110TH CONGRESS
1st Session
HOUSE OF REPRESENTATIVES
REPT. 110–296
Part 1

ENERGY POLICY REFORM AND REVITALIZATION ACT OF 2007

AUGUST 3, 2007.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. RAHALL, from the Committee on Natural Resources, submitted the following

R E P O R T

together with

DISSENTING VIEWS

[To accompany H.R. 2337]

[Including cost estimate of the Congressional Budget Office]

The Committee on Natural Resources, to whom was referred the bill (H.R. 2337) to promote energy policy reforms and public accountability, alternative energy and efficiency, and carbon capture and climate change mitigation, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Energy Policy Reform and Revitalization Act of 2007".

SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

TITLE I—ENERGY POLICY ACT OF 2005 REFORMS

SEC. 101. FISCALLY RESPONSIBLE ENERGY AMENDMENTS.

(a) REQUIREMENT TO ESTABLISH COST RECOVERY FEE.—Section 365(i) of the Energy Policy Act of 2005 (Public Law 109–58; 42 U.S.C. 15924(i)) is amended to read as follows:

"(i) FEE FOR APPLICATIONS FOR PERMITS TO DRILL.—

"(1) REQUIREMENT TO ESTABLISH COST RECOVERY FEE.—The Secretary of the Interior shall promulgate regulations to establish a cost recovery fee for applications for a permit to drill for oil and gas on Federal lands administered by the Secretary.

"(2) TEMPORARY FEE.—Until such time as a fee is established by such regulations, the Secretary shall charge a cost recovery fee of $1,700 for each such application received on or after October 1, 2007.".

(b) REPEAL OF BLM PERMIT PROCESSING IMPROVEMENT FUND.—

(1) REPEAL.—Section 35 of the Mineral Leasing Act (30 U.S.C. 191) is amended by striking subsection (c).

(2) TREATMENT OF BALANCE.—Any balances remaining in the BLM Permit Processing Improvement Fund on the effective date of this subsection shall be transferred to the general fund of the Treasury of the United States.

(3) EFFECTIVE DATE.—This subsection shall take effect on October 1, 2007.

SEC. 102. EXTENSION OF DEADLINE FOR CONSIDERATION OF APPLICATIONS FOR PERMITS.

Subsection (p)(2) of section 17 of the Mineral Leasing Act (30 U.S.C. 226) is amended by striking "30" and inserting "90".

SEC. 103. ENERGY RIGHTS-OF-WAY CORRIDORS ON FEDERAL LAND.

(a) REPEAL OF REQUIREMENTS TO DESIGNATE ENERGY RIGHTS-OF-WAY CORRIDORS ON FEDERAL LAND.—Section 368 of the Energy Policy Act of 2005 (Public Law 109–58; 42 U.S.C.15926) is amended—

(1) in subsection (a), by striking "Not later than 2 years after the date of enactment of this Act, the" and inserting "The"; and

(2) in subsection (b), by striking "Not later than 4 years after the date of enactment of this Act, the" and inserting "The".

(b) STUDY.—

(1) STUDY.—Not later than 6 months after the date of enactment of this Act, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Defense, the Secretary of Energy, and the Secretary of the Interior (in this subsection referred to collectively as "the Secretaries") shall, in consultation with affected States, complete a study of—

(A) congestion and constraints in transmission of electricity, carbon dioxide captured from coal-fired powerplants and coal-to-liquids plants, liquid fuels derived from coal, oil, gas, and hydrogen;

(B) barriers to access for transmission from renewable energy sources, such as large and small conventional hydropower, wind energy, and solar energy; and

(C) the need for energy corridors on public lands to address identified congestion or constraints.

(2) CONSIDERATIONS.—In performing the study, the Secretaries—

(A) shall take into account the studies of electrical transmission congestion completed under section 216(a)(1) of the Federal Power Act (16 U.S.C. 824(p)(a)(1)), other projects authorized or under consideration on public lands and such projects outside public lands, and alternatives, individually and in concert, that could be implemented to address the needs identified, including an analysis of demand reduction, available new technology, and distributed generation measures that could be taken;

(B) shall not consider as available for designation as a corridor, any area that is—

(i) within one mile of any place designated or otherwise identified by State or Federal law or any applicable Federal or State land use plan for recognition or protection of scenic, natural, cultural, or historic resources; or

(ii) in a sensitive ecological area, including any area that is designated as critical habitat under the Endangered Species Act of 1973 or otherwise identified as sensitive or crucial habitat, including seasonal habitat, by the United States Fish and Wildlife Service, by a

State agency responsible for managing wildlife or wildlife habitat, or in a Federal or State land use plan;

(C) identify opportunities to mitigate to the maximum extent practicable the potential impact of designating energy corridors, and of the reasonably foreseeable uses of those corridors for power lines, pipelines, and other transmission facilities, on natural, scenic, cultural, and historic values and areas referred to in subparagraph (B), the protection of which is in the national interest, including opportunities to minimize the width of corridors, limiting the types and numbers of uses of corridors, and placement of facilities underground; and

(D) identify opportunities to improve access to the national electric power grid for generators of renewable energy, such as wind, hydropower, biomass, hydrogen, geothermal, and solar.

(3) UPDATES.—The Secretaries shall periodically update the results of the study as they consider appropriate.

(4) REPORTS.—After considering recommendations from interested persons (including an opportunity for comment from the public and affected States), the Secretaries shall issue—

(A) a report presenting the results of the study; and

(B) a report on each update of the study under paragraph (3).

(c) DEFERRAL OF DESIGNATION OF ENERGY CORRIDORS PENDING COMPLETION OF STUDY.—

(1) LIMITATION ON ACTIONS PENDING COMPLETION OF STUDY.—The Secretaries shall not designate energy corridors on public lands, including those corridors under consideration based on section 368 of the Energy Policy Act of 2005 (Public Law 109–58) as in effect prior to the enactment of this Act, and shall not authorize specific rights-of-way or projects in such corridors, until the study under subsection (b) is completed.

(2) USE OF STUDY RESULTS FOR ACTIONS AFTER COMPLETION OF STUDY.—

(A) IN GENERAL.—Subject to subparagraph (B), after completion of the study under subsection (b), the Secretaries shall use the results of the study to inform subsequent decisions to grant rights-of-way, including under title V of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1761 et seq.), and to amend land use plans to designate energy corridors or authorize rights-of-way, in any area for which no such designation or authorization currently exists.

(B) LIMITATION ON USE.—The results of the study shall not affect the Secretaries' obligations to analyze the environmental consequences of a designation or authorization referred to in subparagraph (A), or to otherwise comply with applicable laws.

(d) AUTHORITY TO AUTHORIZE RIGHTS-OF-WAY.—Nothing in this section shall limit the ability of the Secretaries to authorize rights-of-way for energy transmission projects that are consistent with the governing land use plan, after completion of environmental analysis and compliance with applicable laws.

SEC. 104. OIL SHALE AND TAR SANDS LEASING.

Section 369 of the Energy Policy Act of 2005 (42 U.S.C. 15927) is amended—

(1) in subsection (c), by striking "not later than 180 days after the date of enactment of this Act,";

(2) in subsection (c), by striking "shall make" and inserting "may make";

(3) in subsection (d)(1), by striking "Not later than 18 months after the date of enactment of this Act, in" and inserting "In";

(4) in subsection (d)(2)—

(A) in the heading by striking "FINAL" and inserting "PROPOSED"; and

(B) in the text by striking "final" and inserting "proposed";

(5) in subsection (d)(2), by striking "6" and inserting "12";

(6) in subsection (d)(2) by inserting after the period "The proposed regulations developed under this paragraph are to be open for public comment for no less than 180 days.";

(7) by redesignating subsections (e) through (s) as subsections (g) through (u), and by inserting after subsection (d) the following:

"(e) OIL SHALE AND TAR SANDS LEASING AND DEVELOPMENT STRATEGY.—

"(1) GENERAL.—Not later than 6 months after the completion of the programmatic environmental impact statement under subsection (d), the Secretary shall prepare an oil shale and tar sands leasing and development strategy, in cooperation with the Secretary of Energy and the Administrator of the Environmental Protection Agency.

"(2) PURPOSE.—The purpose of the strategy developed under this subsection is to allow for the sustainable and publicly acceptable large-scale development of oil shale within the Green River Formation.

"(3) CONTENTS.—The strategy shall include plans and programs for obtaining information required for determining the optimal methods, locations, amount, and timeframe for potential development on federal lands within the Green River Formation. The strategy shall also include plans for conducting critical environmental and ecological research, high-payoff process improvement research, an assessment of carbon management options, and a large-scale demonstration of carbon dioxide sequestration in the general vicinity of the Piceance Basin.

"(f) ALTERNATIVE APPROACHES.—Not later than nine months after the completion of the programmatic environmental impact statement under subsection (d), the Secretary shall, in cooperation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, prepare and publish a report on alternative approaches to providing access to Federal lands for early first-of-a-kind commercial facilities for extracting and processing oil shale and tar sands.";

(8) in subsection (g), as so redesignated, by striking "of the final regulation required by subsection (d)" and inserting "of final regulations issued under this section";

(9) in subsection (g), as so redesignated, by adding at the end the following: "Compliance with the National Environmental Policy Act of 1969 is required on a site-by-site basis for all lands proposed to be leased under the commercial leasing program established in this subsection."; and

(10) in subsection (i)(1)(B), as so redesignated, by striking "subsection (e)" and inserting "subsection (g)".

SEC. 105. LIMITATION OF REBUTTABLE PRESUMPTION REGARDING APPLICATION OF CATEGORICAL EXCLUSION UNDER NEPA FOR OIL AND GAS EXPLORATION AND DEVELOPMENT ACTIVITIES.

Section 390 of the Energy Policy Act of 2005 (Public Law 109–58; 42 U.S.C. 15942) is amended—

(1) in subsection (b)(3), by inserting ", other than at such a location or site in an area that is crucial wildlife habitat or a significant wildlife corridor" after "activity" ; and

(2) by adding at the end the following:

"(c) ADHERENCE TO CEQ REGULATIONS.—In administering this section, the Secretary of the Interior in managing the public lands, and the Secretary of Agriculture in managing National Forest System lands, shall adhere to the regulations issued by the Council on Environmental Quality relating to categorical exclusions (40 C.F.R. 1507.3 and 1508.4), as in effect on the date of enactment of this Act.".

SEC. 106. BEST MANAGEMENT PRACTICES.

Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior, through the Bureau of Land Management, shall amend the best management practices guidelines for oil and gas development on Federal lands, to—

(1) require public review and comment prior to waiving any stipulation of an oil and gas lease for such lands, except in the case of an emergency; and

(2) create an incentive for oil and gas operators to adopt best management practices that minimize adverse impacts to wildlife habitat, by providing expedited permit review for any operator that commits to adhering to those practices without seeking waiver of such stipulations.

SEC. 107. FEDERAL CONSISTENCY APPEALS.

(a) SHORT TITLE.—This section may be cited as the "Federal Consistency Appeals Decision Refinement Act".

(b) CLARIFICATION OF APPEAL DECISION TIME PERIODS AND INFORMATION REQUIREMENTS.—Section 319(b) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1465(b)) is amended—

(1) in paragraph (1), by striking "160-day" and inserting "320-day";

(2) in paragraph (3)(A)—

(A) by striking "160-day" and inserting "320-day"; and

(B) by amending clause (ii) to read as follows:

"(ii) as the Secretary determines necessary to receive, on an expedited basis, any supplemental or clarifying information relevant to the consolidated record compiled by the lead Federal permitting agency to complete a consistency review under this title."; and

(3) in paragraph (3)(B)—

(A) by striking "160-day" and inserting "320-day"; and

(B) by striking "for a period not to exceed 60 days." and inserting "once.".

TITLE II—FEDERAL ENERGY PUBLIC ACCOUNTABILITY, INTEGRITY, AND PUBLIC INTEREST

Subtitle A—Accountability and Integrity in the Federal Energy Program

SEC. 201. LIMITATIONS ON ROYALTY IN-KIND.

Section 342 of the Energy Policy Act of 2005 (42 U.S.C. 15902(d)) is amended—

(1) in subsection (d)—

(A) in the heading by striking "BENEFIT" and inserting "FILLING OF STRATEGIC PETROLEUM RESERVE AND BENEFIT"; and

(B) by striking "only if" and inserting "only if receiving such royalties in-kind is for the purpose of filling the Strategic Petroleum Reserve and"; and

(2) by adding at the end:

"(k) LIMITATION.—

"(1) IN GENERAL.—No amount of the total amount of royalties collected by the Secretary in a fiscal year may be collected as royalties in-kind.

"(2) EXCEPTION.—Paragraph (1) shall not apply with respect to royalties in-kind collected for the purpose of filling the Strategic Petroleum Reserve.".

SEC. 202. AUDITS.

(a) REQUIREMENT TO INCREASE THE NUMBER OF AUDITS.—The Secretary of the Interior shall ensure that by fiscal year 2009 the Minerals Management Service shall perform no less that 550 audits of oil and gas leases each fiscal year.

(b) STANDARDS.—Not later than 120 days after the date of enactment of this Act, the Secretary of the Interior shall issue regulations that require that all employees that conduct audits or compliance reviews must meet professional auditor qualifications that are consistent with the latest revision of the Government Auditing Standards published by the Government Accountability Office. Such regulations shall also ensure that all audits conducted by the Department of the Interior are performed in accordance with such standards.

SEC. 203. FINES AND PENALTIES.

(a) SANCTIONS FOR VIOLATIONS RELATING TO FEDERAL OIL AND GAS ROYALTIES.—Section 109 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1719) is amended to read as follows:

"CIVIL PENALTIES

"SEC. 109. (a) ROYALTY VIOLATIONS.—(1) No person shall—

"(A) after due notice of violation or after such violation has been reported under paragraph (3)(A), fail or refuse to comply with any requirement of any mineral leasing law or any regulation, order, lease, or permit under such a law;

"(B) fail or refuse to make any royalty payment in the amount or value required by any mineral leasing law or any regulation, order, or lease under such a law;

"(C) fail or refuse to make any royalty payment by the date required by any mineral leasing law or any regulation, order, or lease under such a law; or

"(D) prepare, maintain, or submit any false, inaccurate, or misleading report, notice, affidavit, record, data, or other written information or filing related to royalty payments that is required under any mineral leasing law or regulation issued under any mineral leasing law.

