

Review of Offshore Energy Leasing: President Trump's Executive Order

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On April 28, 2017, President Trump issued an [executive order](#) (E.O.) on U.S. offshore energy strategy. The E.O. declares a policy goal of fostering U.S. energy leadership and energy security by encouraging energy development, while ensuring that activities are safe and environmentally responsible. In support of this goal, the E.O.

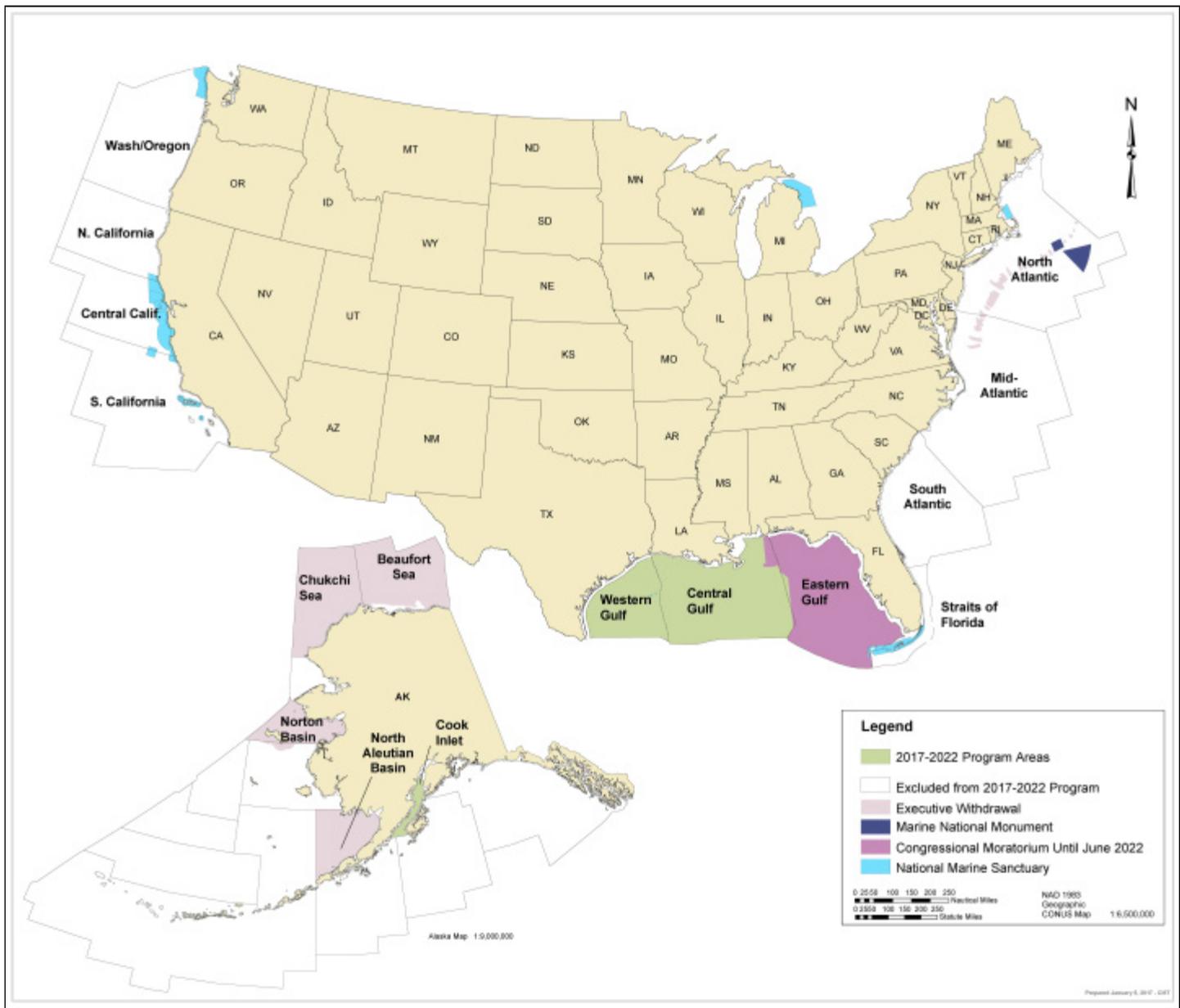
- directs the Secretary of the Interior to review and consider revising the federal offshore oil and gas leasing schedule and other policies established by the Obama Administration and
- modifies earlier presidential withdrawals of offshore areas from leasing consideration.

The E.O. also contains provisions related to [marine sanctuaries](#) and [marine national monuments](#), and it revokes a [climate resilience order](#) for an Alaska area. This CRS Insight focuses on the E.O.'s offshore leasing and withdrawal provisions.

