that the Department of Environmental
 76 Protection must receive from the lessee and approve a
 77 production plan before any production activities for the
 78 purpose of developing and producing oil and gas resources
 79 can be permitted on submerged lands underlying the
 80 territorial coastal waters of the state, as defined in the
 81 Submerged Lands Act, 43 U.S.C. ss. 1301-1315; providing an
 82 exemption from permit restrictions relating to drilling
 83 gas or oil wells for leases on submerged lands within the
 84 territorial waters of the state; deleting a provision

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85 prohibiting drilling in specified waters; amending s.
 86 377.2408, F.S.; requiring an application to conduct
 87 geophysical activities include information on potential
 88 environmental impacts; amending s. 377.2409, F.S.;
 89 requiring a person or entity that conducts geophysical
 90 activities to provide the Department of Environmental
 91 Protection with a copy of any interpreted data derived
 92 from the geophysical activity; amending s. 377.242, F.S.;
 93 deleting a provision prohibiting the construction of
 94 specified structures; providing exemptions from
 95 restrictions relating to the permitting or construction of
 96 structures intended for the drilling for or production of
 97 oil, gas, or other petroleum products; providing that upon
 98 the request of a permit applicant, the Department of
 99 Environmental Protection must combine into a single permit
 100 all authorizations for the drilling for, production of, or
 101 transportation by pipeline of oil, gas, or other petroleum
 102 products; amending s. 380.04, F.S.; excluding from the
 103 definition of "development" oil and gas activities on
 104 state-owned lands; amending s. 380.06, F.S.; revising
 105 applicable statutory exemptions; providing an effective
 106 date.

107
 108 Be It Enacted by the Legislature of the State of Florida:

109
 110 Section 1. Section 163.3210, Florida Statutes, is created
 111 to read:

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112 163.3210 Activities or structures related to oil and gas
 113 drilling, exploration, production, or transportation by
 114 pipeline.—

115 (1) Notwithstanding any provision of this chapter or other
 116 provision of general or special law, a governing body may not by
 117 ordinance, resolution, or by other means, prohibit the issuance
 118 of a development permit or development order, as those terms are
 119 defined by this chapter, for activities or structures primarily
 120 for, or appurtenant to, drilling for, exploring for, production
 121 of, or transportation by pipeline of oil, gas, or other
 122 petroleum products from an oil and gas lease covering
 123 sovereignty submerged lands within the seaward boundary of the
 124 state and awarded pursuant to s. 253.52(2), or regulate any such
 125 activities in any manner inconsistent with, or more stringent
 126 than, state law or regulations.

127 (2) Subsection (1) above is applicable only within any
 128 industrial land use category or any other land use category that
 129 would permit activities or equipment consistent with the
 130 classification codes 211, 213, 221, 324, and 486, as contained
 131 in the North American Industry Classification System, as
 132 published in 2007 by the Office of Management and Budget,
 133 Executive Office of the President.

134 Section 2. Section 253.471, Florida Statutes, is created
 135 to read:

136 253.471 Demarcating Florida's territorial coastal waters in
 137 the Gulf of Mexico for leasing.—The Board of Trustees of the
 138 Internal Improvement Trust Fund shall extend the Mineral
 139 Management Service federal Universal Tranverse Mercator grid

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140 system to all Florida territorial waters in the Gulf of Mexico
 141 seaward of the mean high water line. The board shall create
 142 official protraction diagrams that map and number individual
 143 lease blocks. The board shall have the discretion to determine
 144 the size of individual lease blocks, provided that individual
 145 lease blocks shall not exceed the size of lease blocks in
 146 federal offshore waters.

147 Section 3. Section 253.52, Florida Statutes, is amended to
 148 read:

149 253.52 Placing oil and gas leases on market by board.—
 150 Except as provided in s. 253.521, whenever in the opinion of the
 151 Board of Trustees of the Internal Improvement Trust Fund there
 152 shall be a demand for the purchase of oil and gas leases on any
 153 area, tract, or parcel of the land so owned, controlled, or
 154 managed, by any state board, department, or agency, then the
 155 board shall place such oil and gas lease or leases on the market
 156 in such blocks, tracts, or parcels as it may designate. The
 157 lease or leases shall only be made after notice by publication
 158 thereof has been made not less than once a week for 4
 159 consecutive weeks in a newspaper of general circulation
 160 published in Leon County, and in a similar newspaper for a
 161 similar period of time published in the vicinity of the lands
 162 offered to be leased, the last publication in both newspapers to
 163 be not less than 5 days in advance of the sale date. Such notice
 164 shall be to the effect that a lease or leases will be offered
 165 for sale at such date and time as may be named in said notice
 166 and shall describe the land upon which such lease, or leases,
 167 will be offered. This notice may be combined with the notice

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168 required pursuant to s. 253.115. Before any lease of any block,
 169 tract, or parcel of land, submerged, or unsubmerged, within a
 170 radius of 3 miles of the boundaries of any incorporated city, or
 171 town, or within such radius of any bathing beach, or beaches,
 172 outside thereof, such board, department, or agency, shall
 173 through one or more of its members hold a public hearing, after
 174 notice thereof by publication once in a newspaper of general
 175 circulation published at least 1 week prior to said hearing in
 176 the vicinity of the land, or lands, offered to be leased, of the
 177 offer to lease the same, calling upon all interested persons to
 178 attend said hearing where they would be given the opportunity to
 179 be heard, all of which shall be considered by the board prior to
 180 the execution of any lease or leases to said land, and the board
 181 may withdraw said land, or any part thereof, from the market,
 182 and refuse to execute such lease or leases if after such
 183 hearing, or otherwise, it considers such execution contrary to
 184 the public welfare. Before advertising any land for lease the
 185 form of the lease or leases to be offered for sale, not
 186 inconsistent with law, or the provisions of this section, shall
 187 be prescribed by the board and a copy, or copies, thereof, shall
 188 be available to the general public at the office of the Board of
 189 Trustees of the Internal Improvement Trust Fund and the
 190 advertisements of such sale shall so state.

191 Section 4. Section 253.521, Florida Statutes, is created
 192 to read:

193 253.521 Placing oil and gas leases on the market for
 194 state-owned submerged lands underlying the territorial waters of
 195 the state.-

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196 (1) Notwithstanding s. 253.52, this section shall govern
 197 the placement of oil and gas leases on the market for state-
 198 owned submerged lands underlying the territorial coastal waters
 199 of the state, as established in the Submerged Lands Act, 43
 200 U.S.C. ss. 1301-1315, so owned, controlled, or managed by any
 201 state board, department, or agency.