"(2) A person who violates paragraph (1) shall be liable—

"(A) in the case of a violation of subparagraph (B) or (C) of paragraph (1) for an amount equal to 3 times the royalty the person fails or refuses to pay, plus interest on that trebled amount measured from the first date the royalty payment was due; and

"(B) in the case of any violation, for a civil penalty of up to $25,000 per violation for each day the violation continues.

"(3) Paragraph (2) shall not apply to a violation of paragraph (1) if the person who commits the violation, within 30 days of the violation—

"(A) reports the violation to the Secretary or a representative designated by the Secretary; and

"(B) corrects the violation.

"(b) LEASE ADMINISTRATION VIOLATIONS.—Any person who—

"(1) fails to notify the Secretary of—

"(A) any designation by the person under section 102(a); or

"(B) any other assignment of obligations or responsibilities of the person under a lease;

"(2) fails or refuses to permit—

"(A) lawful entry;

"(B) inspection, including any inspection authorized by section 108; or

"(C) audit, including any failure or refusal to promptly tender requested documents;

"(3) fails or refuses to comply with subsection 102(b)(3) (relating to notification regarding beginning or resumption of production); or

"(4) fails to correctly report and timely provide operations or financial records necessary for the Secretary or any authorized designee of the Secretary to accomplish lease management responsibilities,

shall be liable for a penalty of up to $10,000 per violation for each day such violation continues.

"(c) THEFT.—Any person who—

"(1) knowingly or willfully takes or removes, transports, uses or diverts any oil or gas from any lease site without having valid legal authority to do so; or

"(2) purchases, accepts, sells, transports, or conveys to another, any oil or gas knowing or having reason to know that such oil or gas was stolen or unlawfully removed or diverted,

shall be liable for a penalty of up to $25,000 per violation for each day such violation continues without correction.

"(d) REPEATED VIOLATIONS.—(1)(A) If the Secretary or an authorized designee of the Secretary determines that any person has repeatedly violated subsection (a), (b), or (c), the Secretary or designee shall notify the person of the violation and demand compliance.

"(B) A person notified pursuant to subparagraph (A) shall correct the violations by not later than 30 calendar days after the date of the notification.

"(C) Any person who fails to comply with a demand under subparagraph (A) shall be liable to the United States for a civil penalty equal to 3 times the amount of any civil penalty that otherwise applies under subsection (a), (b), or (c) to the violations to which the demand relates.

"(2) In addition to the penalty provided in paragraph (1)(C), if the Secretary determines that any person has repeatedly violated subsection (a), (b), or (c) or any lease management order, the Secretary may—

"(A) shut in and cease production of any oil or gas lease held by the person;

"(B) prohibit the person—

"(i) from acquiring any additional oil or gas lease, including by transfer or assignment; and

"(ii) from being designated under section 102(a) to make payments due under any lease;

"(C) cancel or transfer any interest in an oil or gas lease held by the person; and

"(D) collect from the person reimbursement, including interest, of all costs of release, transfer, or reclamation of lease sites canceled or transferred, including costs of disposing of lease property, facilities, and equipment.

"(e) ADMINISTRATIVE APPEAL.—(1) Any determination by the Secretary or a designee of the Secretary of the amount of any royalties or civil penalties owed under subsection (a), (b), (c), or (d) shall be final, unless within 15 days after notification by the Secretary or designee the person liable for such amount files an administrative appeal in accordance with regulations issued by the Secretary.

"(2) If a person files an administrative appeal pursuant to paragraph (1), the Secretary or designee shall make a final determination in accordance with the regulations referred to in paragraph (1).

"(f) DEDUCTION.—The amount of any penalty under this section, as finally determined may be deducted from any sums owing by the United States to the person charged.

"(g) COMPROMISE AND REDUCTION.—On a case-by-case basis the Secretary may compromise or reduce civil penalties under this section.

"(h) NOTICE.—Notice under this subsection (a) shall be by personal service by an authorized representative of the Secretary or by registered mail. Any person may, in the manner prescribed by the Secretary, designate a representative to receive any notice under this subsection.

"(i) RECORD OF DETERMINATION.—In determining the amount of such penalty, or whether it should be remitted or reduced, and in what amount, the Secretary shall state on the record the reasons for his determinations.

"(j) JUDICIAL REVIEW.—Any person who has requested a hearing in accordance with subsection (e) within the time the Secretary has prescribed for such a hearing

and who is aggrieved by a final order of the Secretary under this section may seek review of such order in the United States district court for the judicial district in which the violation allegedly took place. Review by the district court shall be only on the administrative record and not de novo. Such an action shall be barred unless filed within 90 days after the Secretary's final order.

"(k) FAILURE TO PAY.—If any person fails to pay an assessment of a civil penalty under this Act—

"(1) after the order making the assessment has become a final order and if such person does not file a petition for judicial review of the order in accordance with subsection (j), or

"(2) after a court in an action brought under subsection (j) has entered a final judgment in favor of the Secretary,

the court shall have jurisdiction to award the amount assessed plus interest from the date of the expiration of the 90-day period referred to in subsection (j). Judgment by the court shall include an order to pay.

"(l) RELATIONSHIP TO MINERAL LEASING ACT.—No person shall be liable for a civil penalty under subsection (a) or (b) for failure to pay any rental for any lease automatically terminated pursuant to section 31 of the Mineral Leasing Act.

"(m) TOLLING OF STATUTES OF LIMITATION.—(1) Any determination by the Secretary or a designee of the Secretary that a person has violated subsection (a), (b)(2), or (b)(4) shall toll any applicable statute of limitations for all oil and gas leases held or operated by such person, until the later of—

"(A) the date on which the person corrects the violation and certifies that all violations of a like nature have been corrected for all of the oil and gas leases held or operated by such person; or

"(B) the date a final, nonappealable order has been issued by the Secretary or a court of competent jurisdiction.

"(2) A person determined by the Secretary or a designee of the Secretary to have violated subsection (a), (b)(2), or (b)(4) shall maintain all records with respect to the person's oil and gas leases until the later of—

"(A) the date the Secretary releases the person from the obligation to maintain such records; and

"(B) the expiration of the period during which the records must be maintained under section 103(b).

"(n) STATE SHARING OF PENALTIES.—Amounts received by the United States in an action brought under section 3730 of title 31, United States Code, that arises from any underpayment of royalties owed to the United States under any lease shall be treated as royalties paid to the United States under that lease for purposes of the mineral leasing laws and the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–4 et seq.).".

(b) SHARED CIVIL PENALTIES.—Section 206 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1736) is amended—

(1) by inserting "trebled royalties or" after "50 per centum of any"; and

(2) by striking the second sentence.

Subtitle B—Amendments to Federal Oil and Gas Royalty Management Act of 1982

SEC. 211. AMENDMENTS TO DEFINITIONS.

Section 3 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1702) is amended—

(1) in paragraph (20)(A), by striking ": *Provided*, That" and all that follows through "subject of the judicial proceeding";

(2) in paragraph (20)(B), by striking "(with written notice to the lessee who designated the designee)";

(3) in paragraph (23)(A), by striking "(with written notice to the lessee who designated the designee)" ;

(4) by amending paragraph (24) to read as follows:

"(24) 'designee' means any person who pays, offsets, or credits monies, makes adjustments, requests and receives refunds, or submits reports with respect to payments a lessee must make pursuant to section 102(a);";

(5) in paragraph (25)(B), by striking "(subject to the provisions of section 102(a) of this Act)"; and

(6) in paragraph (26), by striking "(with notice to the lessee who designated the designee)".

SEC. 212. INTEREST.

(a) ESTIMATED PAYMENTS; INTEREST ON AMOUNT OF UNDERPAYMENT.—Section 111(j) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1721(j)) is amended by striking "If the estimated payment exceeds the actual royalties due, interest is owed on the overpayment.".

(b) OVERPAYMENTS.—Section 111 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1721) is amended by striking subsections (h) and (i).

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective one year after the date of enactment of this Act.

SEC. 213. OBLIGATION PERIOD.

Section 115(c) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1724(c)) is amended by adding at the end the following:

"(3) ADJUSTMENTS.—In the case of an adjustment under section 111A(a) (30 U.S.C. 1721a(a)) in which a recoupment by the lessee results in an underpayment of an obligation, for purposes of this Act the obligation becomes due on the date the lessee or its designee makes the adjustment.".

SEC. 214. TOLLING AGREEMENTS AND SUBPOENAS.

(a) TOLLING AGREEMENTS.—Section 115(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1724(d)(1)) is amended by striking "(with notice to the lessee who designated the designee)".

(b) SUBPOENAS.—Section 115(d)(2)(A) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1724(d)(2)(A)) is amended by striking "(with notice to the lessee who designated the designee, which notice shall not constitute a subpoena to the lessee)".

SEC. 215. LIABILITY FOR ROYALTY PAYMENTS.

Section 102(a) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1712(a)) is amended to read as follows:

"(a) In order to increase receipts and achieve effective collections of royalty and other payments, a lessee who is required to make any royalty or other payment under a lease or under the mineral leasing laws, shall make such payments in the time and manner as may be specified by the Secretary or the applicable delegated State. Any person who pays, offsets or credits monies, makes adjustments, requests and receives refunds, or submits reports with respect to payments the lessee must make is the lessee's designee under this Act. Notwithstanding any other provision of this Act to the contrary, a designee shall be liable for any payment obligation of any lessee on whose behalf the designee pays royalty under the lease. The person owning operating rights in a lease and a person owning legal record title in a lease shall be liable for that person's pro rata share of payment obligations under the lease.".

Subtitle C—Public Interest in the Federal Energy Program

SEC. 221. SURFACE OWNER PROTECTION.

(a) DEFINITIONS.—As used in this section—

(1) the term "Secretary" means the Secretary of the Interior;

(2) the term "lease" means a lease issued by the Secretary under the Mineral Leasing Act (30 U.S.C. 181 et seq.);

(3) the term "lessee" means the holder of a lease; and

(4) the term "operator" means any person that is responsible under the terms and conditions of a lease for the operations conducted on leased lands or any portion thereof.

(b) POST-LEASE SURFACE USE AGREEMENT.—

(1) IN GENERAL.—Except as provided in subsection (c), the Secretary may not authorize any operator to conduct exploration and drilling operations on lands with respect to which title to oil and gas resources is held by the United States but title to the surface estate is not held by the United States, until the operator has filed with the Secretary a document, signed by the operator and the surface owner or owners, showing that the operator has secured a written surface use agreement between the operator and the surface owner or owners that meets the requirements of paragraph (2).

(2) CONTENTS.—The surface use agreement shall provide for—

(A) the use of only such portion of the surface estate as is reasonably necessary for exploration and drilling operations based on site-specific conditions;

(B) the accommodation of the surface estate owner to the maximum extent practicable, including the location, use, timing, and type of exploration and drilling operations, consistent with the operator's right to develop the oil and gas estate;

(C) the reclamation of the site to a condition capable of supporting the uses which such lands were capable of supporting prior to exploration and drilling operations or other uses as agreed to by the operator and the surface owner; and

(D) compensation for damages as a result of exploration and drilling operations, including but not limited to—

(i) loss of income and increased costs incurred;

(ii) damage to or destruction of personal property, including crops, forage, and livestock; and

(iii) failure to reclaim the site in accordance with this subparagraph (C).

(3) PROCEDURE.—

(A) IN GENERAL.—An operator shall notify the surface estate owner or owners of the operator's desire to conclude an agreement under this section. If the surface estate owner and the operator do not reach an agreement within 90 days after the operator has provided such notice, the matter shall be referred to third party arbitration for resolution within a period of 90 days. The cost of such arbitration shall be the responsibility of the operator.

(B) IDENTIFICATION OF ARBITERS.—The Secretary shall identify persons with experience in conducting arbitrations and shall make this information available to operators and surface owners.

(C) REFERRAL TO IDENTIFIED ARBITER.—Referral of a matter for arbitration by a person identified by the Secretary pursuant to subparagraph (B) shall be sufficient to constitute compliance with subparagraph (A).

(4) ATTORNEYS FEES.—If action is taken to enforce or interpret any of the terms and conditions contained in a surface use agreement, the prevailing party shall be reimbursed by the other party for reasonable attorneys fees and actual costs incurred, in addition to any other relief which a court or arbitration panel may grant.

(c) AUTHORIZED EXPLORATION AND DRILLING OPERATIONS.—

(1) AUTHORIZATION WITHOUT SURFACE USE AGREEMENT.—The Secretary may authorize an operator to conduct exploration and drilling operations on lands covered by subsection (b) in the absence of an agreement with the surface estate owner or owners, if—

(A) the Secretary makes a determination in writing that the operator made a good faith attempt to conclude such an agreement, including referral of the matter to arbitration pursuant to subsection (b)(3), but that no agreement was concluded within 90 days after the referral to arbitration;

(B) the operator submits a plan of operations that provides for the matters specified in subsection (b)(2) and for compliance with all other applicable requirements of Federal and State law; and

(C) the operator posts a bond or other financial assurance in an amount the Secretary determines to be adequate to ensure compensation to the surface estate owner for any damages to the site, in the form of a surety bond, trust fund, letter of credit, government security, certificate of deposit, cash, or equivalent.

(2) SURFACE OWNER PARTICIPATION.—The Secretary shall provide surface estate owners with an opportunity to—

(A) comment on plans of operations in advance of a determination of compliance with this section;

(B) participate in bond level determinations and bond release proceedings under this subsection;

(C) attend an on-site inspection during such determinations and proceedings;

(D) file written objections to a proposed bond release; and

(E) request and participate in an on-site inspection when they have reason to believe there is a violation of the terms and conditions of a plan of operations.

(3) PAYMENT OF FINANCIAL GUARANTEE.—A surface estate owner with respect to any land subject to a lease may petition the Secretary for payment of all or any portion of a bond or other financial assurance required under this subsection as compensation for any damages as a result of exploration and drilling operations. Pursuant to such a petition, the Secretary may use such bond or other guarantee to provide compensation to the surface estate owner for such damages.

(4) BOND RELEASE.—Upon request and after inspection and opportunity for surface estate owner review, the Secretary may release the financial assurance required under this subsection if the Secretary determines that exploration and drilling operations have ended and all damages have been fully compensated.

(d) SURFACE OWNER NOTIFICATION.—The Secretary shall—

(1) notify surface estate owners in writing at least 45 days in advance of lease sales;

(2) within ten working days after a lease is issued, notify surface estate owners regarding the identity of the lessee;

(3) notify surface estate owners in writing within 10 working days concerning any subsequent decisions regarding a lease, such as modifying or waiving stipulations and approving rights-of-way; and

(4) notify surface estate owners within five business days after issuance of a drilling permit under a lease.

