SUBMERGED LANDS BILL
(Analysis of S.J.Res. 20)

Purpose: To provide for the continuation of present oil and gas operations and to encourage further exploration and development on submerged lands.

Method:
1. Makes no change in the existing law with respect to property rights or sovereignty over the mineral resources of the submerged lands.
   a. Lands beneath navigable inland waters and the tidelands covered by the ebb and flow of the tide remain state property.
   b. The submerged land seaward from the line of mean low tide remains under the paramount rights of the federal government in accord with recent Supreme Court decisions.
2. Present oil and gas operations on submerged lands may continue under supervision of Sec. of Interior if the leases which were issued by the coastal states to private operators meet certain requirements, i.e.:
   a. Leases must have been issued prior to Dec. 21, 1948, and must have been in effect on June 5, 1950.
   b. Lease must provide, or be amended to provide, for a royalty of not less than 12 1/2% per annum.
   c. All rents and sums payable to the lessor under the leases after June 5, 1950, shall be paid to the Sec. of Interior.
      (1) 37 1/2% of all moneys received from operations on the submerged lands between mean low tide and three miles seaward shall be paid to the coastal state.
      (2) All other money shall go to the Treasury for disposition by Congress.
   d. Lease must terminate within five years from effective date of this resolution in the absence of production or drilling.
3. New leases on unleased portions of submerged lands may be issued by Sec. of Interior after competitive bidding provided, however, that for five years, leases on that land extending from the line of mean low tide to a point three miles seaward must have the prior approval of the coastal state.
4. Consent is given to the coastal states to control and regulate operations concerning marine animal and plant life on submerged lands.

Need:
1. U. S. has an immediate and pressing need for development of new sources of supply of petroleum.
2. The wells now producing from submerged lands are operating under temporary permits.
3. Exploration and development has virtually stopped because of the uncertainty which now exists.

Status:
2. Favorably reported, with amendments, from Committee on Interior and Insular Affairs by Sen. O'Mahoney, Report No. 1143.
3. Some members of committee reserved the right not to be bound by committee action when the measure is considered on floor.