202 (2) No later than one year from the date upon which this
 203 section becomes law and bi-annually thereafter on the same date,
 204 or on the next business day which does not fall on a weekend or
 205 a state or national holiday, whichever is earlier, the Board of
 206 Trustees of the Internal Improvement Trust Fund shall hold a
 207 sale for the purchase of oil and gas leases in such block or
 208 blocks as the board may designate of submerged lands owned,
 209 controlled, or managed, by any state board, department, or
 210 agency underlying the territorial coastal waters of the state.
 211 Three months prior to the date of the lease sale, the board
 212 shall give an initial public notice of the lease sale by
 213 publication in the Florida Administrative Weekly and once a week
 214 for 4 consecutive weeks in a newspaper of general circulation
 215 published in Leon County, and in a similar newspaper for a
 216 similar period of time published in the county or counties
 217 adjacent to any lease block or blocks proposed for inclusion in
 218 the lease sale. Such notice shall include at a minimum the date,
 219 time, and location of the lease sale and shall numerically
 220 identify the proposed lease block or blocks being offered for
 221 bid pursuant to the protraction diagrams provided for in s.
 222 253.471. The board may include in the lease sale or sales any

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223 lease block or blocks, or any part thereof, that have been
 224 nominated pursuant to s. 253.522 within the previous 36 months.
 225 (3) Prior to the board including any lease block or blocks
 226 in the notice of lease sale or sales described in subsection
 227 (2), the board shall consult with the Secretary of the United
 228 States Department of Defense, or his or her designee, to
 229 determine whether any proposed lease block or blocks, or any
 230 part thereof, would adversely impact current or future military
 231 activities. If the Secretary of the United States Department of
 232 Defense, or his or her designee, objects, based on potential
 233 conflicts with or impacts to current or future military
 234 activities in the area, to the inclusion of any lease block or
 235 blocks, or any part thereof, in the notice of lease sale
 236 required in subsection (2), the board shall remove the lease
 237 block or blocks, or any part thereof, from consideration for the
 238 lease sale. If the Secretary of the United States Department of
 239 Defense, or his or her designee, does not object to the
 240 inclusion of any lease block or blocks, or any part thereof, in
 241 the notice of lease sale required in subsection (2), but
 242 requests special stipulations to be placed on any lease to
 243 eliminate or mitigate any potential conflicts with or impacts to
 244 current or future military activities, the board shall include
 245 said conditions in the final public notice of the lease sale as
 246 required in subsection (5), and shall include in the lease the
 247 special stipulations requested by the Secretary of the United
 248 States Department of Defense, or his or her designee, as
 249 provided in subsection (4).

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250 (4) Two months prior to each lease sale or sales
 251 authorized in subsection (2), the board shall hold a public
 252 hearing calling upon all interested persons to attend said
 253 hearing where they shall be provided the opportunity to be
 254 heard. The board shall take all comments and information
 255 provided at the public hearing into consideration when
 256 determining the lease block or blocks, or any part thereof, to
 257 be included in the lease sale and in determining the terms of
 258 the lease, including any special lease stipulations. Special
 259 lease stipulations may include, but are not limited to:
 260 (a) Requiring the lessee to perform biological and
 261 environmental assessments to identify any sensitive habitats or
 262 endangered species within the lease block or blocks covered by
 263 the lease and to assess the potential impacts of oil and gas
 264 exploration or production activities on the identified sensitive
 265 habitats or endangered species;
 266 (b) Requiring the lessee to perform seismic surveys for
 267 the purpose of identifying and mapping sand sources located
 268 within the lease block or blocks covered by the lease;
 269 (c) Requiring special waste discharge procedures, in
 270 addition to those otherwise required pursuant to this section or
 271 any other state or federal law or regulation, to be implemented;
 272 (d) Requiring the lessee to perform an archeological
 273 survey if historic or prehistoric resources are identified, or
 274 if the board reasonably believes historic or prehistoric
 275 resources exist, within the lease block or blocks covered by the
 276 lease; and,

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277 (e) Requiring special conditions, including operating
 278 procedures, to mitigate conflicts with or impacts to military
 279 activities identified by the Secretary of the United States
 280 Department of Defense, or his or her designee, pursuant to
 281 subsection (3).

282
 283 The board shall include in the lease special stipulations
 284 requiring the lessee or lessees to comply with any additional
 285 regulations and rules, in addition to those otherwise required
 286 pursuant to this section or any other state or federal law or
 287 regulation, the board finds necessary to prevent conflicts with
 288 or impacts to current or future military activities. The board
 289 shall withdraw any lease block or blocks, or any part thereof,
 290 from the market if, after such hearing, or otherwise, it finds
 291 that offering such lease block or blocks, or any part thereof,
 292 conflicts with or impacts current or future military activities
 293 and these conflicts or impacts cannot be mitigated.

294 (5) One month prior to the lease sale, the board shall
 295 give final public notice of the lease sale by publication in the
 296 Florida Administrative Weekly and once a week for 4 consecutive
 297 weeks in a newspaper of general circulation published in Leon
 298 County, and in a similar newspaper for a similar period of time
 299 published in the county or counties adjacent to any lease block
 300 or blocks proposed for inclusion in the lease sale. Such notice
 301 shall include at a minimum the date, time, and location of the
 302 lease sale and shall numerically identify the proposed lease
 303 block or blocks, or any part thereof, being offered for bid
 304 pursuant to the protraction diagrams provided for in s. 253.471.

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305 Section 5. Section 253.522, Florida Statutes, is created
 306 to read:

307 253.522 Nominating state-owned submerged lands underlying
 308 the territorial coastal waters of the state for oil and gas
 309 lease sales.-

310 (1) At any time the Board of Trustees of the Internal
 311 Improvement Trust Fund shall accept from any person or entity
 312 nominations of individual lease blocks to be considered by the
 313 board in determining the block or blocks to be included in the
 314 initial lease sale notice required in s. 253.521(2). A person or
 315 entity must submit to the board a separate nomination for each
 316 lease block proposed for inclusion in a lease sale.

317 (2) Each nominating person or entity shall include in the
 318 nomination submitted to the board the following information,
 319 along with any other information the board requires by rule:

320 (a) The name and address of the nominating person or
 321 entity;

322 (b) A map numerically identifying the lease block;

323 (c) Any seismic data within the lease block area the
 324 nominating person or entity possess, including any two-
 325 dimensional, three-dimensional, or four-dimensional seismic
 326 lines and geological cross-sections, and any interpretative
 327 analysis possessed by the nominating person or entity;

328 (d) Any biological or environmental assessments related to
 329 oil and gas exploration or production activities in the
 330 nominated area that the nominating person or entity possesses;

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331 (e) Information on the known location of sand sources and
 332 any seismic data that identifies offshore sand sources the
 333 nominating person or entity possesses;

334 (f) Any analysis of the impacts of oil and gas development
 335 on other competing uses the nominating person or entity
 336 possesses;

337 (g) Any known military activities that occur near the
 338 lease block being nominated;

339 (h) Any known geologic data that provides information
 340 related to the existence of oil and gas within the lease block;

341 (i) A nomination fee for an amount determined by the board
 342 to be sufficient to cover the costs associated with reviewing
 343 the nomination.

