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LEGISLATIVE ACTION

Senate	.	House
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The Committee on Environmental Preservation and Conservation (Latvala) recommended the following:

1 **Senate Substitute for Amendment (132080) (with title**
2 **amendment)**

3
4 Delete everything after the enacting clause
5 and insert:

6 Section 1. (1) DUTIES; AUTHORITY.—Notwithstanding the
7 provisions in ss. 253.52, 253.53, and 253.54, Florida Statutes,
8 if a land management agency determines that there is an
9 opportunity to develop oil and gas resources under onshore lands
10 west of the Tallahassee Meridian, longitude 84°16'37.59" west,
11 owned by a board, department, or agency of this state to yield
12 greater, near-term revenue returns for the state, the land



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13 management agency may participate with a business entity
14 authorized to conduct business in the state in a public-private
15 partnership contract.

16 (2) PRIVATE-PARTNER RESPONSIBILITIES.—The financial,
17 technical, and operational risk for the exploration,
18 development, and production of oil and gas resources is the
19 responsibility of the private business entity.

20 (3) PROPOSAL SELECTION.—

21 (a) A business entity seeking a public-private partnership
22 contract shall submit a business proposal that describes the
23 exploration for oil or gas resources and the development of
24 state lands for those purposes. The business entity may nominate
25 state land that is to be explored and developed under the
26 public-private partnership contract. The proposal shall provide
27 an estimate of the revenues that the project is expected to
28 generate for the state. The proposal for upland state lands must
29 be consistent with approved land management plans approved
30 pursuant to s. 253.034, Florida Statutes.

31 (b) The land management agency shall review the business
32 proposal in a timely manner and in a manner that is consistent
33 with contemporary industry practices. The geophysical seismic
34 exploration, drilling, and production activities proposed shall
35 be of a duration consistent with industry practices.

36 (c) The land management agency shall select a private
37 partner based on the business proposal. The land management
38 agency's consideration must include, but need not be limited to,
39 the technical quality of the exploration program proposed and
40 the proposed timetable of geophysical and drilling activities
41 which expedites the potential for generating revenues. If more



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42 than one entity submits a proposal for a public-private
43 partnership for substantially the same area, the land management
44 agency shall evaluate and select the single proposal that will
45 provide the best value for the state.

46 (d) The geophysical data acquired and the subsequent
47 interpretation shall be made available to the land management
48 agency or its representatives for review during the period
49 provided in paragraph (4) (a), but shall remain in the sole
50 possession of the business entity until the business entity has
51 selected the lease areas.

52 (4) PUBLIC-PRIVATE PARTNERSHIP CONTRACT.—The public-private
53 partnership contract shall provide for:

54 (a) A period of 3 years or longer during which the private
55 partner may explore specified state lands by geophysical seismic
56 methods for the feasibility of oil and gas resource development
57 and production;

58 (b) A selection process after geophysical operations are
59 concluded in which the private partner may select and lease
60 prospective parcels of state land for the purpose of exploration
61 and production;

62 (c) The leasing of state lands identified as a result of
63 the geophysical seismic operations, which shall be for a term of
64 at least 5 years; and

65 (d) Negotiated royalty rates and a lease bonus.

66 (5) APPROVAL OF CONTRACT.—The proposed public-private
67 partnership contract must be approved by the Governor and
68 Cabinet sitting as the Board of Trustees of the Internal
69 Improvement Trust Fund in order to be legally binding on the
70 State of Florida.



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71 Section 2. This act shall take effect upon becoming a law.

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73 ===== T I T L E A M E N D M E N T =====

74 And the title is amended as follows:

75 Delete everything before the enacting clause
76 and insert:

77 A bill to be entitled

78 An act relating to the development of oil and gas
79 resources; authorizing a land management agency to
80 enter into a public-private partnership with a
81 business entity to develop oil and gas resources upon
82 certain onshore state lands if the development yields
83 near-term revenues for the state; providing that the
84 financial, technical, and operational risk for the
85 exploration, development, and production of oil and
86 gas resources is the responsibility of the private
87 business entity; requiring that a business entity
88 seeking a public-private partnership contract submit a
89 business proposal to the agency for review; specifying
90 the information to be included in the business
91 proposal; providing criteria for the agency to use in
92 selecting the exploration proposal by a business
93 entity; requiring that the geophysical data and the
94 subsequent interpretation be made available to the
95 agency or its representative for review but remain in
96 the possession of the business entity; providing
97 criteria for the public-private partnership contract;
98 requiring a proposed public-private partnership
99 contract to be approved by the Governor and Cabinet



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100 sitting as the Board of Trustees of the Internal
101 Improvement Trust Fund; providing an effective date.

102

103 WHEREAS, the exploration and development of oil and gas
104 deposits under onshore lands owned by a board, department, or
105 agency of the state may provide the opportunity to produce
106 higher, near-term revenues to the state, and

107 WHEREAS, the monetary reward for discovering new reserves
108 of oil and gas deposits may be significant, and

109 WHEREAS, the exploration for oil and gas deposits via
110 modern three-dimensional, geophysical seismic methods and
111 production, with its technological improvements, including
112 directional and horizontal drilling, although costly, is more
113 efficient and yields better results than older methods of
114 exploration and production employed during the past 50 years,
115 NOW, THEREFORE,