

HM 1357

2011

1 House Memorial

2 A memorial to the Congress of the United States, urging
3 Congress to support the expiration and removal of
4 moratoria prohibiting exploration and production of
5 domestic supplies of oil and natural gas in federal waters
6 surrounding Florida and to include Florida in revenue
7 sharing resulting from the production of oil and natural
8 gas in federal waters surrounding Florida.

9
10 WHEREAS, Florida's economy is suffering and the
11 unemployment rate in the state has remained around 12 percent
12 since 2009, and

13 WHEREAS, Florida's industries, including tourism,
14 agriculture, fertilizer, agrochemical, plastic, manufacturing,
15 bakeries, juice and food processing, pulp and paper, road
16 construction, metals, restaurants, hotels, grocery stores, and
17 research institutions, among many others, are heavily dependent
18 on access to reliable and affordable natural gas, and

19 WHEREAS, according to the Department of Revenue, Florida
20 consumes approximately 28.5 million gallons of gasoline and
21 diesel fuel per day and approximately 10.4 billion gallons of
22 gasoline and diesel fuel annually, and

23 WHEREAS, the Public Service Commission expects Florida to
24 increase total utility generation capacity derived from natural
25 gas from 30 percent in 2005 to over 44 percent in 2014 to meet
26 increasing electricity demand in the state, and

27 WHEREAS, the United States has recently experienced record
28 high prices for gasoline, diesel fuel, and natural gas, and

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29 WHEREAS, the Energy Information Administration reports that
30 global demand for oil has risen from 77 million barrels per day
31 in 2001 to 85 million barrels per day in 2007, and

32 WHEREAS, the Energy Information Administration predicts
33 that global demand for energy will increase 44 percent by 2030,
34 requiring an additional 16 million barrels of oil per day and a
35 46-percent increase in the production of natural gas, and

36 WHEREAS, according to the Energy Information
37 Administration, the United States produces just 41 percent of
38 the oil its citizens and residents consume and consumes 25
39 percent of the oil produced globally, and

40 WHEREAS, the United States Department of the Interior
41 conservatively estimates that approximately 116 billion barrels
42 of oil, enough to power 65 million cars for 60 years, and
43 approximately 651 trillion cubic feet of natural gas, enough to
44 power 60 million homes for 160 years, is recoverable from
45 domestic sources, and

46 WHEREAS, the United States Department of the Interior
47 conservatively estimates that around 233 trillion cubic feet of
48 natural gas is recoverable from federal waters in the Gulf of
49 Mexico, and

50 WHEREAS, development and production plans filed with the
51 United States Department of the Interior in 1997 confirm
52 potential resources for the daily production of up to 450
53 million cubic feet of natural gas in a small portion of the
54 Eastern Gulf of Mexico off the Florida Panhandle known as Destin
55 Dome, but the project has been placed under a moratorium, and

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56 WHEREAS, the oil and natural gas industry supports 9.2
57 million jobs in the United States and 7.5 percent of the United
58 States economy, and has invested nearly \$2 trillion in capital
59 projects in the United States, and

60 WHEREAS, many of Florida's businesses will likely benefit
61 from the oil and natural gas industry if the industry is allowed
62 to move eastward toward Florida in the Gulf of Mexico, and

63 WHEREAS, the oil and natural gas industry has not requested
64 tax subsidies or government grants to expand exploration and
65 production in the Eastern Gulf of Mexico, and

66 WHEREAS, in exchange for a 125-mile drilling buffer in the
67 Gulf of Mexico, Florida declined to participate in the 2006 Gulf
68 of Mexico Energy Security Act that provides 37.5 percent of all
69 federal oil and natural gas revenues, including lease sales and
70 production royalties, to Gulf Coast states, and

71 WHEREAS, the initial Eastern Gulf of Mexico Sale 224 in the
72 2006 Gulf of Mexico Energy Security Act generated in excess of
73 \$64 million, 37.5 percent of which went directly to Texas,
74 Louisiana, Mississippi, and Alabama, and

75 WHEREAS, revenue sharing prescribed in the 2006 Gulf of
76 Mexico Energy Security Act will extend to all new production in
77 the Gulf of Mexico in 2017, and, as a result, Louisiana
78 estimates it will generate more than \$650 million per year, and

79 WHEREAS, without a change in policy, Florida will continue
80 to be excluded from sharing additional revenues and royalties
81 related to lease sales and production royalties associated with
82 the development of oil and natural gas resources in the Gulf of

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83 Mexico and secure domestic energy resources will remain
84 undeveloped, NOW, THEREFORE,

85

86 Be It Resolved by the Legislature of the State of Florida:

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88 That the Congress of the United States is urged to continue
89 its support of the expiration of the Congressional moratoria and
90 the removal of the Presidential withdrawal prohibiting oil and
91 natural gas leasing on certain lands of the Outer Continental
92 Shelf, including federal waters surrounding Florida, and to
93 support modification of the Gulf of Mexico Energy Security Act
94 of 2006 for the following purposes:

95 (1) To remove the moratorium on oil and gas leasing in
96 federal Outer Continental Shelf waters of the Gulf of Mexico.

97 (2) To add Florida to the term "Gulf producing State" so
98 that Florida will be included in sharing qualified Outer
99 Continental Shelf revenues resulting from the production of oil
100 and natural gas.

101 BE IT FURTHER RESOLVED that copies of this memorial be
102 dispatched to the President of the United States, to the
103 President of the United States Senate, to the Speaker of the
104 United States House of Representatives, and to each member of
105 the Florida delegation to the United States Congress.