(e) REGULATIONS.—The Secretary shall issue regulations implementing this section by not later than 1 year after the date of the enactment of this Act.

SEC. 222. ONSHORE OIL AND GAS RECLAMATION AND BONDING.

Section 17 of the Mineral Leasing Act (30 U.S.C. 226) is amended by adding at the end the following:

"(q) RECLAMATION REQUIREMENTS.—An operator producing oil or gas (including coalbed methane) under a lease issued pursuant to this Act shall—

"(1) at a minimum restore the land affected to a condition capable of supporting the uses that it was capable of supporting prior to any drilling, or higher or better uses of which there is reasonable likelihood, so long as such use or uses do not present any actual or probable hazard to public health or safety or pose any actual or probable threat of water diminution or pollution, and the permit applicants' declared proposed land use following reclamation is not impractical or unreasonable, inconsistent with applicable land use policies and plans, or involve unreasonable delay in implementation, or is violative of Federal or State law;

"(2) ensure that all reclamation efforts proceed in an environmentally sound manner and as contemporaneously as practicable with the oil and gas drilling operations; and

"(3) submit with the plan of operations a reclamation plan that describes in detail the methods and practices that will be used to ensure complete and timely restoration of all lands affected by oil and gas operations.

"(r) RECLAMATION BOND OR OTHER FINANCIAL ASSURANCES.—An operator producing oil or gas (including coalbed methane) under a lease issued under this Act shall post a bond or other financial assurances that cover the reclamation of that area of land within the permit area upon which the operator will initiate and conduct oil and gas drilling and reclamation operations within the initial term of the permit. As succeeding increments of oil and gas drilling and reclamation operations are to be initiated and conducted within the permit area, the lessee shall file with the regulatory authority an additional bond or bonds or other financial assurances to cover such increments in accordance with this section. The amount of the bond or other financial assurances required for each bonded area shall depend upon the reclamation requirements of the approved permit; shall reflect the probable difficulty of reclamation giving consideration to such factors as topography, geology of the site, hydrology, and revegetation potential; and shall be determined by the Secretary. The amount of the bond or other financial assurances shall be sufficient to assure the completion of the reclamation plan if the work had to be performed by the Secretary in the event of forfeiture.

"(s) REGULATIONS.—No later than one year after the date of the enactment of this subsection, the Secretary shall promulgate regulations to implement the requirements, including for the release of bonds or other financial assurances, of subsections (q) and (r).".

SEC. 223. PROTECTION OF WATER RESOURCES.

(a) MINERAL LEASING ACT REQUIREMENTS.—Section 17 of the Mineral Leasing Act (30 U.S.C. 226) is further amended by adding at the end the following:

"(t) WATER REQUIREMENTS.—

"(1) IN GENERAL.—An operator producing oil or gas (including coalbed methane) under a lease issued under this Act shall—

"(A) remediate or replace the water supply of a water user who obtains all or part of such user's supply of water for domestic, agricultural, or other purposes from an underground or surface source that has been affected by contamination, diminution, or interruption proximately resulting from drilling operations for such production; and

"(B) comply with all applicable requirements of Federal and State law for discharge of any water produced under the lease.

"(2) WATER MANAGEMENT PLAN.—An application for a permit to drill submitted pursuant to a lease issued under this Act shall be accompanied by a proposed water management plan including provisions to—

"(A) protect the quantity and quality of surface and ground water systems, both on-site and off-site, from adverse effects of the exploration, development, and reclamation processes or to provide alternative sources of water if such protection cannot be assured;

"(B) protect the rights of present users of water that would be affected by operations under the lease, including the discharge of any water produced in connection with such operations that is not reinjected; and

"(C) identify any agreements with other parties for the beneficial use of produced waters and the steps that will be taken to comply with State and Federal laws related to such use.".

(b) RELATION TO STATE LAW.—Nothing in this subtitle or any amendment made by this subtitle shall—

(1) be construed as impairing or in any manner affecting any right or jurisdiction of any State with respect to the waters of such State; or

(2) be construed as limiting, altering, modifying, or amending any of the interstate compacts or equitable apportionment decrees that apportion water among and between States.

(c) REGULATIONS.—No later than one year after the date of the enactment of this Act, the Secretary of the Interior shall promulgate regulations to implement this section.

SEC. 224. DUE DILIGENCE FEE.

(a) ESTABLISHMENT.—The Secretary of the Interior shall, within 180 days after the date of enactment of this Act, issue regulations to establish a fee with respect to Federal onshore lands that are subject to a lease for production of oil, natural gas, or coal under which production is not occurring. Such fee shall apply with respect to lands that are subject to such a lease that is in effect on the date final regulations are promulgated under this subsection or that is issued thereafter.

(b) AMOUNT.—The amount of the fee shall be $1 per year for each acre of land that is not in production for that year.

(c) ASSESSMENT AND COLLECTION.—The Secretary shall assess and collect the fee established under this section.

(d) DEPOSIT AND USE.—Amounts received by the United States in the form of the fee established under this section shall be available to the Secretary of the Interior for use to repair damage to Federal lands and resources caused by oil and gas development, in accordance with the the documents submitted by the President with the budget submission for fiscal year 2008 relating to the Healthy Lands Initiative. Amounts received by the United States as fees under this section shall be treated as offsetting receipts. Amounts received by the United States in the form of the fee established under this section from nonproducing coal leases shall also be available to the Secretary of the Interior for any coal-to-liquids programs or pilot projects funded in whole or in part by the Federal Government.

Subtitle D—Wind Energy

SEC. 231. WIND TURBINE GUIDELINES ADVISORY COMMITTEE.

(a) IN GENERAL.—The Secretary of the Interior, within 30 days after the date of enactment of this Act, shall convene or utilize an existing Wind Turbine Guidelines Advisory Committee to study and make recommendations to the Secretary on guidance for avoiding or minimizing impacts to wildlife and their habitats related to land-based wind energy facilities. The matters assessed by the Committee shall include the following:

(1) The Service Interim Guidance on Avoiding and Minimizing Wildlife Impacts from Wind Turbines of 2003.

(2) Balancing potential impacts to wildlife with requirements for acquiring the information necessary to assess those impacts prior to selecting sites and designing facilities.

(3) The scientific tools and procedures best able to assess pre-development risk or benefits provided to wildlife, measure post-development mortality, assess behavioral modification, and provide compensatory mitigation for unavoidable impacts.

(4) A process for coordinating State, tribal, local, and national review and evaluation of the impacts to wildlife from wind energy consistent with State and Federal laws and international treaties.

(5) Determination of project size thresholds or impacts below which guidelines may not apply.

(6) Appropriate timetables for phasing-in guidance.

(7) Current State actions to avoid and minimize wildlife impacts from wind turbines in consultation with State wildlife agencies.

(b) COMMITTEE OPERATIONS.—The Wind Turbine Guidelines Advisory Committee shall conduct its activities in accordance with the Federal Advisory Committee Act (5 U.S.C. App.). The Secretary is authorized to provide such technical analyses and support as is requested by such advisory committee.

(c) COMMITTEE MEMBERSHIP.—The membership of the Wind Turbine Guidelines Advisory Committee shall not exceed 20 members, and shall be appointed by the Secretary of the Interior to achieve balanced representation of wind energy development, wildlife conservation, and government. The members shall include representatives from the United States Fish and Wildlife Service and other Federal agencies, and representatives from other interested persons, including States, tribes, wind energy development organizations, nongovernmental conservation organizations, and local regulatory or licensing commissions.

(d) REPORT.—The Wind Turbine Advisory Committee shall, within 18 months after the date of enactment of this Act, submit a report to Congress and the Secretary providing recommended guidance for developing effective measures to protect wildlife resources and enhance potential benefits to wildlife that may be identified.

(e) ISSUANCE OF GUIDANCE.—Not later than 6 months after receiving the report of the Wind Turbine Guidelines Advisory Committee under subsection (d), the Secretary shall following public notice and comment issue final guidance to avoid and minimize impacts to wildlife and their habitats related to land-based wind energy facilities. Such guidance shall be based upon the findings and recommendations made in the report.

SEC. 232. AUTHORIZATION OF APPROPRIATIONS FOR RESEARCH TO STUDY WIND ENERGY IMPACTS ON WILDLIFE.

There is authorized to be appropriated to the Secretary of the Interior $2,000,000 for each of fiscal years 2008 through 2015 for new and ongoing research efforts to evaluate methods for minimizing wildlife impacts at wind energy projects and to explore effective mitigation methods that may be utilized for that purpose.

SEC. 233. ENFORCEMENT.

The Secretary shall enforce the Endangered Species Act of 1973, the Migratory Bird Treaty Act, the Bald Eagle Protection Act, the Golden Eagle Protection Act, the Marine Mammal Protection Act of 1973, the National Environmental Policy Act of 1969, and any other relevant Federal law to address adverse wildlife impacts related to wind projects. Nothing in this section preempts State enforcement of applicable State laws.

SEC. 234. SAVINGS CLAUSE.

Nothing in this subtitle preempts any provision of State law or regulation relating to the siting of wind projects or to consideration or review of any environmental impacts of wind projects.

Subtitle E—Enhancing Energy Transmission

SEC. 241. POWER MARKETING ADMINISTRATIONS REPORT.

(a) ANALYSIS.—The Secretary of Energy, acting through the Administrators of the Bonneville and Western Area Power Marketing Administrations and in coordination with regional transmission entities, shall conduct, or participate with such regional transmission entities to conduct, an analysis of the existing capacity of transmission systems serving the States of California, Oregon, and Washington to determine whether the existing capacity is adequate to accommodate and integrate development and commercial operation of ocean wave, tidal, and current energy projects in State and Federal marine waters adjacent to those States.

(b) REPORT.—Based on the analysis conducted under subsection (a), the Secretary of Energy shall prepare and provide to the Natural Resources Committee of the House of Representatives and the Energy and Natural Resources Committee of the Senate, not later than one year after the date of enactment of this Act, a report identifying changes required, if any, in the capacity of existing transmission systems serving the States referred to in subsection (a) in order to reliably and efficiently accommodate and integrate generation from commercial ocean wave, tidal, and cur-

rent energy projects in aggregate, escalating amounts equal to 2.5, 5, and 10 percent of the current electrical energy consumption in those States.

(c) LIMITATION ON IMPLEMENTATION OF CHANGES.—The Secretary of Energy shall not implement any changes identified in the report under subsection (b) until the Secretary determines that transmission capacity backlogs associated with other renewable energies and existing at the time the report is issued have been accommodated and integrated within transmission systems serving the States of California, Oregon, and Washington.

(d) ACTIVITIES NONREIMBURSABLE.—Activities carried out under subsection (a) or (b) shall be nonreimbursable.

(e) EXISTING PROCEDURES AND QUEUING NOT AFFECTED.—Nothing in this section supercedes existing procedures and queuing pursuant to the appropriate Open Access Transmission Tariffs filed by the Administrators of the Bonneville and Western Area Power Administrations.

TITLE III—ALTERNATIVE ENERGY AND EFFICIENCY

SEC. 301. STATE OCEAN AND COASTAL ALTERNATIVE ENERGY PLANNING.

(a) IN GENERAL.—The Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.) is amended by inserting after section 306A the following:

"OCEAN AND COASTAL ALTERNATIVE ENERGY STATE SURVEYS; ALTERNATIVE ENERGY SITE IDENTIFICATION AND PLANNING

"SEC. 306B. (a) GRANTS TO STATES.—The Secretary may make grants to eligible coastal States to support voluntary State efforts to initiate and complete surveys of portions of coastal State waters and Federal waters adjacent to a State's coastal zone, in consultation with the Minerals Management Service, to identify potential areas suitable or unsuitable for the exploration, development, and production of alternative energy that are consistent with the enforceable policies of coastal management plans approved pursuant to section 306A.

"(b) SURVEY ELEMENTS.—Surveys developed with grants under this section may include, but not be limited to—

"(1) hydrographic and bathymetric surveys;

"(2) oceanographic observations and measurements of the physical ocean environment, especially seismically active areas;

"(3) identification and characterization of significant or sensitive marine ecosystems or other areas possessing important conservation, recreational, ecological, historic, or aesthetic values;

"(4) surveys of existing marine uses in the outer Continental Shelf and identification of potential conflicts;

"(5) inventories and surveys of shore locations and infrastructure capable of supporting alternative energy development;

"(6) inventories and surveys of offshore locations and infrastructure capable of supporting alternative energy development; and

"(7) other actions as may be necessary.

"(c) PARTICIPATION AND COOPERATION.—To the extent practicable, coastal States shall provide opportunity for the participation in surveys under this section by relevant Federal agencies, State agencies, local governments, regional organizations, port authorities, and other interested parties and stakeholders, public and private, that is adequate to develop a comprehensive survey.

"(d) GUIDELINES.—The Secretary shall, within 180 days after the date of enactment of this section and after consultation with the coastal States, publish guidelines for the application for and use of grants under this section.

"(e) ANNUAL GRANTS.—For each of fiscal years 2008 through 2011, the Secretary may make a grant to a coastal State under this section if the coastal State demonstrates to the satisfaction of the Secretary that the grant will be used to develop an alternative energy survey consistent with the requirements set forth in section 306A and this section.

"(f) GRANT AMOUNTS.—The amount of any grant under this section shall not exceed $750,000 for any fiscal year.

"(g) STATE MATCH.—

"(1) BEFORE FISCAL YEAR 2010.—The Secretary shall not require any State matching fund contribution for grants awarded under this section for any fiscal year before fiscal year 2010.

"(2) AFTER FISCAL YEAR 2010.—The Secretary shall require a coastal State to provide a matching fund contribution for a grant under this section for surveys of a State's coastal waters, according to—

"(A) a 2-to-1 ratio of Federal-to-State contributions for fiscal year 2010; and

"(B) a 1-to-1 ratio of Federal-to-State contributions for fiscal year 2011.

"(3) LIMITATION.—The Secretary shall not require any matching funds for surveys of Federal waters adjacent to a State's coastal zone.

"(h) SECRETARIAL REVIEW.—After an initial grant is made to a coastal State under this section, no subsequent grant may be made to that coastal State under this section unless the Secretary finds that the coastal State is satisfactorily developing its survey.

"(i) LIMITATION ON ELIGIBILITY.—No coastal State is eligible to receive grants under this section for more than 4 fiscal years.