344 Section 6. Section 253.53, Florida Statutes, is amended to
 345 read:

346 253.53 Sealed bids required.—

347 (1) Except as provided in subsection (2), all lands
 348 subject to this chapter law shall be leased upon sealed bids.
 349 All bids shall be directed to the Board of Trustees of the
 350 Internal Improvement Trust Fund. Said bids shall not be opened
 351 until the day, time, and place designated by the board of
 352 trustees and provided in said notice, at which time all bids
 353 shall be opened and at which time any person so desiring may be
 354 present. The board shall determine in advance the amount of
 355 royalty, never less than one-eighth in kind, or in value, and a
 356 definite rental, increasing annually after the first 2 years,
 357 upon lands not developed for oil or gas, or upon which no well
 358 has been commenced in good faith to secure production in paying

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359 quantities of gas or oil. The board may, in its discretion,
 360 incorporate within the terms of any lease provisions for pooling
 361 or unitizing the leased premises, in whole or in part, with
 362 other lands or leases and provisions for payments that may be
 363 made in lieu of royalty on wells which have been completed as
 364 gas wells and are capable of producing oil or gas in paying
 365 quantities but are shut in pending development of a satisfactory
 366 market outlet, provided this shut-in period pending development
 367 of a satisfactory market outlet shall not exceed 48 months from
 368 the date of completion of such gas well or wells as herein
 369 described, if the lease is not being otherwise maintained by
 370 drilling or reworking or by production, which, if made, shall
 371 operate to cause the lease to be considered as producing in
 372 paying quantities for all purposes thereof. In addition to such
 373 fixed charges for said lease, there shall be a cash
 374 consideration. The bids shall be for this cash consideration,
 375 offered for said lease, in addition to such fixed charges for
 376 royalty, rental, and payments in lieu of royalty and shall be
 377 payable upon acceptance of said bid. All bids shall be
 378 accompanied by a cashier's check, or certified check, for the
 379 amount of such cash consideration and shall be payable to the
 380 state board, department, or agency which holds title to or
 381 controls the land offered for lease. No bid filed subsequent to
 382 the date and hour of sale specified in the advertisement of sale
 383 shall be considered.

384 (2) All state-owned submerged lands underlying the
 385 territorial coastal waters of the state, as established in the
 386 Submerged Lands Act, 43 U.S.C. ss. 1301-1315, subject to this

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387 chapter and leased for oil and gas development shall be leased
 388 upon sealed bids pursuant to this subsection. All bids shall be
 389 directed to the board. Said bids shall not be opened until the
 390 day, time, and place designated by the board and provided in
 391 said notice, at which time all bids shall be opened and at which
 392 time any person so desiring may be present. The board shall
 393 determine in advance a definite rental, increasing annually
 394 after the first 2 years, upon lands not developed for oil or
 395 gas, or upon which no well has been commenced in good faith to
 396 secure production in paying quantities of gas or oil. The board
 397 may, in its discretion, incorporate within the terms of any
 398 lease provisions for pooling or unitizing the leased premises,
 399 in whole or in part, with other lands or leases and provisions
 400 for payments that may be made in lieu of royalty on wells which
 401 have been completed as gas or oil wells and are capable of
 402 producing oil or gas in paying quantities but are shut in
 403 pending development of a satisfactory market outlet, provided
 404 this shut-in period pending development of a satisfactory market
 405 outlet shall not exceed 36 months from the date of completion of
 406 such oil or gas well or wells as herein described, if the lease
 407 is not being otherwise maintained by drilling or reworking or by
 408 production, which, if made, shall operate to cause the lease to
 409 be considered as producing in paying quantities for all purposes
 410 thereof. In addition to such fixed charges for said lease, all
 411 bids shall include:
 412 (a) A bid submission fee, in an amount not less than \$1
 413 million.
 414 (b) A statement identifying the bidder's identity,

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415 including any person or business entity holding more than a 5%
 416 interest in the business entity submitting the bid.

417
 418 In addition to such fixed charges for said lease required under
 419 this subsection, the board, in its discretion, shall determine
 420 in advance and include in the terms of each lease either a
 421 definite amount of the cash consideration to be collected by the
 422 bidder in addition to the minimum bid submission fee of \$1
 423 million or the amount of royalty, never less than 1/8 in kind,
 424 or in value. Where the board determines in advance a definite
 425 amount of cash consideration as a term in the lease being
 426 offered for sale, the bidder shall submit with the bid this
 427 amount of cash consideration, in addition to the minimum bid
 428 submission fee of \$1 million, and an amount of royalty above the
 429 minimum amount of 1/8 in kind, or in value. Where the board
 430 determines in advance a definite amount of royalty, never less
 431 than 1/8 in kind, or value, as a term in the lease being offered
 432 for sale, the bidder shall submit an amount of cash
 433 consideration in addition to the minimum bid submission fee of
 434 \$1 million. All bids shall be accompanied by a cashier's check,
 435 or certified check, for the amount of the bid submission fee and
 436 cash consideration and shall be payable to the state board,
 437 department, or agency which holds title to or controls the land
 438 offered for lease. No bid filed subsequent to the date and hour
 439 of sale specified in the notice or advertisement of sale shall
 440 be considered.

441 Section 7. Section 253.54, Florida Statutes, is amended to
 442 read:

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443 253.54 Competitive bidding.—
 444 (1) On the date specified in the notice or advertisement
 445 of sale, the Board of Trustees of the Internal Improvement Trust
 446 Fund shall at a public meeting consider any and all bids
 447 submitted prior to such date for the leasing of the land or
 448 submerged land ~~lands~~ so advertised and, in the discretion of the
 449 board, award the lease to the highest and best bidder submitting
 450 a bid therefor; provided that if, in the judgment of the board,
 451 the bids submitted do not represent the fair value of such lease
 452 or leases, the execution of same is contrary to the public
 453 interest ~~welfare~~, or the responsibility of the bidder offering
 454 the highest amount has not been established to its satisfaction,
 455 ~~or for any other reason~~, it may in its discretion reject said
 456 bids, give notice and call for new or other bids, or withdraw
 457 said land from the market. If several distinct blocks, parcels,
 458 or tracts of land or submerged land can be separately
 459 considered, then, and in that event, the board may so consider
 460 them, but if they cannot be so considered, then the rejection
 461 for any cause of the highest and best bid shall result in the
 462 rejection of all bids.

463 (2) When determining the highest and best bid for oil and
 464 gas leases for state-owned submerged lands underlying the
 465 territorial coastal waters of the state, as established in the
 466 Submerged Lands Act, 43 U.S.C. ss. 1301-1315, the board shall
 467 take into consideration appropriate factors and guidelines,
 468 including, but not limited to:

469 (a) The amount of cash consideration, if not fixed in the
 470 terms of the lease sale; or,

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471 (b) The amount of royalty payment, if not fixed in the
 472 terms of the lease sale.