Review of Offshore Leasing Schedule

Under the [Outer Continental Shelf Lands Act](#) (OCSLA), the Bureau of Ocean Energy Management (BOEM) in the Department of the Interior prepares [five-year leasing programs](#) to schedule oil and gas lease sales in U.S. waters. In November 2016, the Obama Administration released the [2017-2022 program](#), which schedules 10 lease sales in the Gulf of Mexico region and 1 in the Alaska region's Cook Inlet (see areas in green in [Figure 1](#)). No sales were scheduled for the Atlantic or Pacific regions or for the Alaska region outside of Cook Inlet.

Figure 1. BOEM 2017-2022 Offshore Leasing Program Areas and Withdrawn Areas



Source: [BOEM Map Gallery](#). Edited by CRS.

Notes: The federal leasing areas do not extend into state waters. BOEM does not include Hawaii in its five-year planning process.

President Trump's E.O. directs the Secretary of the Interior to review the 2017-2022 leasing schedule. Under the E.O., the Secretary must give "full consideration" to revising the program to include annual sales in the Western and Central Gulf of Mexico, the Chukchi and Beaufort Seas, Cook Inlet, and the Mid- and South Atlantic, and may include other areas. Of these areas, only the Western and Central Gulf have sales scheduled at least annually under the current program.

Although offshore oil and gas activities are well established in the Gulf of Mexico, there is [relatively little production](#) outside the Gulf, and new leasing in the Atlantic, Pacific, and Alaska regions is [controversial](#). Proponents of leasing expansion contend that new offshore oil and gas development is important for U.S. energy security and job growth. Opponents are concerned about the threat of serious oil spills and about greenhouse gas emissions stemming directly or indirectly from offshore oil and gas activities. Development in [Arctic waters](#) (the Beaufort and Chukchi Seas) is particularly contentious, both because of the high [resource potential](#) in these areas and because of heightened concerns about oil spills due to the region's harsh conditions and lack of spill-response infrastructure.

The E.O. states that the Secretary's review must be "consistent with applicable law." [Under the OCSLA](#), the Secretary could add lease sales to the program only through a [program development process](#) that includes requirements for analysis, public input, and environmental review under the [National Environmental Policy Act](#). The process typically takes two to three years. The E.O. specifies that any revisions must not hinder ongoing sales under the current version of the program, which takes effect in June 2017.

Separately from the E.O., [pending bills](#) in the 115th Congress would alter the 2017-2022 program. Some bills would add sales to the program or would reduce program review and analysis requirements to facilitate sales. Other bills would restrict sales through leasing prohibitions, making various offshore areas ineligible for inclusion in a leasing program.

Modification of Offshore Withdrawals

Under [Section 12\(a\)](#) of the OCSLA, the President may withdraw offshore areas from consideration for oil and gas leasing. Using this authority, President Obama indefinitely withdrew areas in the Alaska region, including the [North Aleutian Basin](#), the [Chukchi and Beaufort Seas](#), and the [Norton Basin](#), as well as ocean canyons in the [North and Mid-Atlantic](#) regions. The executive withdrawals (shown in light purple in [Figure 1](#)) meant that these areas could not be included in future leasing programs. Separately, in the [Gulf of Mexico Energy Security Act](#), Congress placed a moratorium on leasing through June 2022 primarily in the Eastern Gulf of Mexico (shown in dark purple in the figure).

President Trump's E.O. modifies President Obama's OCSLA withdrawals, reducing their scope to include only [marine sanctuaries](#) (shown in blue in [Figure 1](#)). Under the modification, the previously withdrawn areas in the Alaska and Atlantic regions could be included for leasing in a revised five-year program. The modification affects only presidential withdrawals under Section 12(a), rather than the congressionally imposed moratorium in the Eastern Gulf. Separately, bills in the 115th Congress ([H.R. 2157](#), [S. 956](#)) would restrict the President's authority to withdraw lands under the OCSLA.

There is some question as to whether Presidents have the authority to modify or revoke existing withdrawals under Section 12(a), and legal challenges to this aspect of the E.O. [have arisen](#).

Review of Obama Administration Rules and Policies

The Obama Administration promulgated regulations and guidance addressing safety and environmental issues related to offshore drilling. These included, among others, rules on [offshore well control](#), [Arctic exploration](#), and [air quality](#), and a notice to lessees on [financial assurance](#). The E.O. directs the Secretary to review these regulations and policies and, if appropriate in some cases, to revise, suspend, or rescind them or to determine the extent to which additional regulation is necessary.

The E.O. also requires the Secretaries of the Interior and Commerce to expedite and streamline certain permitting processes, including those for seismic surveys used to determine the energy resource potential of offshore areas. In 2014, the Obama Administration had issued a programmatic environmental impact statement [approving](#) seismic surveys for the Atlantic region, but in December 2016, the Administration [denied](#) pending permit applications for Atlantic seismic surveys. The Obama Administration stated that, because the 2017-2022 leasing program does not include Atlantic areas, the value of the survey information would not outweigh potential risks to marine life.