"(j) APPLICABILITY.—This section and the surveys conducted with assistance under this section shall not be construed to convey any new authority to any coastal State, or repeal or supersede any existing authority of any Federal agency, to regulate the siting, licensing, leasing, or permitting of alternative energy facilities in areas of the outer Continental Shelf under the administration of the Federal Government. Nothing in this section repeals or supersedes any existing coastal State authority pursuant to State or Federal law.

"(k) PRIORITY.—Any area that is identified as suitable for potential alternative energy development under surveys developed with assistance under this section shall be given priority consideration by Federal agencies for the siting, licensing, leasing, or permitting of alternative energy facilities. Any area that is identified as unsuitable under surveys developed with assistance under this section shall be avoided by Federal agencies to the maximum extent practicable.

"(l) ASSISTANCE BY THE SECRETARY.—The Secretary shall—

"(1) under section 307(a) and to the extent practicable, make available to coastal States the resources and capabilities of the National Oceanic and Atmospheric Administration to provide technical assistance to the coastal States to develop surveys under this section; and

"(2) encourage other Federal agencies with relevant expertise to participate in providing technical assistance under this subsection.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 318(a) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1464) is amended—

(1) in paragraph (1)(C) by striking "and" after the semicolon;

(2) in paragraph (2), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(3) for grants under section 306B such sums as are necessary; and".

SEC. 302. CANAL-SIDE POWER PRODUCTION AT BUREAU OF RECLAMATION PROJECTS.

(a) EVALUATION AND REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of the Interior shall complete an evaluation and report to Congress on the potential for developing rights-of-way along Bureau of Reclamation canals and infrastructure for solar or wind energy production through leasing of lands or other means. The report to Congress shall specify—

(1) location of potential rights-of-way for energy production;

(2) total acreage available for energy production;

(3) existing transmission infrastructure at sites;

(4) estimates of fair market leasing value of potential energy sites; and

(5) estimate energy development potential at sites.

(b) CONSULTATION.—In carrying out this section the Secretary of the Interior shall consult with persons that would be affected by development of rights-of-ways referred to in subsection (a), including the beneficiaries of the canal and infrastructure evaluated under that subsection.

(c) LIMITATIONS.—Nothing in this section—

(1) shall be construed to authorize the Bureau of Reclamation or any contractor hired by the Bureau of Reclamation to inventory or access rights-of-way owned or operated and maintained by non-Federal interests, unless such interests provide written permission for such inventory or an agreement or contract governing Federal access is in effect;

(2) shall be construed to impede accessibility, impair project operations and maintenance, or create additional costs for entities managing the rights-of-way; or

(3) shall be used as the basis of an increase in project-use power or preference power costs that will be borne by the consumer.

SEC. 303. INCREASING ENERGY EFFICIENCIES FOR WATER DESALINATION.

The Water Desalination Act of 1996 (42 U.S.C. 10301 note; Public Law 104–298) is amended by adding at the end the following new section:

"SEC. 10. RESEARCH ON REVERSE OSMOSIS TECHNOLOGY FOR WATER DESALINATION AND WATER RECYCLING.

"(a) RESEARCH PROGRAM.—The Secretary of the Interior, in consultation with the Secretary of Energy, shall implement a program to research methods for improving the energy efficiency of reverse osmosis technology for water desalination, water contamination, and water recycling.

"(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of the Interior shall submit to Congress a report which shall include—

"(1) a review of existing and emerging technologies, both domestic and international, that are likely to improve energy efficiency or utilize renewable energy sources at existing and future desalination and recycling facilities; and

"(2) an analysis of the economic viability of energy efficiency technologies.".

SEC. 304. ESTABLISHING A PILOT PROGRAM FOR THE DEVELOPMENT OF STRATEGIC SOLAR RESERVES ON FEDERAL LANDS.

(a) PURPOSE.—The purpose of this section is to establish a pilot program for the development of strategic solar reserve on Federal lands for the advancement, development, assessment, and installation of commercial concentrating solar power energy systems.

(b) STRATEGIC SOLAR RESERVE PROGRAM.—

(1) SITE SELECTION.—The Secretary of the Interior, in consultation with the Secretary of Energy, the Secretary of Defense, and the Federal Energy Regulatory Commission, States, tribal, or local units of governments, as appropriate, affected utility industries, and other interested persons, shall complete the following:

(A) Identify Federal lands under the jurisdiction of the Bureau of Land Management, subject to valid existing rights, that are suitable and feasible for the installation of concentrating solar power energy systems sufficient to create a solar energy reserve of no less than 4 GW and no more than 25 GW.

(B) Perform any environmental reviews that may be required to complete the designation of such solar reserves.

(C) Incorporate the designated solar reserves into the relevant agency land use and resource management plans or equivalent plans.

(D) Identify the needed transmission upgrades to the solar reserves.

(2) MINIMUM POWER OF SITES.—Each site identified as suitable and feasible for the installation of concentrating solar power systems shall be sufficient for the installation of at least 1 GW.

(3) LANDS NOT INCLUDED.—The following Federal lands shall not be included within a strategic solar reserve site:

(A) Components of the National Landscape Conservation System.

(B) Areas of Critical Environmental Concern.

(4) IMPLEMENTATION OF THE STRATEGIC SOLAR RESERVE LEASING PROGRAM.—

(A) IN GENERAL.—The Secretary of the Interior, in consultation with the Secretary of Energy and following the completion of the requirements under paragraph (1)(B), shall expeditiously implement a strategic solar reserve leasing program in order to lease lands identified under paragraph (1)(A) to produce no less than 4 GW and no more than 25 GW of concentrating solar power from those lands.

(B) CRITERIA FOR APPLICATIONS.—The Secretary of the Interior, in consultation with the Secretary of Energy, shall establish criteria for approving applications to lease lands under this paragraph based, in part, on the proposed concentrating solar power technologies proposed to be used under such leases.

(C) VARIETY OF TECHNOLOGIES.—The Secretary of the Interior, in consultation with the Secretary of Energy, shall provide for a variety of concentrating solar power technologies to be used under leases under this paragraph.

(D) MILESTONES.—The Secretary of the Interior, in consultation with the Secretary of Energy, shall develop milestones for activities under leases under this subsection to ensure due diligence in the development of lands under such leases.

(5) ENVIRONMENTAL COMPLIANCE.—The Secretary of the Interior shall complete all necessary environmental surveys, compliance and permitting for rights-of-way pursuant to title V of the Federal Land Policy and Management Act of 1976 for each strategic solar reserve, as expeditiously as possible. The

applicant shall pay all costs of environmental compliance, including when a determination is made that the land is not suitable and feasible for such installation or the bid is withdrawn following the initiation of such environmental compliance.

(6) PERMITS.—The Secretary of the Interior shall ensure that all strategic solar reserve installation pursuant to this section is permitted using an expedited permitting process. The Secretary shall, in consultation with the Secretary of Energy, complete the preparation of a Programmatic Environmental Impact Statement by the Departments of Energy and the Interior for concentrating solar power on Federal lands.

(7) RENTAL FEES; LEASE TERM.—The rental fee for each strategic solar reserve right-of-way authorization under this subsection shall be established at $300 per acre during the 10-year period beginning on the date of the enactment of this Act. Rental fees after such period shall be established by regulations promulgated by the Secretary of the Interior and shall be adjusted by the Secretary each 5 years thereafter. The rental fee shall be paid in annual payments commencing on the day of operation. During the development and construction phase of a project, the rental fee shall be waived. The leases shall be for a term of 30 years. The rental fees established in this section shall apply to all concentrating solar power projects that have pending applications with the Bureau of Land Management as of June 1, 2007.

(8) REPORT TO CONGRESS.—The Secretary of the Interior, in consultation with the Secretary of Energy, shall submit a report to Congress on the findings of the pilot project—

(A) not later than 3 years after the installation of the first facility pursuant to this section; and

(B) 10 years after the installation of the first facility pursuant to this section.

(c) BUY AMERICAN ACT.—Beginning 3 years after the date of enactment of this Act, any equipment used on lands included within a strategic solar reserve site must be American-made, as that term is used in the Buy American Act (41 U.S.C. 10a et seq.).

(d) DAVIS-BACON ACT.—Notwithstanding any other provision of law, the prevailing wage requirements of subchapter IV of chapter 31 of title 40, United State Code, shall apply to any labor funded under this Act.

(e) SUNSET.—Except as provided in subsection (b)(7), the authorities contained in this section shall expire 10 years after the date of the enactment of this Act.

SEC. 305. OTEC REGULATIONS.

The Administrator of the National Oceanic and Atmospheric Administration shall, within two years after the date of enactment of this Act, issue regulations necessary to implement the Administrator's authority to license offshore thermal energy conversion facilities under the Ocean Thermal Energy Conversion Research, Development, and Demonstration Act (42 U.S.C. 9001 et seq.).

SEC. 306. BIOMASS UTILIZATION PILOT PROGRAM.

(a) REPLACEMENT OF CURRENT GRANT PROGRAM.—Section 210 of the Energy Policy Act of 2005 (42 U.S.C. 15855) is amended to read as follows:

"SEC. 210. BIOMASS UTILIZATION PILOT PROGRAM.

"(a) FINDINGS.—Congress finds the following:

"(1) The supply of woody biomass for energy production is directly linked to forest management planning to a degree far greater than in the case of other types of energy development.

"(2) As a consequence of this linkage, the process of developing and evaluating appropriate technologies and facilities for woody biomass energy and utilization must be integrated with long-term forest management planning processes, particularly in situations where Federal lands dominate the forested landscape.

"(b) BIOMASS DEFINITION FOR FEDERAL FOREST LANDS.—In this section, with respect to organic material removed from National Forest System lands or from public lands administered by the Secretary of the Interior, the term 'biomass' covers only organic material from—

"(1) ecological forest restoration;

"(2) small-diameter byproducts of hazardous fuels treatments;

"(3) pre-commercial thinnings;

"(4) brush;

"(5) mill residues; and

"(6) slash.

"(c) PILOT PROGRAM.—The Secretary of Agriculture and the Secretary of the Interior shall establish a pilot program, to be known as the 'Biomass Utilization Pilot

Program', involving 10 different forest types on Federal lands, under which the Secretary concerned will provide technical assistance and grants to persons to support the following biomass-related activities:

"(1) The development of biomass utilization infrastructure to support hazardous fuel reduction and ecological forest restoration.

"(2) The research and implementation of integrated facilities that seek to utilize woody biomass for its highest and best uses, with particular emphasis on projects that are linked to implementing community wildfire protection plans, ecological forest restoration, and economic development in rural communities.

"(3) The testing of multiple technologies and approaches to biomass utilization for energy, with emphasis on improving energy efficiency, developing thermal applications and distributed heat, biofuels, and achieving cleaner emissions including through combustion with other fuels, as well as other value-added uses.

"(d) BIOMASS SUPPLY STUDY.—Prior to the development of any biomass utilization pilot projects, the Secretary concerned shall develop a study to determine the long-term, ecologically sustainable, biomass supply available in the pilot program area. The study shall incorporate results form coordinated resource offering protocol (CROP) studies. The study shall also analyze the long-term availability of biomass materials within a reasonable transportation distance. The biomass supply studies shall be developed through a collaborative approach, as evidenced by the broad involvement, analysis, and agreement of interested persons, including local governments, energy developers, conservationists, and land management agencies. The results of the biomass supply study shall be a basis for determining the project scale, as outlined in subsection (g).

"(e) EXCLUSION OF CERTAIN FEDERAL LAND.—The following Federal lands may not be included within a pilot project site:

"(1) Federal land containing old-growth forest or late-successional forest, unless the Secretary concerned determines that the pilot project on such land is appropriate for the applicable forest type and maximizes and enhances the retention of late-successional and large- and old-growth trees, late-successional and old-growth forest structure, and late-successional and old-growth forest composition.

"(2) Federal land on which the removal of vegetation is prohibited, including components of the National Wilderness Preservation System.

"(3) Wilderness Study Areas.

"(4) Inventoried roadless areas.

"(5) Components of the National Landscape Conservation System.

"(6) National Monuments.

"(f) MULTIPLE PROJECTS.—In conducting the pilot program, the Secretary concerned shall include a variety of projects involving—

"(1) innovations in facilities of various sizes and processing techniques; and

"(2) the full spectrum of woody biomass producing regions of the United States.

"(g) SELECTION CRITERIA AND PROJECT SCALE.—In selecting the projects to be conducted under the pilot program, and the appropriate scale of projects, the Secretary concerned shall consider criteria that evaluate existing economic, ecological, and social conditions, focusing on opportunities such as workforce training, job creation, ecosystem health, reducing energy costs, and facilitating the production of alternative energy fuels. The agreement on the scale of a project shall be reached through a collaborative approach, as evidenced by the broad involvement, analysis, and agreement of interested persons, including local governments, energy developers, conservationists, and land management agencies. In selecting the appropriate scale of projects to be conducted under the pilot program, the Secretary concerned shall also consider the results of the supply study as outlined in subsection (d).

"(h) MONITORING AND REPORTING REQUIREMENTS.—As part of the pilot program, the Secretary concerned shall impose monitoring and reporting requirements to ensure that the ecological, social, and economic effects of the projects conducted under the pilot program are being monitored and that the accomplishments, challenges, and lessons of each project are recorded and reported.

"(i) OTHER DEFINITIONS.—In this section:

"(1) HIGHEST AND BEST USE.—The term 'highest and best use', with regard to biomass, means—

"(A) creating from raw materials those products and those biomass uses that will achieve the highest market value; and

"(B) yielding a wide range of existing and innovative products and biomass uses that create new markets, stimulate existing ones, and improve rural economies, maintains or improves ecosystem integrity, while also supporting traditional biomass energy generation.

"(2) PILOT PROGRAM.—The term 'pilot program' means the Biomass Utilization Pilot Program established pursuant to this section.

"(3) SECRETARY CONCERNED.—The term 'Secretary concerned' means the Secretary of Agriculture, with respect to National Forest System lands, and the Secretary of the Interior, with respect to public lands administered by the Secretary of the Interior.

"(4) COMMUNITY WILDFIRE PROTECTION PLAN.—The term 'community wildfire protection plan' has the meaning given that term in section 101(3) of the Healthy Forest Restoration Act of 2003 (16 U.S.C. 6511(3)), which is further described by the Western Governors Association in the document entitled 'Preparing a Community Wildfire Protection Plan: A Handbook for Wildland-Interface Communities' and dated March 2004.

"(5) FEDERAL LAND.—The term 'Federal land' means—

"(A) land of the National Forest System (as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)) administered by the Secretary of Agriculture, acting through the Chief of the Forest Service; and

"(B) public lands (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702)), the surface of which is administered by the Secretary of the Interior, acting through the Director of the Bureau of Land Management.