473 (3) The sole and exclusive remedy for substantially
 474 affected persons to challenge the selection of the highest and
 475 best bid for oil and gas leases for state-owned submerged lands
 476 underlying the territorial coastal waters of the state, as
 477 established in the Submerged Lands Act, 43 U.S.C. ss. 1301-1315,
 478 shall be pursuant to and in accordance with the bid protest
 479 procedures set forth in subsection 120.57(3). Unless a protest
 480 is filed pursuant to the procedures set forth in this
 481 subsection, the selection of a highest and best bidder shall be
 482 deemed final upon the date it is announced by the board.

483 (4) If the board awards an oil and gas lease for state-
 484 owned submerged lands underlying the territorial coastal waters
 485 of the state, as established pursuant to the Submerged Lands
 486 Act, 43 U.S.C. ss. 1301-1315, the lessee shall be entitled to
 487 obtain an easement or easements over any state-owned submerged
 488 lands, or other state-owned lands, for the construction,
 489 installation, operation and maintenance of any pipeline or
 490 associated infrastructure appurtenant to the production or
 491 transportation of oil or gas from the lease area to shore-based
 492 facilities. Such easements shall be sited and such
 493 infrastructure shall be constructed, installed, operated and
 494 maintained so as to avoid or minimize and mitigate potential
 495 impacts to benthic resources and sand sources for beach
 496 renourishment. The term of such easement or easements shall be
 497 co-extensive with the term of the oil and gas lease, and the fee
 498 for such easement shall be for an amount determined by the

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499 board.
 500 Section 8. Section 253.55, Florida Statutes, is amended to
 501 read:
 502 253.55 Limitation on term of lease.—
 503 (1) Subject to the further provisions hereof, each lease
 504 shall be for a primary term prescribed by the Board of Trustees
 505 of the Internal Improvement Trust Fund of a minimum of 5 years
 506 and not to exceed 10 years from the date of the lease, and shall
 507 provide that such lease, upon which operations are being carried
 508 on in good faith and in a skillful and diligent manner with no
 509 cessation of more than 30 consecutive days, or oil or gas is
 510 being produced therefrom in paying quantities, shall remain in
 511 force and effect. Cessation of operations may occur for longer
 512 than 30 days and the lease shall remain in force and effect
 513 where the cause of the cessation lasting more than 30 days is
 514 the direct result of a hurricane or military activities. The
 515 board shall require that operations resume within a reasonable
 516 time after such hurricane passes or military activities
 517 conclude. The lease shall provide that if, after production is
 518 obtained therefrom, such production should cease for any reason
 519 other than the direct result of a hurricane or military
 520 activities, the lease may be maintained, if it is within the
 521 primary term, by commencing or resuming the payment of rentals
 522 or commencing operations for drilling or reworking said land or
 523 submerged land, in good faith and in a skillful and diligent
 524 manner, on or before the rental payment date next ensuing after
 525 the expiration of 60 days, or, if it be after the expiration of
 526 the primary term, the lease may be maintained in force and

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527 effect by commencing and continuing operations for drilling or
 528 reworking said land or submerged land for the development and
 529 production of oil or gas on or before 60 days after the
 530 cessation of production and prosecuting same with diligence and
 531 in a skillful manner with no cessation for more than 30
 532 consecutive days, and if such operations within a reasonable
 533 time thereafter result in the production of oil or gas from such
 534 leased land or submerged land in paying quantities, the lease
 535 shall remain in effect thereafter as long as oil or gas is
 536 produced therefrom in paying quantities. The provisions of this
 537 section shall not be construed to permit the automatic renewal
 538 of a lease by option after the expiration of the primary term,
 539 nor to permit the continuance of any lease except in accordance
 540 with the provisions of this section.

541 (2) Each lease shall provide for its termination in the
 542 absence of drilling or reworking operations or production of oil
 543 or gas therefrom in paying quantities.

544 (3) Each oil and gas lease for state-owned submerged lands
 545 underlying the territorial coastal waters of the state, as
 546 established in the Submerged Lands Act, 43 U.S.C. ss. 1301-1315,
 547 shall provide that:

548 (a) No drilling structures extending above the surface of
 549 the water shall be allowed within 3 geographic miles seaward of
 550 the mean high water line.

551 (b) Drilling structures extending above the surface of the
 552 water within 6 geographic miles seaward of the mean high water
 553 line shall only be allowed within the lease area for a period of
 554 six months, unless the board grants an extension of time not to

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555 exceed 1 year. The board may extend the time period for allowing
 556 drilling structures extending above the surface of the water
 557 within 6 geographic miles seaward of the mean high water line
 558 within the lease area for more than 1 year only in response to
 559 drilling disruptions caused directly by hurricanes or military
 560 activities. Any lessee or lessees shall be subject to civil
 561 penalties as determined by the board for violations of this
 562 subsection.

563 (c) No production platforms or other production structures
 564 shall extend above the surface of the water within a distance of
 565 6 geographic miles seaward of the mean high water line, except
 566 for buoys or any aids to navigation required by the U.S. Coast
 567 Guard.

568 (d) There shall be no discharge of drilling fluids, drill
 569 cuttings, and produced waters into the waters of the state. This
 570 prohibition is not applicable to the land-based disposal of
 571 drilling fluids or drill cuttings, or to the underground
 572 injection or encapsulation in the well bore of produced water as
 573 may be authorized, as necessary, by the appropriate state or
 574 federal regulatory agencies.

575 Section 9. Section 253.571, Florida Statutes, is amended
 576 to read:

577 253.571 Proof of financial responsibility required of
 578 lessee prior to commencement of drilling.—

579 (1) The Board of Trustees of the Internal Improvement
 580 Trust Fund may require a surety or property bond, an irrevocable
 581 letter of credit, or other proof of financial responsibility
 582 from each lessee of public land or mineral interest prior to the

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583 time such lessee mines, drills, or extracts in any manner,
 584 petroleum, petroleum products, gas, sulphur, or any other
 585 mineral from such land. The surety bond or irrevocable letter of
 586 credit shall be from a surety company or bank authorized to do
 587 business in the state. The surety bond, irrevocable letter of
 588 credit, or other proof of financial responsibility shall serve
 589 as security and is to be forfeited to the board to pay for any
 590 damages caused by mining or drilling operations performed by the
 591 lessee. In the case of operations planned in the waters of the
 592 state or under other particular circumstances which, by their
 593 nature warrant greater security in view of possible damages, the
 594 board shall give special consideration to the extent of such
 595 possible damages and shall set the amount of an adequate and
 596 sufficient surety bond, irrevocable letter of credit, or other
 597 proof of financial responsibility accordingly. For the purposes
 598 of this section, damages shall include, but not be limited to,
 599 air, water, and ground pollution, destruction of wildlife or
 600 marine productivity and any other damage which impairs the
 601 health and general welfare of the citizens of the state.

