

Distribution of Federal and [American Indian](#) Mineral Lease Revenues

The Minerals Management Service distributes revenues collected from Federal mineral leases to special-purpose funds administered by Federal agencies; to States; and to the General Fund of the U.S. Department of the Treasury. Legislation and regulations provide formulas for the disbursement of these revenues. For a complete disbursement breakout by land category, see [Formulas for the disbursement of revenues from Federal and American Indian mineral leases](#).

Distribution to Special Purpose Funds

National Historic Preservation Fund

Origin: authorized by Congress

Annual amount: \$150,000,000.

Source of monies: Offshore mineral leases provide the entire \$150 million, transferred to the fund annually. Legislation authorizing the transfer of revenues to the fund expired in 1997. A transfer of \$150 million was erroneously made to the fund in 1998, and recouped in 1999. Legislation authorizing resumption of the annual funding was passed in 2000.

Administered by: National Park Service

Use: The fund provides revenues for matching grants-in-aid to States and local governments, and funds the National Trust for Historic Preservation.

Land and Water Conservation Fund

Origin: Land and Water Conservation Act of 1965

Annual amount: minimum of \$900,000,000.

Source of monies: Ten to thirty percent is provided by revenues from surplus property sales and receipts from the motorboat fuels tax. The remainder is provided by offshore mineral leasing.

Administered by: National Park Service

Use: The fund provides revenues for the Federal Government, State governments, and local governments to purchase parks and recreational areas and to plan, acquire, and develop land and water resources for recreational use, habitat protection, scenic beauty, and biological diversity.

Reclamation Fund

Origin: Created under the Reclamation Act of 1902, the fund was bolstered by the Mineral Leasing Act of 1920, as amended.

Annual amount: varies.

Source of monies: While under the Reclamation Act alone, the fund was supported by sales of U.S. public lands. The Mineral Leasing Act allocated 40 percent of royalties from mineral leases on U.S. Public domain lands.

Administered by: Bureau of Reclamation. Monies must be appropriated via Congress

Use: Monies appropriated from this fund provide revenues to build, maintain, and operate water and associated power projects on arid and semi-arid Western lands.

Disbursement to States

States with onshore Federal Mineral leases within their boundaries share in the revenues from those leases. For a complete disbursement breakout by land category, see [Formulas for the disbursement of revenues from Federal and American Indian mineral leases](#).

States with Federal Mineral leases within the 8(g) zone (3 nautical miles seaward of the submerged Lands Act boundary) share in the revenues from those leases. For a description of the 8(g) zone, see [Distribution of Federal offshore revenues to States under section 8\(g\) of the Outer Continental Shelf Lands Act, as amended](#).

Disbursement to American Indian Tribes and Individual Indian Mineral Lease Owners

The Bureau of Indian Affairs (BIA) collects bonuses and rents from *non-producing* leases, and disburses those revenues to the appropriate Tribes and lease owners. The Minerals Management Service disburses royalties and rents from *producing* mineral leases on Tribal and allotted lands to accounts administered by the Office of Trust Funds Management, where they are invested and subsequently disbursed to Tribes and individual Indian mineral lease owners with the following exceptions:

- Oil and Gas revenue payments to the Jicarilla Apache, the Blackfeet, the Navajo, and the Southern Ute are made directly to financial institutions contracted by the Tribes.
- BIA has authorized payors to make direct payments to selected individual Indian mineral lease owners.
- Revenue payments to the Cook Inlet Region, Inc. in Alaska, on behalf of Alaska Natives, for the mineral lease interests the corporation holds, are made directly to the corporation.
- Solid mineral royalties are paid directly to Tribes or to a designated BIA office.