"(6) INVENTORIED ROADLESS AREA.—The term 'Inventoried roadless area' means one of the areas identified in the set of inventoried roadless areas maps contained in the Forest Service Roadless Areas Conservation, Final Environmental Impact Statement, Volume 2, dated November 2000.

"(j) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out the pilot program.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is amended by striking the item relating to section 210 and inserting the following new item:

"Sec. 210. Biomass utilization pilot program.".

SEC. 307. PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT.

The Secretary of Commerce and the Secretary of the Interior shall, in cooperation with the Federal Energy Regulatory Commission and the Secretary of Energy, and in consultation with appropriate State agencies, jointly prepare programmatic environmental impact statements which contain all the elements of an environmental impact statement under section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332), regarding the impacts of the deployment of marine and hydrokinetic renewable energy technologies in the navigable waters of the United States. One programmatic environmental impact statement shall be prepared under this section for each of the Environmental Protection Agency regions of the United States. The agencies shall issue the programmatic environmental impact statements under this section not later than 18 months after the date of enactment of this Act. The programmatic environmental impact statements shall evaluate among other things the potential impacts of site selection on fish and wildlife and related habitat. Nothing in this section shall operate to delay consideration of any application for a license or permit for a marine and hydrokinetic renewable energy technology project.

TITLE IV—CARBON CAPTURE AND CLIMATE CHANGE MITIGATION

Subtitle A—Geological Sequestration Assessment

SEC. 401. SHORT TITLE.

This subtitle may be cited as the "National Carbon Dioxide Storage Capacity Assessment Act of 2007".

SEC. 402. NATIONAL ASSESSMENT.

(a) DEFINITIONS.—In this section:

(1) ASSESSMENT.—The term "assessment" means the national assessment of capacity for carbon dioxide completed under subsection (f).

(2) CAPACITY.—The term "capacity" means the portion of a storage formation that can retain carbon dioxide in accordance with the requirements (including physical, geological, and economic requirements) established under the methodology developed under subsection (b).

(3) ENGINEERED HAZARD.—The term "engineered hazard" includes the location and completion history of any well that could affect potential storage.

(4) RISK.—The term "risk" includes any risk posed by geomechanical, geochemical, hydrogeological, structural, and engineered hazards.

(5) SECRETARY.—The term "Secretary" means the Secretary of the Interior, acting through the Director of the United States Geological Survey.

(6) STORAGE FORMATION.—The term "storage formation" means a deep saline formation, unmineable coal seam, or oil or gas reservoir that is capable of accommodating a volume of industrial carbon dioxide.

(b) METHODOLOGY.—Not later than 1 year after the date of enactment of this Act, the Secretary shall develop a methodology for conducting an assessment under subsection (f), taking into consideration—

(1) the geographical extent of all potential storage formations in all States;

(2) the capacity of the potential storage formations;

(3) the injectivity of the potential storage formations;

(4) an estimate of potential volumes of oil and gas recoverable by injection and storage of industrial carbon dioxide in potential storage formations;

(5) the risk associated with the potential storage formations; and

(6) the Carbon Sequestration Atlas of the United States and Canada that was completed by the Department of Energy in April 2006.

(c) COORDINATION.—

(1) FEDERAL COORDINATION.—

(A) CONSULTATION.—The Secretary shall consult with the Secretary of Energy and the Administrator of the Environmental Protection Agency on issues of data sharing, format, development of the methodology, and content of the assessment required under this section to ensure the maximum usefulness and success of the assessment.

(B) COOPERATION.—The Secretary of Energy and the Administrator shall cooperate with the Secretary to ensure, to the maximum extent practicable, the usefulness and success of the assessment.

(2) STATE COORDINATION.—The Secretary shall consult with State geological surveys and other relevant entities to ensure, to the maximum extent practicable, the usefulness and success of the assessment.

(d) EXTERNAL REVIEW AND PUBLICATION.—On completion of the methodology under subsection (b), the Secretary shall—

(1) publish the methodology and solicit comments from the public and the heads of affected Federal and State agencies;

(2) establish a panel of individuals with expertise in the matters described in paragraphs (1) through (5) of subsection (b) composed, as appropriate, of representatives of Federal agencies, institutions of higher education, nongovernmental organizations, State organizations, industry, and international geoscience organizations to review the methodology and comments received under paragraph (1); and

(3) on completion of the review under paragraph (2), publish in the Federal Register the revised final methodology.

(e) PERIODIC UPDATES.—The methodology developed under this section shall be updated periodically (including at least once every 5 years) to incorporate new data as the data becomes available.

(f) NATIONAL ASSESSMENT.—

(1) IN GENERAL.—Not later than 2 years after the date of publication of the methodology under subsection (d)(1), the Secretary, in consultation with the Secretary of Energy and State geological surveys, shall complete a national assessment of capacity for carbon dioxide in accordance with the methodology.

(2) GEOLOGICAL VERIFICATION.—As part of the assessment under this subsection, the Secretary shall carry out a drilling program to supplement the geological data relevant to determining storage capacity of carbon dioxide in geological storage formations, including—

(A) well log data;

(B) core data; and

(C) fluid sample data.

(3) PARTNERSHIP WITH OTHER DRILLING PROGRAMS.—As part of the drilling program under paragraph (2), the Secretary shall enter, as appropriate, into partnerships with other entities to collect and integrate data from other drilling programs relevant to the storage of carbon dioxide in geologic formations.

(4) INCORPORATION INTO NATCARB.—

(A) IN GENERAL.—On completion of the assessment, the Secretary of Energy shall incorporate the results of the assessment using the NatCarb database, to the maximum extent practicable.

(B) RANKING.—The database shall include the data necessary to rank potential storage sites for capacity and risk, across the United States, within each State, by formation, and within each basin.

(5) REPORT.—Not later than 180 days after the date on which the assessment is completed, the Secretary shall submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report describing the findings under the assessment.

(6) PERIODIC UPDATES.—The national assessment developed under this section shall be updated periodically (including at least once every 5 years) to support public and private sector decisionmaking.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $30,000,000 for the period of fiscal years 2008 through 2012.

Subtitle B—Terrestrial Sequestration Assessment

SEC. 421. REQUIREMENT TO CONDUCT AN ASSESSMENT.

(a) IN GENERAL.—The Secretary of the Interior, acting through the United States Geological Survey, shall—

(1) conduct an assessment of the amount of carbon stored in terrestrial, aquatic, and coastal ecosystems (including estuaries);

(2) determine the processes that control the flux of carbon in and out of each ecosystem;

(3) estimate the potential for increasing carbon sequestration in natural systems through management measures or restoration activities in each ecosystem; and

(4) develop near-term and long-term adaptation strategies that can be employed to enhance the sequestration of carbon in each ecosystem.

(b) USE OF NATIVE PLANT SPECIES.—In developing management measures, restoration activities, or adaptation strategies, the Secretary shall emphasize the use of native plant species for each ecosystem.

(c) CONSULTATION.—The Secretary shall develop the methodology and conduct the assessment in consultation with the Secretary of Energy, the Administrator of the National Oceanic and Atmospheric Administration, and the heads of other relevant agencies.

SEC. 422. METHODOLOGY.

(a) IN GENERAL.—Within 270 days after the date of enactment of this Act, the Secretary shall develop a methodology for conducting the assessment.

(b) PUBLICATION OF PROPOSED METHODOLOGY; COMMENT.—Upon completion of a proposed methodology, the Secretary shall publish the proposed methodology and solicit comments from the public and heads of affected Federal and State agencies for 60 days before publishing a final methodology.

SEC. 423. COMPLETION OF ASSESSMENT AND REPORT.

The Secretary shall—

(1) complete the national assessment within 2 years after publication of the final methodology under section 422; and

(2) submit a report describing the results of the assessment to the House Committee on Natural Resources and the Senate Committee on Energy and Natural Resources within 180 days after the assessment is completed.

SEC. 424. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this subtitle $15,000,000 for the period of fiscal years 2008 through 2012.

Subtitle C—Sequestration Activities

SEC. 431. CARBON DIOXIDE STORAGE INVENTORY.

Section 354 of the Energy Policy Act of 2005 (42 U.S.C. 15910) is amended by redesignating subsection (d) as subsection (e), and by inserting after subsection (c) the following:

"(d) RECORDS AND INVENTORY.—The Secretary of the Interior, acting through the Bureau of Land Management, shall maintain records on and an inventory of the amount of carbon dioxide stored from Federal energy leases.".

SEC. 432. FRAMEWORK FOR GEOLOGICAL CARBON SEQUESTRATION ON FEDERAL LANDS.

Not later than 1 year after the date of enactment of this Act, the Secretary of the Interior shall submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on a recommended regulatory and certification framework for conducting geological carbon sequestration activities on Federal lands. The Secretary shall identify a lead agency within the Department of the Interior to develop this framework. One of the goals of the framework shall be to identify what actions need to be taken in order to allow for commercial-scale geological carbon sequestration activities to be undertaken on Federal lands as expeditiously as possible.

Subtitle D—Natural Resources and Wildlife Programs

CHAPTER 1—NATURAL RESOURCES MANAGEMENT AND CLIMATE CHANGE

SEC. 441. INTERAGENCY COUNCIL ON CLIMATE CHANGE.

(a) ESTABLISHMENT.—The Secretary of the Interior shall establish an Interagency Council on Climate Change to address the impacts of climate change on Federal lands, the ocean environment, and the Federal water infrastructure. The panel shall include the head of each of the following agencies:

(1) The Bureau of Land Management.
(2) The National Park Service.
(3) United States Geological Survey.
(4) The United States Fish and Wildlife Service.
(5) The Forest Service.
(6) The National Oceanic and Atmospheric Administration.
(7) The Bureau of Reclamation.
(8) The Council on Environmental Quality.
(9) The Minerals Management Service.
(10) The Office of Surface Mining Reclamation and Enforcement.

(b) PLAN.—Not later than one year after the date of the enactment of this Act, the Secretary of the Interior shall submit a plan to Congress describing what the agencies listed in subsection (a) shall do both individually and cooperatively to accomplish the following:

(1) Working in cooperation with the United States Geological Survey, develop an interagency inventory and Geographic Information System database of United States ecosystems, water supplies, and water infrastructure vulnerable to climate change.

(2) Manage land, water, and ocean resources in a manner that takes into account projected climate change impacts, including but not limited to, prolonged periods of drought, changing hydrology, and in the case of oceans, increasing ocean acidification.

(3) Develop consistent protocols to incorporate climate change impacts in land and water management decisions across land and water resources under the jurisdiction of those agencies listed in subsection (a).

(4) Incorporate the most current, peer-reviewed science on climate change and the economic, social, and ecological impacts of climate change into the decision making process of those agencies listed in subsection (a).

CHAPTER 2—NATIONAL POLICY AND STRATEGY FOR WILDLIFE

SEC. 451. SHORT TITLE.

This chapter may be cited as the "Global Warming Wildlife Survival Act".

SEC. 452. NATIONAL POLICY ON WILDLIFE AND GLOBAL WARMING.

It is the policy of the Federal Government, in cooperation with State, tribal, and affected local governments, other concerned public and private organizations, landowners, and citizens to use all practicable means and measures—

(1) to assist wildlife populations and their habitats in adapting to and surviving the effects of global warming; and

(2) to ensure the persistence and resilience of the wildlife of the United States, together with its habitat, as an essential part of our Nation's culture, landscape, and natural resources.

SEC. 453. DEFINITIONS.

In this chapter:

(1) ECOLOGICAL PROCESSES.—The term "ecological processes" means the biological, chemical, and physical interactions between the biotic and abiotic components of ecosystems, including nutrient cycling, pollination, predator-prey relationships, soil formation, gene flow, hydrologic cycling, decomposition, and disturbance regimes such as fire and flooding.

(2) HABITAT LINKAGES.—The term "habitat linkages" means areas that connect wildlife habitat or potential wildlife habitat, and that facilitate the ability of wildlife to move within a landscape in response to the effects of global warming.

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(4) WILDLIFE.—The term "wildlife" means—

(A) any species of wild, free-ranging fauna, including fish and other aquatic species; and

(B) any fauna in a captive breeding program the object of which is to reintroduce individuals of a depleted indigenous species into previously occupied range.

(5) HABITAT.—The term "habitat" means the physical, chemical, and biological properties that are used by wildlife for growth, reproduction, and survival, including aquatic and terrestrial plant communities, food, water, cover, and space, on a tract of land, in a body of water, or in an area or region.

SEC. 454. NATIONAL STRATEGY.

(a) REQUIREMENT.—

(1) IN GENERAL.—The Secretary shall, within two years after the date of the enactment of this Act, on the basis of the best available science as provided by the science advisory board under section 455, promulgate a national strategy for assisting wildlife populations and their habitats in adapting to the impacts of global warming.

(2) CONSULTATION AND COMMENT.—In developing the national strategy, the Secretary shall—

(A) consult with the Secretary of Agriculture, the Secretary of Commerce, the Administrator of the Environmental Protection Agency, State fish and wildlife agencies, Indian tribes, local governments, conservation organizations, scientists, and other interested stakeholders; and

(B) provide opportunity for public comment.

(b) CONTENTS.—

(1) IN GENERAL.—The Secretary shall include in the national strategy prioritized goals and measures to—

(A) identify and monitor wildlife populations, including game species, likely to be adversely affected by global warming, with particular emphasis on wildlife populations at greatest need for conservation;

(B) identify and monitor coastal, marine, terrestrial, and freshwater habitat at greatest risk of being damaged by global warming;

(C) assist species in adapting to the impacts of global warming;

(D) protect, acquire, and restore wildlife habitat to build resilience to global warming;

(E) provide habitat linkages and corridors to facilitate wildlife movements in response to global warming;

(F) restore and protect ecological processes that sustain wildlife populations vulnerable to global warming; and

(G) incorporate consideration of climate change in, and integrate climate change adaptation strategies for wildlife and its habitat into, the planning and management of Federal lands administered by the Department of the Interior and lands administered by the Forest Service.

(2) COORDINATION WITH OTHER PLANS.—In developing the national strategy, the Secretary shall to the maximum extent practicable—

(A) take into consideration research and information in State comprehensive wildlife conservation plans, the North American Waterfowl Management Plan, the National Fish Habitat Action Plan, and other relevant wildlife conservation plans; and

(B) coordinate and integrate, to the extent consistent with the policy set forth in section 452, the goals and measures identified in the national strategy with goals and measures identified in such plans.