602 (2) Notwithstanding subsection (1), for each oil and gas
 603 lease for state-owned submerged lands underlying the territorial
 604 coastal waters of the state, as established in the Submerged
 605 Lands Act, 43 U.S.C. ss. 1301-1315, the board shall require a
 606 surety or performance bond or an irrevocable letter of credit
 607 from each lessee of public land or mineral interest prior to the
 608 time such lessee performs drilling, development, production,
 609 transportation, or extraction activities in any manner, of
 610 petroleum, petroleum products, or gas from such land. The surety

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611 bond or irrevocable letter of credit shall be from a surety
 612 company or bank authorized to do business in the state. The
 613 surety or performance bond or irrevocable letter of credit shall
 614 serve as security and is to be released to the board to pay for
 615 any damages caused by mining, drilling, exploration,
 616 development, production, transportation,
 617 dismantlement/decommissioning, and all activities appurtenant to
 618 these functions. The board shall give special consideration to
 619 the extent of such possible damages and shall set the amount of
 620 an adequate and sufficient surety or performance bond or an
 621 irrevocable letter of credit accordingly. For the purposes of
 622 this section, damages shall include, but not be limited to, air,
 623 water, and ground pollution, destruction of wildlife or marine
 624 productivity, loss of revenues from businesses resulting from a
 625 spill, loss of revenues by local governments as a result of a
 626 spill, and any other damage which impairs the health and general
 627 welfare of the citizens of the state. A surety or performance
 628 bond or irrevocable letter of credit required from the lessee
 629 shall be for an amount not less than \$500 million.

630 Section 10. Section 253.61, Florida Statutes, is amended
 631 to read:

632 253.61 Lands not subject to lease.—

633 (1) Regardless of anything to the contrary contained in
 634 this law in any previous section or part thereof, no board or
 635 agency mentioned therein or the state shall have the power or
 636 authority to sell, execute, or enter into any lease of the type
 637 covered by this law relating to any of the following lands,
 638 submerged or unsubmerged, except under the circumstances and

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639 conditions as hereinafter set out in this section, to wit:

640 (a) No lease of the type covered by this law shall be
 641 granted, sold or executed covering such lands within the
 642 corporate limits of any municipality unless the governing
 643 authority of the municipality shall have first duly consented to
 644 the granting or sale of such lease by resolution.

645 (b) No lease of the type covered by this law shall be
 646 granted, sold or executed covering any such lands in the tidal
 647 waters of the state, abutting on or immediately adjacent to the
 648 corporate limits of a municipality or within 3 miles of such
 649 corporate limits extending from the line of mean high tide into
 650 such waters, unless the governing authority of the municipality
 651 shall have first duly consented to the granting or sale of such
 652 lease by resolution. This section shall not apply to leases on
 653 state-owned submerged lands underlying the territorial waters of
 654 the state, as established in the Submerged Lands Act, 43 U.S.C.
 655 ss. 1301-1315, where any structure or equipment above the
 656 surface of the water is more than 3 miles from such corporate
 657 limits.

658 (c) No lease of the type covered by this law shall be
 659 granted, sold or executed covering such lands on any improved
 660 beach, located outside of an incorporated town or municipality,
 661 or covering such lands in the tidal waters of the state abutting
 662 on or immediately adjacent to any improved beach, or within 3
 663 miles of an improved beach extending from the line of mean high
 664 tide into such tidal waters, unless the county commissioners of
 665 the county in which such beach is located shall have first duly
 666 consented to the granting or sale of such lease by resolution.

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667 This section shall not apply to leases on state-owned submerged
 668 lands underlying the territorial waters of the state, as
 669 established in the Submerged Lands Act, 43 U.S.C. ss. 1301-1315,
 670 where any structure or equipment above the surface of the water
 671 is more than 3 miles from such improved beach.

672 ~~(d) Without exception, after July 1, 1989, no lease of the~~
 673 ~~type covered by this law shall be granted, sold, or executed~~
 674 ~~south of 26° north latitude off Florida's west coast and south~~
 675 ~~of 27° north latitude off Florida's east coast, within the~~
 676 ~~boundaries of Florida's territorial seas as defined in 43 U.S.C.~~
 677 ~~1301. After July 31, 1990, no oil or natural gas lease shall be~~
 678 ~~granted, sold, or executed covering lands located north of~~
 679 ~~26°00'00" north latitude off Florida's west coast to the western~~
 680 ~~boundary of the state bordering Alabama as set forth in s. 1,~~
 681 ~~Art. II of the State Constitution, or located north of 27°00'00"~~
 682 ~~north latitude off Florida's east coast to the northern boundary~~
 683 ~~of the state bordering Georgia as set forth in s. 1, Art. II of~~
 684 ~~the State Constitution, within the boundaries of Florida's~~
 685 ~~territorial seas as defined in 43 U.S.C. 1301.~~

686 (2) For the purposes of this section and law an improved
 687 beach, situated outside of the corporate limits of any
 688 municipality or town, shall be and is hereby defined to be any
 689 beach adjacent to or abutting upon the tidal waters of the state
 690 and having not less than ten hotels, apartment buildings,
 691 residences or other structures, used for residential purposes,
 692 on or to any given miles of such beach.

693 Section 11. Paragraph (b) of subsection (3) of section
 694 258.396, Florida Statutes, is amended to read:

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695 258.396 Boca Ciega Bay Aquatic Preserve.—
 696 (3) The Board of Trustees of the Internal Improvement
 697 Trust Fund are hereby directed to maintain Boca Ciega Bay as an
 698 aquatic preserve subject to the following provisions:
 699 (b) No further dredging or filling of submerged lands
 700 within the preserve shall be approved or tolerated by the board
 701 of trustees except:
 702 1. Such minimum dredging and spoiling as may be authorized
 703 for public navigation projects;
 704 2. Such other alteration of physical conditions as may be
 705 necessary to enhance the quality or utility of the preserve as
 706 determined by the Pinellas County Water and Navigation Control
 707 Authority in a public hearing; and
 708 3. Such dredging as is necessary for the purpose of
 709 eliminating conditions hazardous to the public health or for the
 710 purpose of eliminating stagnant waters, unsightly mud flats,
 711 islands, and spoil banks the dredging of which would enhance the
 712 aesthetic quality and utility of the preserve and is clearly in
 713 the public interest as determined by the Pinellas County Water
 714 and Navigation Control Authority in a public hearing.
 715
 716 There shall be no dredging beyond the bulkhead line for the sole
 717 purpose of providing fill for upland or submerged land within
 718 the bulkhead line. In addition there shall be no drilling of
 719 wells, excavation for shell or minerals, and no erection of
 720 structures (other than docks) within the preserve, unless such
 721 activity is associated with activity authorized by this section.
 722 However, nothing in this subparagraph shall be interpreted to

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723 prohibit the state from leasing the oil and gas rights beneath
 724 the preserve and permitting drilling from outside the preserve
 725 to explore for and produce oil and gas from beneath the preserve
 726 if approved by the board.

