A bill to be entitled
An act relating to the development of oil and gas resources; authorizing the Board of Trustees of the Internal Improvement Trust Fund to enter into a public-private partnership with a business entity to develop oil and gas resources upon certain onshore state lands if the development yields near-term revenues for the state; providing that the financial, technical, and operational risk of exploration, development, and production of oil and gas resources is the responsibility of the private business entity; requiring that a business entity seeking a public-private partnership contract submit a business proposal to the board of trustees for review; specifying the information to be included in the business proposal; providing criteria for the board of trustees to use in selecting the exploration proposal by a business entity; requiring that the geophysical data and the subsequent interpretation be made available to the board of trustees or its representative for review but remain in the possession of the business entity; providing criteria for the public-private partnership contract; providing for applicability; providing an effective date.

WHEREAS, the exploration and development of oil and gas deposits under onshore lands owned by a board, department, or agency of the state may provide the opportunity to generate

CODING: Words stricken are deletions; words underlined are additions.
greater, near-term revenues to the state, and

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

WHEREAS, the exploration for oil and gas deposits using modern three-dimensional, geophysical seismic methods and production, with its technological improvements, including directional and horizontal drilling, although costly, is more efficient and yields better results than older methods of exploration and production employed during the past 50 years,

NOW, THEREFORE,

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

Section 1. (1) DUTIES; AUTHORITY.—Notwithstanding ss. 253.52, 253.53, and 253.54, Florida Statutes, if the Board of Trustees of the Internal Improvement Trust Fund determines that there is an opportunity to develop oil and gas resources under onshore lands owned by a board, department, or agency of this state to yield greater, near-term revenue returns for the state, the board of trustees may participate with a business entity authorized to conduct business in the state in a public-private partnership contract.

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

(3) PROPOSAL SELECTION.—

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

(b) The board of trustees shall review the business proposal in a timely manner and in a manner that is consistent with contemporary industry practices. The geophysical seismic exploration, drilling, and production activities proposed must be of a duration that is consistent with industry practices.

(c) The board of trustees shall select a private partner based on the business proposal. The board of trustees' consideration must include, but need not be limited to, the technical quality of the exploration program proposed and the proposed timetable of geophysical and drilling activities which expedites the potential for generating revenues. If more than one entity submits a proposal for a public-private partnership for substantially the same area, the board of trustees shall evaluate and select the single proposal that will provide the best value for the state.

(d) The geophysical data acquired and the subsequent interpretation shall be made available to the board of trustees or its representatives for review during the period provided in
paragraph (4)(a), but shall remain in the sole possession of the business entity until the business entity has selected the lease areas.

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

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

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

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

(d) Negotiated royalty rates and a lease bonus.

(5) APPLICABILITY.—This section applies only to lands in the Blackwater River State Forest.

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