(c) REVISION.—The Secretary shall revise the national strategy not later than five years after its initial promulgation, and not later than every ten years thereafter, to reflect new information on the impacts of global warming on wildlife and its habitat and advances in the development of strategies for adapting to or mitigating for such impacts.

(d) IMPLEMENTATION.—

(1) IMPLEMENTATION ON FEDERAL LAND SYSTEMS.—To achieve the goals of the national strategy and to implement measures for the conservation of wildlife and its habitat identified in the national strategy—

(A) the Secretary of the Interior shall exercise the authority of such Secretary under this Act and other laws within the Secretary's jurisdiction pertaining to the administration of lands; and

(B) the Secretary of Agriculture shall exercise the authority of such Secretary under this Act and other laws within the Secretary's jurisdiction pertaining to the administration of lands.

(2) WILDLIFE CONSERVATION PROGRAMS.—Consistent with their authorities under other laws, the Secretary, the Secretary of Agriculture, and the Secretary of Commerce shall administer wildlife conservation programs authorized under other laws to achieve the goals of the national strategy and to implement measures for the conservation of wildlife and its habitat identified in the national strategy.

SEC. 455. ADVISORY BOARD.

(a) SCIENCE ADVISORY BOARD.—

(1) IN GENERAL.—The Secretary shall establish and appoint the members of a science advisory board comprised of not less than 10 and not more than 20 members recommended by the President of the National Academy of Sciences with expertise in wildlife biology, ecology, climate change and other relevant disciplines. The director of the National Global Warming and Wildlife Science Center established under subsection (b) shall be an ex officio member of the science advisory board.

(2) FUNCTIONS.—The science advisory board shall—

(A) provide scientific and technical advice and recommendations to the Secretary on the impacts of global warming on wildlife and its habitat, areas of habitat of particular importance for the conservation of wildlife populations affected by global warming, and strategies and mechanisms to assist wildlife populations and their habitats in adapting to the impacts of global warming in the management of Federal lands and in other Federal programs for wildlife conservation;

(B) advise the National Global Warming and Wildlife Science Center established under subsection (b) and review the quality of the research programs of the Center; and

(C) advise the Secretary regarding the best science available for purposes of section 454(a)(1).

(3) PUBLIC AVAILABILITY.—The advice and recommendations of the science advisory board shall be available to the public.

(b) NATIONAL GLOBAL WARMING AND WILDLIFE SCIENCE CENTER.—

(1) IN GENERAL.—The Secretary shall establish the National Global Warming and Wildlife Science Center within the United States Geological Survey.

(2) FUNCTIONS.—The National Global Warming and Wildlife Science Center shall—

(A) conduct scientific research on national issues related to the impacts of global warming on wildlife and its habitat and mechanisms for adaptation to, mitigation of, or prevention of such impacts;

(B) consult with and advise Federal land management agencies and Federal wildlife agencies regarding the impacts of global warming on wildlife and its habitat and mechanisms for adaptation to or mitigation of such impacts, and the incorporation of information regarding such impacts and the adoption of mechanisms for adaptation or mitigation of such impacts in the management and planning for Federal lands and in the administration of Federal wildlife programs; and

(C) consult with State and local agencies, universities, and other public and private entities regarding their research, monitoring, and other efforts to address the impacts of global warming on wildlife and its habitat.

(3) INTEGRATION WITH OTHER FEDERAL ACTIVITIES.—The Secretary, the Secretary of Agriculture, and the Secretary of Commerce shall ensure that activities carried out pursuant to this section are integrated with climate change program activities carried out pursuant to other Federal law.

(c) DETECTION OF CHANGES.—The Secretary, the Secretary of Agriculture, and the Secretary of Commerce shall each exercise authorities under other laws to carry out programs to detect changes in wildlife abundance, distribution, and behavior related to global warming, including—

(1) conducting species inventories on Federal lands and in marine areas within the exclusive economic zone of the United States; and

(2) establishing and implementing robust, coordinated monitoring programs.

SEC. 456. AUTHORIZATION OF APPROPRIATIONS.

(a) IMPLEMENTATION OF NATIONAL STRATEGY.—Of the amounts appropriated to carry out this chapter for each fiscal year—

(1) 45 percent are authorized to be made available to Federal agencies to develop and implement the national strategy promulgated under section 454 in the administration of the Federal land systems, of which—

(A) 35 percent shall be allocated to the Department of the Interior to—

(i) operate the National Global Warming and Wildlife Science Center established under section 455; and

(ii) carry out the policy set forth in section 452 and implement the national strategy in the administration of the National Park System the National Wildlife Refuge System, and on the Bureau of Land Management's public lands; and

(B) 10 percent shall be allocated to the Department of Agriculture to carry out the policy set forth in section 452 and implement the national strategy in the administration of the National Forest System;

(2) 25 percent are authorized to be made available to Federal agencies to carry out the policy set forth in section 452 and to implement the national strategy through fish and wildlife programs, other than for the operation and maintenance of Federal lands, of which—

(A) 10 percent shall be allocated to the Department of the Interior to fund endangered species, migratory bird, and other fish and wildlife programs administered by the United States Fish and Wildlife Service, other than operations and maintenance of the national wildlife refuges; and

(B) 15 percent shall be allocated to the Department of the Interior for implementation of cooperative grant programs benefitting wildlife including the Cooperative Endangered Species Fund, Private Stewardship Grants, the North American Wetlands Conservation Act, the Neotropical Migratory Bird Conservation Fund, and the National Fish Habitat Action Plan, and used for activities that assist wildlife and its habitat in adapting to the impacts of global warming; and

(3) 30 percent are authorized to be made available for grants to States and Indian tribes through the State and tribal wildlife grants program authorized under section 461, to—

(A) carry out activities that assist wildlife and its habitat in adapting to the impacts of global warming in accordance with State comprehensive wildlife conservation plans developed and approved under that program; and

(B) revise or supplement existing State comprehensive wildlife conservation plans as necessary to include specific strategies for assisting wildlife and its habitat in adapting to the impacts of global warming.

(b) AVAILABILITY.—

(1) IN GENERAL.—Funding is authorized to be made available to States and Indian tribes pursuant to this section subject to paragraphs (2) and (3).

(2) INITIAL 5-YEAR PERIOD.—During the 5-year period beginning on the effective date of this Act, a State shall not be eligible to receive such funding unless the head of the State's wildlife agency has—

(A) approved, and provided to the Secretary, an explicit strategy to assist wildlife populations in adapting to the impacts of global warming; and

(B) incorporated such strategy as a supplement to the State's comprehensive wildlife conservation plan.

(3) SUBSEQUENT PERIOD.—After such 5-year period, a State shall not be eligible to receive such funding unless the State has submitted to the Secretary, and the Secretary has approved, a revision to its comprehensive wildlife conservation plan that—

(A) describes the impacts of global warming on the diversity and health of the State's wildlife populations and their habitat;

(B) describes and prioritizes proposed conservation actions to assist wildlife populations in adapting to such impacts;

(C) establishes programs for monitoring the impacts of global warming on wildlife populations and their habitats; and

(D) establishes methods for assessing the effectiveness of conservation actions taken to assist wildlife populations in adapting to such impacts and for adapting such actions to respond appropriately to new information or changing conditions.

(c) INTENT OF CONGRESS.—It is the intent of Congress that funding provided to Federal agencies and States pursuant to this chapter supplement, and not replace, existing sources of funding for wildlife conservation.

CHAPTER 3—STATE AND TRIBAL WILDLIFE GRANTS PROGRAM

SEC. 461. STATE AND TRIBAL WILDLIFE GRANTS PROGRAM.

(a) AUTHORIZATION OF PROGRAM.—There is authorized to be established a State and Tribal Wildlife Grants Program to be administered by the Secretary of the Interior and to provide wildlife conservation grants to States and to the District of Columbia, Puerto Rico, Guam, the United States Virgin Islands, the Northern Mariana Islands, American Samoa, and federally recognized Indian tribes for the planning, development, and implementation of programs for the benefit of wildlife and their habitat, including species that are not hunted or fished.

(b) ALLOCATION OF FUNDS.—

(1) IN GENERAL.—Of the amounts made available to carry out this section for each fiscal year—

(A) 10 percent shall be for a competitive grant program for Indian tribes that are not subject to the remaining provisions of this section;

(B) of the amounts remaining after the application of subparagraph (A), and after the deduction of the Secretary's administrative expenses to carry out this section—

(i) not more than one-half of 1 percent shall be allocated to each of the District of Columbia and to the Common wealth of Puerto Rico; and

(ii) not more than one-fourth of 1 percent shall be allocated to each of Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands; and

(C) of the amount remaining after the application of subparagraphs (B) and (C), the secretary shall apportion among the States—

(i) one-third based on the ratio that the land area of each State bears to the total land area of all States; and

(ii) two-thirds based on the ratio that the population of each State bears to the total population of all States.

(2) ADJUSTMENTS.—The amounts apportioned under subparagraph (C) of paragraph (1) for a fiscal year shall be adjusted equitably so that no State is apportioned under such subparagraph a sum that is—

(A) less than 1 percent of the amount available for apportionment under that subparagraph that fiscal year; or

(B) more than 5 percent of such amount.

(c) COST SHARING.—

(1) PLAN DEVELOPMENT GRANTS.—The Federal share of the costs of developing or revising a comprehensive wildlife conservation plan shall not exceed 75 percent of the total costs of developing or revising such plan.

(2) PLAN IMPLEMENTATION GRANTS.—The Federal share of the costs of implementing an activity in an approved comprehensive wildlife conservation plan carried out with a grant under this section shall not exceed 50 percent of the total costs of such activities.

(3) PROHIBITION ON USE OF FEDERAL FUNDS.—The non-Federal share of costs of an activity carried out under this section shall not be paid with amounts derived from any Federal grant program.

(d) REQUIREMENT FOR PLAN.—

(1) IN GENERAL.—No State, territory, or other jurisdiction shall be eligible for a grant under this section unless it submits to the Secretary a comprehensive wildlife conservation plan that—

(A) complies with paragraph (2); and

(B) considers the broad range of the State, territory, or other jurisdiction's wildlife and associated habitats, with appropriate priority placed on those species with the greatest conservation need and taking into consideration the relative level of funding available for the conservation of those species.

(2) CONTENTS.—The comprehensive wildlife conservation plan must contain—

(A) information on the distribution and abundance of species of wildlife, including low and declining populations as the State, territory, or other jurisdiction's fish and wildlife agency considers appropriate, that are indicative of the diversity and health of the jurisdiction's wildlife;

(B) the location and relative condition of key habitats and community types essential to conservation of species identified in subparagraph (A);

(C) descriptions of problems which may adversely affect species identified in subparagraph (A) or their habitats, and priority research and survey efforts needed to identify factors that may assist in restoration and improved conservation of these species and habitats;

(D) descriptions of conservation actions proposed to conserve the identified species and habitats and priorities for implementing such actions;

(E) proposed plans for monitoring species identified in subparagraph (A) and their habitats, for monitoring the effectiveness of the conservation actions proposed in subparagraph (D), and for adapting these conservation actions to respond appropriately to new information or changing conditions;

(F) descriptions of procedures to review the comprehensive wildlife conservation plan at intervals not to exceed ten years;

(G) plans for coordinating the development, implementation, review, and revision of the comprehensive wildlife conservation plan with Federal, State, and local agencies and Indian tribes that manage significant land and water areas within the jurisdiction or administer programs that significantly affect the conservation of identified species and habitats; and

(H) provisions for broad public participation as an essential element of the development, revision, and implementation of the comprehensive wildlife conservation plan.

(e) SAVINGS CLAUSE.—State comprehensive wildlife strategies approved by the Secretary pursuant to previous congressional authorizations and appropriations Acts shall remain in effect until such strategies expire or are revised in accordance with their terms. Except as specified in section 456(b) with respect to funds made available under such section, conservation and education activities conducted or proposed to be conducted pursuant to such previously approved strategies shall remain authorized.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

Subtitle E—Ocean Programs

SEC. 471. OCEAN POLICY, GLOBAL WARMING, AND ACIDIFICATION PROGRAM.

(a) DEVELOPMENT AND IMPLEMENTATION.—

(1) IN GENERAL.—The Secretary of Commerce, shall, within two years after the date of enactment of this Act, and on the basis of the best available science, develop and implement a national strategy using existing authorities and the authority provided in this section to support coastal State and Federal agency efforts to—

(A) predict, plan for, and mitigate the impacts on ocean and coastal ecosystems from global warming, relative sea level rise and ocean acidification; and

(B) ensure the recovery, resiliency, and health of ocean and coastal ecosystems.

(2) CONSULTATION AND COMMENT.—Before and during the development of the national strategy, the Secretary shall—

(A) consult with the Secretary of the Interior, the Administrator of the Environmental Protection Agency, the Regional Fishery Management Councils, coastal States, Indian tribes, local governments, conservation organizations, scientists, and other interested stakeholders; and

(B) provide opportunities for public notice and comment.

(b) CONTENTS.—

(1) IN GENERAL.—The Secretary shall include in the national strategy prioritized goals and measures to—

(A) incorporate climate change adaptation strategies into the planning and management of ocean and coastal programs and resources administered by the Department of Commerce;

(B) support restoration, protection, and enhancement of natural processes that minimize the impacts of relative sea level rise, global warming, and ocean acidification;

(C) minimize the impacts of global warming and ocean acidification on marine species and their habitats;

(D) identify, protect, and restore ocean and coastal habitats needed to build healthy and resilient ecosystems;

(E) support the development of climate change resiliency plans under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.);

(F) provide technical assistance and training to other Federal agencies, States, local communities, universities, and other stakeholders; and

(G) identify additional research that is needed to better anticipate and plan for the impacts of global warming and ocean acidification on ocean and coastal resources.

(2) COORDINATION WITH OTHER PLANS.—In developing the national strategy, the Secretary shall—

(A) take into consideration research and information available in Federal, regional, and State management and restoration plans and any other relevant reports and information; and

(B) encourage and take into account State and regional plans for protecting and restoring the health and resilience of ocean and coastal ecosystems.

(c) REVISION.—The Secretary shall revise the national strategy not later than 5 years after its promulgation, and not later than every 10 years thereafter, to reflect new information on the impacts of global warming, relative sea level rise, and acidification on ocean and coastal ecosystems and their resources and advances in the development of strategies for adapting to or mitigating for such impacts.

(d) SCIENCE ADVISORY BOARD.—

(1) CONSULTATION.—The Secretary shall consult with the National Oceanic and Atmospheric Administration's Science Advisory Board in the development and implementation of the strategy.