727 Section 12. Paragraph (c) of subsection (3) of section
 728 258.42, Florida Statutes, is amended to read:

729 258.42 Maintenance of preserves.—The Board of Trustees of
 730 the Internal Improvement Trust Fund shall maintain such aquatic
 731 preserves subject to the following provisions:

732 (3)

733 (c) There shall be no drilling of gas or oil wells.

734 However, this will not prohibit the state from leasing the oil
 735 and gas rights and permitting drilling from outside the preserve
 736 to explore for and produce oil and gas from beneath a preserve
 737 if approved by the board.

738 Section 13. Section 377.24, Florida Statutes, is amended
 739 to read:

740 377.24 Notice of intention to drill well; exploration
 741 plans; production plans; permits; abandoned wells and dry
 742 holes.—

743 (1) Before any well in search of oil or gas shall be
 744 drilled, the person desiring to drill the same shall notify the
 745 division upon such form as it may prescribe and shall pay a
 746 reasonable fee set by rule of the department not to exceed the
 747 actual cost of processing and inspecting for each well. The
 748 drilling of any well is hereby prohibited until such notice is
 749 given, and such fee has been paid and permit granted.

750 (2) Before any exploratory well in search of oil or gas

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751 may be drilled or any permit authorizing such activity shall be
 752 granted for state-owned submerged lands underlying the
 753 territorial coastal waters of the state, as established in the
 754 Submerged Lands Act, 43 U.S.C. ss. 1301-1315, the person
 755 desiring to drill the same shall, along with the notice required
 756 in subsection (1), submit to the department for approval an
 757 exploration plan that includes the following:

758 (a) The location of all exploration activities;

759 (b) The type of drilling technology to be used to conduct
 760 proposed drilling activities;

761 (c) A description of any onshore support facilities;

762 (d) The timeframe and schedule of the exploration
 763 activities;

764 (e) A description of the type of drilling fluids to be
 765 used to drill proposed exploration wells and how these fluids
 766 and other wastes will be processed and disposed of in accordance
 767 with state and federal law;

768 (f) Proof of filing or status of all required permits;

769 (g) Proof of financial responsibility, as required by the
 770 department pursuant to s. 377.2425;

771 (h) An oil spill response plan;

772 (i) An environmental assessment addressing potential
 773 impacts of exploration activities on:

774 1. Air and water quality;

775 2. Benthic communities, marine mammals, sea turtles,
 776 coastal and marine birds, fish and shellfish, and plant life;

777 3. State and federally listed endangered or threatened
 778 species and their habitat;

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779 4. Sensitive biological resources or habitats such as
 780 refuges, preserves, management areas, coral reefs, sea grass
 781 beds, extensive hard-bottom/live-bottom areas, critical fishery
 782 spawning habitat, aquaculture areas, artificial reef areas, and
 783 mangrove estuaries;

784 5. Archeological resources;

785 6. Any areas containing known significant quantities of
 786 sand for beach renourishment; and

787 7. Coastal and marine uses, such as military activities,
 788 shipping, or commercial fishing.

789 (j) A description of the measures taken, or to be taken,
 790 to satisfy any required special lease stipulations, and
 791 verification that all exploratory activities, including
 792 activities related to transportation and onshore support
 793 facilities associated with the exploratory activities, proposed
 794 in the plan, comply with all special stipulations included in
 795 the lease agreement;

796 (k) Projected emissions of National Ambient Air Quality
 797 Standards pollutants that will be generated by the proposed
 798 exploratory drilling activities;

799 (l) The name, address, and telephone number of the person
 800 or entity with whom the department can communicate regarding the
 801 exploration plan; and

802 (m) Any other information required by the department.

803
 804 The department is hereby prohibited from granting any permit or
 805 authorizing in any other manner any activities for the purpose
 806 of oil and gas exploration within the territorial coastal waters

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807 of the state until such notice is given, such exploration plan
 808 has been approved, and such fee has been paid. The drilling of
 809 any well for the purpose of oil and gas exploration is
 810 prohibited until a permit is granted by the department.

811 (3) Prior to commencing any development and production
 812 activities for the purpose of developing or producing oil and
 813 gas resources on state-owned submerged lands underlying the
 814 territorial coastal waters of the state, the person desiring to
 815 conduct same shall notify the division upon such form as it may
 816 prescribe and shall pay a reasonable fee set by rule of the
 817 department. Before any development and production activities
 818 shall be conducted, or any permit authorizing such activity
 819 shall be granted, the applicant shall, along with the notice
 820 required in this subsection, submit to the department for
 821 approval a production plan that includes the following:

822 (a) The location of all production activities;

823 (b) The type of development drilling unit and production
 824 facilities to be used to conduct the proposed development and
 825 production activities;

826 (c) A description of how oil and gas will be processed and
 827 transported;

828 (d) The timeframe and schedule of the development and
 829 production activities;

830 (e) A description of how development and production waste
 831 and produced water will be processed and disposed of in
 832 accordance with state and federal law;

833 (f) Proof of filing and status of all required permits;

834 (g) Proof of financial responsibility, as required by the

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835 department pursuant to s. 377.2425;
 836 (h) An Oil spill response plan.
 837 (i) An environmental assessment addressing potential
 838 impacts of proposed development and production activities:
 839 1. Air and water quality;
 840 2. Benthic communities, marine mammals, sea turtles,
 841 coastal and marine birds, fish and shellfish, and plant life;
 842 3. State and federally listed endangered or threatened
 843 species and their habitat;
 844 4. Sensitive biological resources or habitats such as
 845 refuges, preserves, management areas, coral reefs, sea grass
 846 beds, extensive hard-bottom/live-bottom areas, critical fishery
 847 spawning habitat, aquaculture areas, artificial reef areas, and
 848 mangrove estuaries;
 849 5. Archeological resources;
 850 6. Any areas containing known significant quantities of
 851 sand for beach renourishment; and
 852 7. Coastal and marine uses, such as military activities,
 853 shipping, or commercial fishing.
 854 (j) A description of any onshore support facilities;
 855 (k) A description of the measures taken, or to be taken,
 856 to satisfy any required special lease stipulations, and
 857 verification that all proposed development and production
 858 facilities and activities, including transportation and onshore
 859 support facilities, comply with all special stipulations
 860 included in the lease agreement;
 861 (m) Projected emissions of National Ambient Air Quality
 862 Standards pollutants that will be generated by the proposed

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863 development and production activities;
 864 (n) A brief description of how any wells, platforms,
 865 pipelines, and other facilities are to be decommissioned;
 866 (o) The name, address, and telephone number of the person
 867 or entity with whom the department can communicate regarding the
 868 production plan; and
 869 (p) Any other information required by the department.

