

House discusses 3 bills on energy and mineral development

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On September 6, the House Natural Resources Subcommittee on Energy and Mineral Resources discussed three bills that were introduced before the August recess. Two of these bills seek to amend to the Mineral Leasing Act of 1920 (30 U.S.C. 181), while the third bill proposes a new method for state onshore oil and gas leasing on federal lands.

The State Mineral Revenue Protection Act (H.R.2661), introduced by Representative Liz Cheney (R-WY-At-large), would amend the Mineral Leasing Act to ensure an equal split in revenues between federal and state governments for onshore mineral revenues. The bill would eliminate a two percent administrative fee collected by the federal government, which amounted to \$25 million in 2016. A companion bill (S.1267) was introduced in the Senate on May 25 by Senator Mike Enzi (R-WY).

During the hearing, the subcommittee heard from Representative Scott Tipton (R-CO-3) about his bill, the Planning for American Energy Act of 2017 (H.R.2907), which was cosponsored by Subcommittee Chairman Paul Gosar (R-AZ-4). H.R.2907 would amend the Mineral Leasing Act to require the Secretary of the Interior to publish a federal onshore energy production strategy report every four years. The proposed requirement is modeled after a report the Administration must submit to Congress every five years for offshore oil and gas development.

The Federal Land Freedom Act (H.R.3565) dominated discussions at the hearing, facing strong opposition from Democrats on the committee. H.R.3565 would allow states with established leasing, permitting, and regulatory programs for onshore oil and gas to assume jurisdiction over these processes on federal land within their state. It would permit states to collect an administrative fee, although any royalties or revenues collected from the leases would still be deposited into federal accounts. This bill would only apply to certain areas of federal land that are identified by the Bureau of Land Management (BLM) or the U.S. Forest Service as lands available to lease for exploration, development, and production of oil and gas. The main concern expressed by Democrats at the hearing was that only sixteen out of fifty states have a process similar to the National Environmental Policy Act (NEPA) allowing for public comment on lease sales, so the public would not have the opportunity to engage with state regulators.

Sources: E&E news, Library of Congress, U.S. House of Representatives
