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Kennedy, senators introduce Conservation Funding Protection Act to protect Louisiana jobs, coastlands

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WASHINGTON – Sen. John Kennedy (R-La.) today introduced legislation to protect jobs and drilling opportunities in the Gulf of Mexico and the conservation efforts they fund. Sens. Cindy Hyde-Smith (R-Miss.), Bill Cassidy (R-La.), Ted Cruz (R-Texas), John Cornyn (R-Texas) and Roger Wicker (R-Miss.) are original cosponsors of the Conservation Funding Protection Act.

The Conservation Funding Protection Act would ensure that American oil producers would retain access to critical energy reservoirs on the Outer Continental Shelf. That energy production funds conservation, coastal restoration, hurricane preparedness, wetland mitigation and public land maintenance.

"Louisianians and other energy producers help keep America running and keep America safe. If Americans aren't allowed to use U.S. resources to fuel our economy, we'll be dependent on nations that don't share our values and that even oppose our interests. We can't afford to lose the energy independence our country has earned, the Louisiana jobs that make it possible or the coastland conservation that it funds," said Kennedy.

"The Conservation Funding Protection Act is important to help ensure Mississippians continue to have access to well-paying jobs, while also continuing to provide the state with oil and natural gas revenues for vital conservation projects in Mississippi and on a national level," Hyde-Smith said.

"Many Louisiana families depend on energy production and the jobs it produces. This bill keeps the Gulf open for business and ensures these workers won't be threatened by radical environmental agendas," said Cassidy.

"The preservation of energy production in the Gulf of Mexico is vital to the economic and national security of the United States. Not only does offshore drilling employ thousands of Americans and help fuel our economy and energy needs, but it contributes millions of dollars to environmental conservation projects on land and reduces our reliance on foreign powers. I am proud to support this legislation to ensure that that United States remains a global leader in energy production for years to come," said Cruz.

"Ensuring continued access to energy resources in the Gulf of Mexico is critical to funding conservation efforts and important storm mitigation projects along the Texas coast. This bill would help keep us from a return to the days of relying on our adversaries to meet our energy needs," said Cornyn.

"The Gulf of Mexico's bountiful natural resources have been a cornerstone in the resurgence of American energy independence. Revenues generated from federal leases have also supported a multitude of critical conservation and restoration projects along the Mississippi Gulf Coast. The Conservation Funding Protection Act would guarantee our valuable resources are managed responsibly and that states can continue to invest in projects that will sustain their coastlines for generations to come," said Wicker.

In order to ensure that the Gulf region can steward the shelf's resources, the Conservation Funding Protection Act would require at least two area-wide lease sales per year on available acreage in the Western and Central Gulf of Mexico. The Outer Continental Shelf Lands Act currently directs the Secretary of Interior to establish a schedule for lease sales on the Outer Continental Shelf but does not mandate the number of lease sales the department is required to hold.

This bill would maintain all current environmental laws and ensure that the Department of Interior conducts the environmental reviews required by law within clear time frames. The legislation does not alter environmental regulations for lease sales, rig operations or exploration.

Background:

With the recent extension of a drilling moratorium off Florida waters lasting until 2032, there is growing concern that access to leasing opportunities on the Outer Continental Shelf could evaporate, at great cost to American jobs and energy independence.

Some projections estimate that a permitting ban on natural gas and oil leasing and development projects on federal lands and waters—such as the Outer Continental Shelf—would result in the loss of nearly 1 million oil and gas related jobs within the first 12 to 24 months of the ban. Louisiana is home to 48,000 of those jobs. Such a ban would decrease offshore oil production by 44 percent and natural gas production by 68 percent within the next decade.

Support for this legislation includes the Louisiana Mid-Continent Oil and Gas Association, American Petroleum Institute, National Ocean Industries Association, International Association of Drilling Contractors, Consumer Energy Alliance, International Association for Geophysical Chemistry, Petroleum Equipment and Service Association and others. "We applaud Senators Kennedy and Hyde-Smith for introducing this bill that will protect so many benefits for the Gulf region. The Conservation Funding Protection Act is critical to protecting existing energy production in the Gulf of Mexico and the livelihoods of thousands of hardworking citizens across the Gulf coast. Oil and gas leasing and production in the Gulf of Mexico is also the primary source of funding for conservation projects across the country, and, importantly, for Louisiana's hurricane protection systems and coastal restoration efforts," said Tyler Gray, Louisiana Mid-Continent Oil and Gas Association President.

"The Conservation Funding Protection Act is critical for maintaining energy development in the Gulf of Mexico, the primary revenue driver for America's largest federal conservation program. Royalties from offshore oil and natural gas development fund most of the Land and Water Conservation Fund, supporting and protecting national parks and wildlife habitat. Continued support for oil and natural gas production on federal lands and waters is imperative for maintaining these vital conservation programs," said Lem Smith, American Petroleum Institute Vice President of Upstream Policy.

The bill text is available <u>here</u>.