870
 871 The department is hereby prohibited from granting any permit or
 872 authorizing in any other manner activities for the purpose of
 873 oil and gas development and production, including drilling of
 874 any well, until the required notice is given, such production
 875 plan has been approved, and such fee has been paid. The drilling
 876 of any well for the purpose of oil and gas development and
 877 production is hereby prohibited until a permit is granted by the
 878 department.

879 (4)(2) Each application for the drilling of a well in
 880 search of oil or gas in this state shall include the address of
 881 the residence of the applicant, or each applicant, which address
 882 shall be the address of each person involved in accordance with
 883 the records of the Division of Resource Management until such
 884 address is changed on the records of the division after written
 885 request.

886 (5)(3) Each abandoned well and each dry hole shall be
 887 plugged promptly in the manner and within the time required by
 888 regulations to be prescribed by the Department of Environmental
 889 Protection, and the owner of such well shall give notice upon
 890 such form as the division may prescribe, of the drilling of each

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891 dry hole and of the owner's intention to abandon. No well shall
 892 be abandoned without prior approval of the division.

893 ~~(6)~~~~(4)~~ Application for permission to drill or abandon any
 894 well may be denied by the division for only just and lawful
 895 cause.

896 ~~(7)~~~~(5)~~ No permit to drill a gas or oil well shall be
 897 granted within the corporate limits of any municipality, unless
 898 the governing authority of the municipality shall have first
 899 duly approved the application for such permit by resolution.

900 ~~(8)~~~~(6)~~ No permit to drill a gas or oil well shall be
 901 granted at a location in the tidal waters of the state, abutting
 902 or immediately adjacent to the corporate limits of a
 903 municipality or within 3 miles of such corporate limits
 904 extending from the line of mean high tide into such waters,
 905 unless the governing authority of the municipality shall have
 906 first duly approved the application for such permit by
 907 resolution. This section shall not apply to leases on state-
 908 owned submerged lands underlying the territorial waters of the
 909 state, as established in the Submerged Lands Act, 43 U.S.C. ss.
 910 1301-1315, where any structure or equipment above the surface of
 911 the water is more than 3 miles from such corporate limits.

912 ~~(9)~~~~(7)~~ No permit to drill a gas or oil well shall be
 913 granted on any improved beach, located outside of an
 914 incorporated town or municipality, or at a location in the tidal
 915 waters of the state abutting or immediately adjacent to an
 916 improved beach, or within 3 miles of an improved beach extending
 917 from the line of mean high tide into such tidal waters, unless
 918 the county commissioners of the county in which such beach is

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919 located shall have first duly approved the application for such
 920 permit by resolution. This section shall not apply to leases on
 921 state-owned submerged lands underlying the territorial waters of
 922 the state, as established in the Submerged Lands Act, 43 U.S.C.
 923 ss. 1301-1315, where any structure or equipment above the
 924 surface of the water is more than 3 miles from such improved
 925 beach.

926 (10)~~(8)~~ For the purposes of this section and law, an
 927 improved beach, situated outside of the corporate limits of any
 928 municipality or town, shall be and is hereby defined to be any
 929 beach adjacent to or abutting upon the tidal waters of the state
 930 and having not less than 10 hotels, apartment buildings,
 931 residences or other structures, used for residential purposes,
 932 on or to any given mile of such beach.

933 (11) No well for the exploration or production of oil and
 934 gas shall be drilled from a location that is within 1 geographic
 935 mile inland from the mean high water line, except as authorized
 936 by the board if the wellhead is located on state-owned lands; or
 937 if not on state-owned lands, as may be authorized by the
 938 appropriate local government having jurisdiction over the
 939 proposed wellhead location.

940 ~~(9) Without exception, after July 1, 1989, no permit to~~
 941 ~~drill a well in search of oil or gas shall be granted south of~~
 942 ~~26°00'00" north latitude off Florida's west coast and south of~~
 943 ~~27°00'00" north latitude off Florida's east coast, within the~~
 944 ~~boundaries of Florida's territorial seas as defined in 43 U.S.C.~~
 945 ~~1301. After July 31, 1990, no permit to drill a well in search~~
 946 ~~of oil or gas shall be granted north of 26°00'00" north latitude~~

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947 ~~off Florida's west coast to the western boundary of the state~~
 948 ~~bordering Alabama as set forth in s. 1, Art. II of the State~~
 949 ~~Constitution, or located north of 27°00'00" north latitude off~~
 950 ~~Florida's east coast to the northern boundary of the state~~
 951 ~~bordering Georgia as set forth in s. 1, Art. II of the State~~
 952 ~~Constitution, within the boundaries of Florida's territorial~~
 953 ~~seas as defined in 43 U.S.C. 1301.~~

954 Section 14. Subsections (1) and (2) of section 377.2408,
 955 Florida Statutes, are amended to read:

956 377.2408 Application to conduct geophysical operations.—

957 (1) Before any geophysical operation in search of oil,
 958 gas, or minerals shall be conducted, the person or entity
 959 desiring to conduct such operation shall make application to the
 960 department upon such forms as it may prescribe and shall pay a
 961 reasonable fee for processing.

962 (2) Each application shall contain a detailed description
 963 of the total area that the applicant seeks to survey, any
 964 existing biological assessments on the effects of seismic
 965 activity on marine species, identification of any marine mammals
 966 that may exist in the surveying area and measures to be taken to
 967 mitigate any potential impacts, and the type of technology to be
 968 used to carry out the geophysical activity ~~a statement, in~~
 969 ~~general terms, of the location in which such operation is~~
 970 ~~intended to be conducted.~~

971 Section 15. Subsection (1) of section 377.2409, Florida
 972 Statutes, is amended to read:

973 377.2409 Geophysical activities; confidential information;
 974 penalties.—

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975 (1) Whenever geophysical activities are conducted on
 976 state-owned ~~mineral~~ lands or submerged lands, the person or
 977 entity conducting such activities shall furnish to the division,
 978 acting as agent of the owner of the minerals, ~~upon written~~
 979 ~~request~~, a copy of all noninterpreted information derived from
 980 the geophysical activities, including any interpreted data
 981 derived from the geophysical activity. Any information received
 982 hereunder by the division shall, upon request of the person
 983 conducting the geophysical activities, be held confidential for
 984 10 years from the date of receipt by the division and shall be
 985 exempt from disclosure under any state statute, including, but
 986 not limited to, ss. 119.07(1) and 377.2424(3). For purposes of
 987 this section, state-owned ~~mineral~~ lands and submerged lands
 988 shall include ~~mineral~~ lands title to which is held by a water
 989 management district.