(2) REVIEW INFORMATION.—The Science Advisory Board shall periodically—

(A) review new information on the impacts of global warming, relative sea level rise, and acidification on ocean and coastal ecosystems and their resources and advances in the development of strategies for adapting to or mitigating for such impacts; and

(B) provide that information to the Secretary.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to implement this section. Amounts appropriated shall be used for the exclusive purpose of carrying out the activities specified in this section.

(f) REPORT TO CONGRESS.—Copies of the strategy and implementation plan and any updates shall be provided to the Congress.

SEC. 472. PLANNING FOR CLIMATE CHANGE IN THE COASTAL ZONE.

(a) IN GENERAL.—The Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.) is amended by adding at the end the following:

"CLIMATE CHANGE RESILIENCY PLANNING

"SEC. 320. (a) IN GENERAL.—The Secretary shall establish consistent with the national policies set forth in section 303 a coastal climate change resiliency planning and response program to—

"(1) provide assistance to coastal states to voluntarily develop coastal climate change resiliency plans pursuant to approved management programs approved under section 306, to minimize contributions to climate change and to prepare for and reduce the negative consequences that may result from climate change in the coastal zone; and

"(2) provide financial and technical assistance and training to enable coastal states to implement plans developed pursuant to this section through coastal states' enforceable policies.

"(b) GUIDELINES.—Within 180 days after the date of enactment of this section, the Secretary, in consultation with the coastal states, shall issue guidelines for the implementation of the grant program established under subsection (c).

"(c) CLIMATE CHANGE RESILIENCY PLANNING GRANTS.—

"(1) IN GENERAL.—The Secretary, subject to the availability of appropriations, may make a grant to any coastal state for the purpose of developing climate change resiliency plans pursuant to guidelines issued by the Secretary under subsection (b).

"(2) PLAN CONTENT.—A plan developed with a grant under this section shall include the following:

"(A) Identification of public facilities and public services, coastal resources of national significance, coastal waters, energy facilities, or other water uses located in the coastal zone that are likely to be impacted by climate change.

"(B) Adaptive management strategies for land use to respond or adapt to changing environmental conditions, including strategies to protect biodiversity and establish habitat buffer zones, migration corridors, and climate refugia.

"(C) Requirements to initiate and maintain long-term monitoring of environmental change to assess coastal zone resiliency and to adjust when necessary adaptive management strategies and new planning guidelines to attain the policies under section 303.

"(3) STATE HAZARD MITIGATION PLANS.—Plans developed with a grant under this section shall be consistent with State hazard mitigation plans developed under State or Federal law.

"(4) ALLOCATION.—Grants under this section shall be available only to coastal states with management programs approved by the Secretary under section 306 and shall be allocated among such coastal states in a manner consistent with regulations promulgated pursuant to section 306(c).

"(5) PRIORITY.—In the awarding of grants under this subsection the Secretary may give priority to any coastal state that has received grant funding to develop program changes pursuant to paragraphs (1), (2), (3), (5), (6), (7), and (8) of section 309(a).

"(6) TECHNICAL ASSISTANCE.—The Secretary may provide technical assistance to a coastal state consistent with section 310 to ensure the timely development of plans supported by grants awarded under this subsection.

"(7) FEDERAL APPROVAL.—In order to be eligible for a grant under subsection (d), a coastal state must have its plan developed under this section approved by the Secretary under regulations adopted pursuant to section 306(e).

"(d) COASTAL RESILIENCY PROJECT GRANTS.—

"(1) IN GENERAL.—The Secretary, subject to the availability of appropriations, may make grants to any coastal state that has a climate change resiliency plan approved under subsection (c)(7), in order to support projects that implement strategies contained within such plans.

"(2) PROGRAM REQUIREMENTS.—The Secretary within 90 days after approval of the first plan approved under subsection (c)(7), shall publish in the Federal Register requirements regarding applications, allocations, eligible activities, and all terms and conditions for grants awarded under this subsection. No less than 30 percent of the funds appropriated in any fiscal year for grants under this subsection shall be awarded through a merit-based competitive process.

"(3) ELIGIBLE ACTIVITIES.—The Secretary may award grants to coastal states to implement projects in the coastal zone to address stress factors in order to improve coastal climate change resiliency, including the following:

"(A) Activities to address physical disturbances within the coastal zone, especially activities related to public facilities and public services, tourism, sedimentation, and other factors negatively impacting coastal waters, and fisheries-associated habitat destruction or alteration.

"(B) Monitoring, control, or eradication of disease organisms and invasive species.

"(C) Activities to address the loss, degradation or fragmentation of wildlife habitat through projects to establish marine and terrestrial habitat buffers, wildlife refugia or networks thereof, and preservation of migratory wildlife corridors and other transition zones.

"(D) Implementation of projects to reduce, mitigate, or otherwise address likely impacts caused by natural hazards in the coastal zone, including sea level rise, coastal inundation, coastal erosion and subsidence, severe weather events such as cyclonic storms, tsunamis and other seismic threats, and fluctuating Great Lakes water levels.

"(E) Provide technical training and assistance to local coastal policy makers to increase awareness of science, management, and technology information related to climate change and adaptation strategies.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 318(a) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1464) is further amended by adding at the end the following:

"(4) for grants under section 320(c) and (d), such sums as are necessary.".

SEC. 473. ENHANCING CLIMATE CHANGE PREDICTIONS.

(a) SHORT TITLE.—This section may be cited as the "National Integrated Coastal and Ocean Observation Act of 2007".

(b) PURPOSES.—The purposes of this section are the following:

(1) Establish a National Integrated Coastal and Ocean Observation System comprised of Federal and non-Federal components, coordinated at the regional level by a network of Regional Information Coordination Entities, that includes in situ, remote, and other coastal and ocean observations, technologies, and data management and communication systems, to gather daily specific coastal and ocean data variables and to ensure the timely dissemination and availability of usable observation data to support national defense, marine commerce, energy production, scientific research, ecosystem-based marine and coastal resource management, and public safety and to promote the general public welfare.

(2) Improve the Nation's capability to measure, track, explain, and predict events related directly and indirectly to climate change, natural climate variability, and interactions between the oceanic and atmospheric environments, including the Great Lakes.

(3) Authorize activities to promote basic and applied research to develop, test, and deploy innovations and improvements in coastal and ocean observation technologies, modeling systems, and other scientific and technological capabilities to improve our conceptual understanding of global climate change and physical, chemical, and biological dynamics of the ocean and coastal and Great Lakes environments.

(4) Institutionalize coordinated programs of public outreach, education, and training—

(A) to enhance public understanding of the ocean, coastal and Great Lakes environment, the influence and effects of global climate change on the coastal and ocean environment; and

(B) to promote greater public awareness and stewardship of the Nation's ocean, coastal, and Great Lakes resources.

(c) DEFINITIONS.—In this section:

(1) COUNCIL.—The term "Council" means the National Ocean Research Leadership Council referred to in section 7902 of title 10, United States Code.

(2) ADMINISTRATOR.—The term "Administrator" means the Administrator of the National Oceanic and Atmospheric Administration.

(3) FEDERAL ASSETS.—The term "Federal assets" means all relevant non-classified civilian coastal and ocean observations, technologies, and related modeling, research, data management, basic and applied technology research and development, and public education and outreach programs, that are managed by member agencies of the Council.

(4) NON-FEDERAL ASSETS.—The term "non-Federal assets" means all relevant coastal and ocean observations, technologies, related basic and applied technology research and development, and public education and outreach programs managed through States, regional organizations, universities, nongovernmental organizations, or the private sector.

(5) REGIONAL INFORMATION COORDINATION ENTITIES.—

(A) IN GENERAL.—The term "Regional Information Coordination Entity", subject to subparagraphs (B) and (C), means an organizational body that is certified or established by the lead Federal agency designated in subsection (d)(3)(C)(iii) and coordinating State, Federal, local, and private interests at a regional level with the responsibility of engaging the private and public sectors in designing, operating, and improving regional coastal and ocean observing systems in order to ensure the provision of data and information that meet the needs of user groups from the respective regions.

(B) INCLUDED ASSOCIATIONS.—Such term includes Regional Associations as described by the System Plan.

(C) LIMITATION.—Nothing in this section shall be construed to invalidate existing certifications, contracts, or agreements between Regional Associations and other elements of the System.

(6) SECRETARY.—The term "Secretary" means the Secretary of Commerce.

(7) SYSTEM.—The term "System" means the National Integrated Coastal and Ocean Observation System established under subsection (d).

(8) SYSTEM PLAN.—The term "System Plan" means the plan contained in the document entitled "Ocean.US publication #9, The First Integrated Ocean Observing System (IOOS) Development Plan".

(9) INTERAGENCY WORKING GROUP.—The term "Interagency Working Group" means the Interagency Working Group on Ocean Observations as established by the U.S. Ocean Policy Committee Subcommittee on Ocean Science and Technology pursuant to Executive Order 13366 signed December 17, 2004.

(d) NATIONAL INTEGRATED COASTAL AND OCEAN OBSERVING SYSTEM.—

(1) ESTABLISHMENT.—The President, acting through the Council, shall establish a National Integrated Coastal and Ocean Observation System to fulfill the purposes set forth in subsection (b) and the System plan and to fulfill the Nation's international obligations to contribute to the global earth observation system of systems and the global ocean observing system.

(2) SUPPORT OF PURPOSES.—The head of each agency that is a member of the Interagency Working Group shall support the purposes of this section.

(3) AVAILABILITY OF DATA.—The head of each Federal agency that has administrative jurisdiction over a Federal asset shall make available data that are produced by that asset and that are not otherwise restricted for integration, management, and dissemination by the System.

(4) ENHANCING ADMINISTRATION AND MANAGEMENT.—The head of each Federal agency that has administrative jurisdiction over a Federal asset may take appropriate actions to enhance internal agency administration and management to better support, integrate, finance, and utilize observation data, products, and

services developed under this section to further its own agency mission and responsibilities.

(5) PARTICIPATION IN REGIONAL INFORMATION COORDINATION ENTITY.—The head of each Federal agency that has administrative jurisdiction over a Federal asset may participate in regional information coordination entity activities.

(6) NON-FEDERAL ASSETS.—Non-Federal assets shall be coordinated by the Interagency Working Group or by Regional Information Coordination Entities.

(e) POLICY OVERSIGHT, ADMINISTRATION, AND REGIONAL COORDINATION.—

(1) NATIONAL OCEAN RESEARCH LEADERSHIP COUNCIL.—The National Ocean Research Leadership Council shall be responsible for establishing broad coordination and long-term operations plans, policies, protocols, and standards for the System consistent with the policies, goals, and objectives contained in the System Plan, and coordination of the System with other earth observing activities.

(2) INTERAGENCY WORKING GROUP.—The Interagency Working Group shall, with respect to the System, be responsible for—

(A) implementation of operations plans and policies developed by the Council;

(B) development of an annual coordinated, comprehensive System budget;

(C) identification of gaps in observation coverage or needs for capital improvements of both Federal assets and non-Federal assets;

(D) establishment of data management and communication protocols and standards;

(E) establishment of required observation data variables;

(F) development of certification standards for all non-Federal assets or Regional Information Coordination Entities to be eligible for integration into the System; and

(G) periodically review and recommend to the Council revisions to the System plan.

(3) LEAD FEDERAL AGENCY.—The Secretary, acting through the Administrator, shall function as the lead Federal agency for the System. The Secretary, through the Administrator, may establish an Interagency Program Coordinating Office to facilitate the Secretary's responsibilities as the lead Federal agency for System oversight and management. The Administrator shall—

(A) implement policies, protocols, and standards established by the Council and delegated by the Interagency Working Group;

(B) promulgate regulations to integrate the participation of non-Federal assets into the System and enter into and oversee contracts and agreements with Regional Information Coordination Entities to effect this purpose;

(C) implement a competitive funding process for the purpose of assigning contracts and agreements to Regional Information Coordination Entities;

(D) certify or establish Regional Information Coordination Entities to coordinate State, Federal, local, and private interests at a regional level with the responsibility of engaging private and public sectors in designing, operating, and improving regional coastal and ocean observing systems in order to ensure the provision of data and information that meet the needs of user groups from the respective regions;

(E) formulate a process by which gaps in observation coverage or needs for capital improvements of Federal assets and non-Federal assets of the System can be identified by the Regional Information Coordination Entities, the Administrator, or other members of the System and transmitted to the Interagency Working Group;

(F) be responsible for the coordination, storage, management, and communication of observation data gathered through the System to all end-user communities;

(G) subject to the availability of appropriations and pursuant to procedures adopted by the Administrator after consultation with the working group and the system advisory panel, implement a competitive matching grant or other grant program to promote research and development of innovative and new observation technologies, including testing and field trials;

(H) implement a program of public education and outreach to improve public awareness of global climate change and effects on the ocean, coastal, and Great Lakes environment; and

(I) report annually to the Council through the Interagency Working Group on the accomplishments, operational needs, and performance of the System to achieve the purposes of this Act and the System plan.

(4) REGIONAL INFORMATION COORDINATION ENTITY.—To be certified or established under paragraph (3)(D), a Regional Information Coordination Entity must be certified or established by contract or agreement by the Administrator, and must agree to—

(A) gather required System observation data and other requirements specified under this section and the System plan;

(B) identify gaps in observation coverage or needs for capital improvements of Federal assets and non-Federal assets of the System, and transmit such information to the Interagency Working Group via the Administrator;

(C) demonstrate an organizational structure and strategic operational plan to ensure the efficient and effective administration of programs and assets to support daily data observations for integration into the System;

(D) comply with all financial oversight requirements established by the Administrator, including requirements relating to audits; and

(E) demonstrate a capability to work with other governmental and nongovernmental entities at all levels to identify and provide information products of the System for multiple users within the service area of the Regional Information Coordination Entities and otherwise.

(5) SYSTEM ADVISORY PANEL.—The Secretary, through the Administrator, may establish and appoint an advisory panel to advise the Council on the operations, management, and needs of the System. The appointment of this panel shall be done in consultation with the Interagency Working Group. Panel membership shall be broadly representative of all stakeholders and the user community of the System, including State and local governments.

(6) CIVIL LIABILITY.—For purposes of determining liability arising from the dissemination and use of observation data gathered pursuant to this section, any non-Federal asset or Regional Information Coordination Entity that is certified under paragraph (3)(D) and that is participating in the System shall be considered to be part of the National Oceanic and Atmospheric Administration. Any employee of such a non-Federal asset or Regional Information Coordination Entity, while operating within the scope of his or her employment in carrying out the purposes of this section, with respect to tort liability, is deemed to be an employee of the Federal Government.