990 Section 16. Section 377.242, Florida Statutes, is amended
 991 to read:

992 377.242 Permits for drilling or exploring and extracting
 993 through well holes or by other means.—The department is vested
 994 with the power and authority:

995 (1)(a) To issue permits for the drilling for, exploring
 996 for, or production of oil, gas, or other petroleum products
 997 which are to be extracted from below the surface of the land,
 998 including submerged land, only through the well hole drilled for
 999 oil, gas, and other petroleum products. Upon request of the
 1000 applicant, the department shall combine into a single permit all
 1001 authorizations for the drilling for, production of, or
 1002 transportation by pipeline of oil, gas, or other petroleum

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1003 products which are extracted from below the surface of submerged
 1004 lands. The department shall consider all applicable criteria of
 1005 any permit that would otherwise be required under chapters 161
 1006 and 373; and the consideration of such criteria shall be in lieu
 1007 of any requirement that the applicant apply for or obtain said
 1008 permits independently of or in conjunction with any permit
 1009 applied for under this chapter.

1010 1. No structure intended for the drilling for, or
 1011 production of, oil, gas, or other petroleum products may be
 1012 permitted or constructed on any submerged land within any bay or
 1013 estuary.

1014 2. No structure intended for the drilling for, or
 1015 production of, oil, gas, or other petroleum products may be
 1016 permitted or constructed within 1 mile seaward of the coastline
 1017 of the state.

1018 3. No structure intended for the drilling for, or
 1019 production of, oil, gas, or other petroleum products may be
 1020 permitted or constructed within 1 mile of the seaward boundary
 1021 of any state, local, or federal park or aquatic or wildlife
 1022 preserve or on the surface of a freshwater lake, river, or
 1023 stream.

1024 4. No structure intended for the drilling for, or
 1025 production of, oil, gas, or other petroleum products may be
 1026 permitted or constructed within 1 mile inland from the shoreline
 1027 of the Gulf of Mexico, the Atlantic Ocean, or any bay or estuary
 1028 or within 1 mile of any freshwater lake, river, or stream unless
 1029 the department is satisfied that the natural resources of such
 1030 bodies of water and shore areas of the state will be adequately

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1031 protected in the event of accident or blowout.

1032 ~~5. Without exception, after July 1, 1989, no structure~~

1033 ~~intended for the drilling for, or production of, oil, gas, or~~

1034 ~~other petroleum products may be permitted or constructed south~~

1035 ~~of 26°00'00" north latitude off Florida's west coast and south~~

1036 ~~of 27°00'00" north latitude off Florida's east coast, within the~~

1037 ~~boundaries of Florida's territorial seas as defined in 43 U.S.C.~~

1038 ~~s. 1301. After July 31, 1990, no structure intended for the~~

1039 ~~drilling for, or production of, oil, gas, or other petroleum~~

1040 ~~products may be permitted or constructed north of 26°00'00"~~

1041 ~~north latitude off Florida's west coast to the western boundary~~

1042 ~~of the state bordering Alabama as set forth in s. 1, Art. II of~~

1043 ~~the State Constitution, or located north of 27°00'00" north~~

1044 ~~latitude off Florida's east coast to the northern boundary of~~

1045 ~~the state bordering Georgia as set forth in s. 1, Art. II of the~~

1046 ~~State Constitution, within the boundaries of Florida's~~

1047 ~~territorial seas as defined in 43 U.S.C. s. 1301.~~

1048 (b) Subparagraphs (a)1. and 4. do not apply to permitting

1049 or construction of structures intended for the drilling for, or

1050 production of, oil, gas, or other petroleum products pursuant to

1051 an oil, gas, or mineral lease of such lands by the state under

1052 which lease any valid drilling permits are in effect on the

1053 effective date of this act. In the event that such permits

1054 contain conditions or stipulations, such conditions and

1055 stipulations shall govern and supersede subparagraphs (a)1. and

1056 4.

1057 (c) The prohibitions of subparagraphs (a)1.-4. in this

1058 subsection do not include "infield gathering lines," or other

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1059 pipelines for the purpose of transporting offshore production on
 1060 shore, provided no other placement is reasonably available and
 1061 all other required permits have been obtained.

1062 (d) Subparagraphs (a)1.-3. do not apply to the permitting
 1063 or construction of offshore structures intended for the
 1064 exploration or production of oil, gas, or other petroleum
 1065 products where any structure or equipment above the surface of
 1066 the water is more than 3 miles seaward from the line of mean
 1067 high tide.

1068 (2) To issue permits to explore for and extract minerals
 1069 which are subject to extraction from the land by means other
 1070 than through a well hole.

1071 (3) To issue permits to construct wells for the injection
 1072 and recovery of any natural gas for temporary storage in
 1073 subsurface reservoirs.

1074
 1075 Each permit shall contain an agreement by the permitholder that
 1076 the permitholder will not prevent inspection by the department
 1077 ~~division personnel~~ at any time. ~~The provisions of this section~~
 1078 ~~prohibiting permits for drilling or exploring for oil in coastal~~
 1079 ~~waters do not apply to any leases entered into before June 7,~~
 1080 ~~1991.~~

1081 Section 17. Paragraph (i) is added to subsection (3) of
 1082 section 380.04, Florida Statutes, to read:

1083 380.04 Definition of development.—

1084 (3) The following operations or uses shall not be taken
 1085 for the purpose of this chapter to involve "development" as
 1086 defined in this section:

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1087 (i) Activities on state-owned lands primarily for,
 1088 appurtenant to, drilling for, exploring for or production and
 1089 transportation of oil, gas, or other petroleum products from an
 1090 oil and gas lease covering state-owned submerged lands within
 1091 the seaward boundary of the state and awarded pursuant to s.
 1092 253.52(2).

1093 Section 18. Paragraph (i) of subsection (24) of section
 1094 380.06, Florida Statutes, is amended to read:

1095 380.06 Developments of regional impact.—

1096 (24) STATUTORY EXEMPTIONS.—

1097 (i) Any proposed facility for the storage of any petroleum
 1098 product or any expansion of an existing facility or any proposed
 1099 facility used primarily for, or appurtenant to, drilling for,
 1100 exploring for, production of, or transportation by pipeline of
 1101 oil, gas, or other petroleum products from an oil and gas lease
 1102 over state-owned submerged lands within the seaward boundary of
 1103 the state and awarded pursuant to s. 253.52(2) is exempt from
 1104 the provisions of this section.

1105
 1106 If a use is exempt from review as a development of regional
 1107 impact under paragraphs (a)-(s), but will be part of a larger
 1108 project that is subject to review as a development of regional
 1109 impact, the impact of the exempt use must be included in the
 1110 review of the larger project, unless such exempt use involves a
 1111 development of regional impact that includes a landowner,
 1112 tenant, or user that has entered into a funding agreement with
 1113 the Office of Tourism, Trade, and Economic Development under the
 1114 Innovation Incentive Program and the agreement contemplates a

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1115 | state award of at least \$50 million.

1116 | Section 19. This act shall take effect July 1, 2010.