(f) INTERAGENCY FINANCING, GRANTS, CONTRACTS, AND AGREEMENTS.—

(1) IN GENERAL.—The member departments and agencies of the Council, subject to the availability of appropriations, may participate in interagency financing and share, transfer, receive, obligate, and expend funds appropriated to any member agency for the purposes of carrying out any administrative or programmatic project or activity to further the purposes of this section, including support for the Interagency Working Group, the Interagency Coordinating Program Office, a common infrastructure, and integration to expand or otherwise enhance the System.

(2) JOINT CENTERS AND AGREEMENTS.—Member Departments and agencies of the Council shall have the authority to create, support, and maintain joint centers, and to enter into and perform such contracts, leases, grants, cooperative agreements, or other transactions as may be necessary to carry out the purposes of this section and fulfillment of the System Plan.

(g) APPLICATION WITH OTHER LAWS.—Nothing in this section supersedes or limits the authority of any agency to carry out its responsibilities and missions under other laws.

(h) REPORT TO CONGRESS.—Two years after the date of enactment of this Act, and biennially thereafter, the Secretary through the Council shall submit to the Congress a report on the performance of the System, achievement of the purposes and objectives of this section and the System plan, and recommendations for operational improvements to enhance the efficiency, accuracy, and overall capability of the System.

TITLE V—ADDITIONAL PROVISIONS

SEC. 501. SHARING OF PENALTIES.

Notwithstanding any other provision of this Act, any amounts received by the United States in an action brought under section 3730 of title 31, United States Code, that arise from any underpayment of royalties owed to the United States under any lease, and are treated as royalties paid to the United States under that lease for the purposes of the mineral leasing laws and the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–4 et seq.), and that are being made available for any coal-to-liquids programs or pilot projects funded in whole or part by the Federal Government, shall also be equally available for wind, solar, biomass, geothermal, cellulosic ethanol, or other renewable energy program funded in whole or part by the Federal Government, subject to appropriations.

SEC. 502. SHARING OF FEES.

Notwithstanding any other provision of this Act, of the amounts received by the United States pursuant to a fee established by this Act with respect to Federal onshore lands that are subject to a lease for production of oil, natural gas, or coal under which production is not occurring, and that are made available under this Act for any coal-to-liquids programs or pilot projects funded in whole or part by the Federal Government, shall also be made equally available for wind, solar, biomass, geothermal, cellulosic ethanol, or other renewable energy program funded in whole or part by the Federal Government, subject to appropriations.

SEC. 503. OIL SHALE COMMUNITY IMPACT ASSISTANCE.

(a) ESTABLISHMENT OF FUND.—There is established on the books of the Treasury of the United States a separate account to be known as the Oil Shale Community Impact Assistance Fund (hereinafter in this section referred to as the "Fund"). The Fund shall be administered by the Secretary of the Interior acting through the Director of the Bureau of Land Management.

(b) CONTENTS.—

(1) IN GENERAL.—There shall be credited to the Fund—

(A) all amounts paid to the United States as bonus bids in connection with the award of commercial oil shale leases pursuant to section 369(e) of the Energy Policy Act of 2005 (42 U.S.C. 15927(e)); and

(B) an amount equal to 25 percent of the portion of the other amounts deposited into the Treasury pursuant to section 35(a) of the Mineral Leasing Act (30 U.S.C. 191) with respect to such leases, that remains after deduction of all payments made pursuant to of such section.

(2) TERMINATION OF CREDITING OF ROYALTIES.—Paragraph (1)(B) shall not apply to royalties received by the United States under a commercial oil shale lease after the end of the 10-year period beginning on the date on which the first amount of royalty under such lease is paid to the United States.

(c) DISTRIBUTION.—

(1) IN GENERAL.—The Secretary, subject to the availability of appropriations, shall use amounts in the Fund to annually pay to each county in which is located land subject to a commercial oil shale lease referred to in subsection (b)(1) an amount equal to the amount credited to the Fund during the preceding year pursuant to section (b) with respect to such lease. If such land is located in more than one county, the Secretary shall allocate such payment among such counties on the basis of the relative amount of lands subject to the lease within each such county.

(2) USE OF PAYMENT.—Amounts paid to a county under this subsection shall be used by the county for the planning, construction, and maintenance of public facilities and the provision of public services.

SEC. 504. ADDITIONAL NOTICE REQUIREMENTS.

(a) PERMITTEES.—At least 45 days before offering lands for lease pursuant to section 17(f) of the Mineral Leasing Act (30 U.S.C. 226(f)), the Secretary of the Interior shall provide notice of the proposed leasing activity in writing to the holders of special recreation permits for commercial use, competitive events, and other organized activities on the lands being offered for lease.

(b) CONSERVATION EASEMENT HOLDERS.—

(1) If the holder of a conservation easement or similar property interest in the surface estate of lands eligible for leasing under the Mineral Leasing Act has informed the Secretary of the Interior of the existence of such property interest, the Secretary shall treat such holder as a surface estate owner for purposes of section 221(d) of this Act.

(2) As soon as possible after the date of enactment of this Act, the Secretary of the Interior shall establish a means for holders of property interests described in paragraph (1) to provide notice of such interests, and shall inform the public regarding such means.

PURPOSE OF THE BILL

The purpose of H.R. 2337, the Energy Policy Reform and Revitalization Act, is to promote energy policy reforms and public accountability, alternative energy and efficiency, and carbon capture and climate change mitigation, and for other purposes.

BACKGROUND AND NEED FOR LEGISLATION

The Energy Policy Reform and Revitalization Act is fiscally responsible legislation which addresses the nation's needs for a sounder energy policy and the challenges of climate change mitigation in regards to public lands and natural resources. The bill restores accountability to the Federal oil and gas leasing program, both in terms of permitting and royalty collection. The bill further addresses the development of oil and gas resources on split-estate lands, so that surface owners, who do not hold title to the minerals, are notified and compensated when the sub-surface oil and gas resources are developed. H.R. 2337 includes a number of renewable energy provisions relating to biomass, hydropower, ocean thermal, and solar. The bill also authorizes USGS carbon capture and sequestration assessments and inventories, requires the BLM to develop a framework for carbon sequestration on public lands, and sets forth several new climate change initiatives related to the oceans, wildlife and climate change projections.

In developing this legislation, the committee considered the recommendations of more than 100 witnesses who testified at 14 hearings since January 2007. Key provisions included in H.R. 2337 as reported by the Committee will:

Give the Department of the Interior enhanced enforcement authority and auditing capability to ensure that companies pay oil and gas royalties that they owe for the development of publicly-owned resources. These provisions have no impact on the vast majority of companies that pay their royalties in full and on time. Underpayment and fraudulent activity by oil and gas lessees is a serious problem in the Federal oil and gas royalty management program. In 2001, a number of the nation's biggest oil companies settled allegations of systematic cheating on royalty payments by paying nearly $440 million to the United States.

Initiate a framework for enabling our nation to sequester carbon dioxide under the ground to insure the future use of fuels, such as coal, in an environmentally responsible fashion—helping to mitigate the impact of global warming and reasserting America's responsibility to address worldwide climate change.

Rather than have taxpayers foot the bill, implement the Administration's proposed fee for the processing of applications for a permit to drill on public lands and also impose a $1 per acre fee on non-producing oil and gas and coal leases, generating revenue that is reinvested to restore degraded public lands.

Codify the Western Governors' Association policy concerning categorical exclusions from the National Environmental Policy Act to better protected wildlife migration corridors and crucial wildlife habitat on western public lands.

Eliminate the arbitrary deadlines of the western energy corridor process, and allow for a study to ensure that officials look at where the congestion really exists and consider where those special places are that should not have pipelines running through or wires strung over.

Provide for more responsible development of oil shale resources.

Help protect the right to healthy lands and waters for surface owners in split eState situations—areas in which the surface rights belong to private individuals, while the rights to the oil and gas re-

sources under the surface are publicly held and managed by the government.

Encourage the development of renewable resources through the establishment of an innovative program to more effectively use woody biomass derived from brush, hazardous fuel reduction, and ecological restoration on Federal forest lands. It would also set up a process for generating between 4 and 25 gigawatts of solar power on Federal lands.

Authorize guidance for avoiding and minimizing impacts to wildlife and habitat for the wind energy industry—a need affirmed by the Fish and Wildlife Service—to help ensure that the industry is able to develop and grow in a responsible manner.

Establish a national ocean observation system to detect daily changes and cyclical shifts in the ocean environment and gather information important to national defense, marine commerce, and scientific research—a key recommendation outlined by the Joint Ocean Commission Initiative.

Direct the Secretary of the Interior to develop a national strategy to assist wildlife populations and their habitats in adapting to the impacts of climate change—and provide States new funding opportunities to assist wildlife in adapting to global warming.

COMMITTEE ACTION

H.R. 2337 was introduced by Natural Resources Committee Chairman Nick J. Rahall, II (D–WV) and Energy and Mineral Resources Subcommittee Chairman Jim Costa (D–CA) on May 16, 2007. The bill was referred to the Committee on Natural Resources. A full committee hearing was held on May 23, 2007.

In addition, 13 hearings were held by the full committee or the subcommittees on topics related to H.R. 2337 in the weeks preceding introduction of the bill:

• February 16, 2007, Natural Resources Committee oversight hearing on "Reports, Audits and Investigations by the Government Accountability Office and the Office of Inspector General Regarding the Department of the Interior." This hearing provided an overview of issues and problems identified or under review by the Department of the Interior's Inspector General (IG) and the Government Accountability Office (GAO). The Committee heard testimony related to the ongoing, serious problems at the Minerals Management Service (MMS) relating to royalty collection and auditing of oil and gas lessees. Specifically, the IG's December 2006 report (Report No. C–IN–MMS–0006–2006), on the audit and compliance review process at MMS found that there are aspects of the process that should be improved, including data collection and the threshold for conducting full-scale audits. In addition, the report states that MMS has reduced the number of auditor positions located in the Compliance and Asset Management Program by 35, or 20.7 percent, since 2000. The MMS has reduced the number of audits by 22 percent over the period from 2000/2001 to 2004/2005.

The Committee also heard testimony from GAO relating to a 2005 report on oil and gas drilling permits approved by the Bureau of Land Management (BLM) between 1999 and 2004. In its report, GAO concluded that the BLM's increased oil and gas permitting activity "has lessened BLM's ability to meet its environmental protection responsibilities." GAO's analysis found that as permits for oil

and gas development tripled nationwide—from 1,803 in fiscal year 1999 to 6,399 in 2004—in five out of eight BLM field offices, staff had to spend increased time processing drilling permits, resulting in less time for mitigation activities, such as environmental inspections and idle-well reviews.

• February 28, 2007, Natural Resources Committee oversight hearing on the "Evolving West." This hearing focused on the changing environmental and economic conditions of the western States, and the increasing pressures on public lands and resources. Witnesses identified growing conflicts between poorly managed oil and gas development and other uses of the public lands.

• March 20, 2007, Subcommittee on Energy and Mineral Resources oversight hearing on "Toward a Clean Energy Future: Energy Policy and Climate Change on Public Lands." This hearing provided an overview of the challenges posed by global climate change on our public lands, from a potential increase in California fires to the impact of melting polar ice on wildlife to negative impacts on the environmental and ecotourism industry. Approximately 30% of the nation's land, almost 700 million acres, is public land managed by the Department of the Interior and the U.S. Forest Service. Climate change is having a significant effect on national parks and other protected areas, as evidenced by increasing cycles of drought, wildfire and severe storms. Witnesses advocated a range of approaches, some of which are included in H.R. 2337, especially as it relates to wildlife protection.

• March 27, 2007, Natural Resources Committee oversight hearing on "Access Denied: The Growing Conflict between Fishing, Hunting and Energy Development on Federal Lands." This hearing highlighted the concerns of hunters and anglers in the debate on the balanced use of Federal lands. Hunting and fishing constitute an important component of the American way of life and should remain available to all Americans regardless of financial means. Yet, as the hearing documented, hunters and anglers are alarmed by the escalating harm to fish and wildlife habitat from oil and gas development. The Committee heard from a labor-sportsman coalition that has coalesced to address concerns about the adverse effects of oil and gas activities on wildlife, who recommended amendments to EPAct, greater protection of wildlife corridors and habitat, and surface owner protections for split-estate lands.

• March 28, 2007, Natural Resources Committee oversight hearing on "Royalties at Risk." This full committee hearing focused on the mismanagement of Federal royalty collection at the Minerals Management Service, brought to light by recent Inspector General and GAO reports and by the press. Assistant Secretary of the Department of the Interior C. Stephen Allred and the Acting Director of the Natural Resources and Environment section of the GAO testified on the changes that have been made at the Department of the Interior and within MMS to address some of the many problems facing that agency. Witnesses also included former MMS auditors who testified on the significant problems at MMS, and the resultant significant losses to the Federal treasury, States and Native tribes as a result of mismanagement. Problems identified included both institutional weaknesses and inadequacies in existing law.

Over the last decade, MMS has shifted its emphasis toward the royalty-in-kind (RIK) program to the detriment of effective royalty collection. Since 1997, when it initiated three "pilot programs," MMS has progressively increased the size and scope of the RIK program. At Chairman Rahall's request, GAO reviewed the RIK program and found that revenue impacts from RIK sales in three pilot-project areas indicated a mixed performance, that MMS needed to identify and acquire key information to monitor and evaluate the RIK program prior to expanding the program further, and that MMS was unable to determine whether it was losing revenue through its RIK pilot programs. In addition, the New York Times has recently reported that the Justice Department is conducting criminal investigations into officials in charge of the RIK program.

• March 29, 2007, Subcommittee on Fisheries, Wildlife and Oceans oversight hearing on "Ocean Policy Priorities in the United States." This hearing provided an overview of the recommendations of the U.S. Commission on Ocean Policy and the Pew Oceans Commission. While the recommendations of the two Commissions were broad and far reaching, both emphasized the need for better coordination and alignment of purpose amongst the Federal agencies that authorize or conduct activities in the oceans to minimize the impacts of those activities—including energy development—on the marine environment. Witnesses testified about the need for Congress to quickly authorize a national integrated coastal ocean observation system in order to collect more and better data from the oceans and better predict and manage the impacts that climate change is having and will have on the oceans and our atmosphere. They also testified on the need for additional research and planning to understand and accommodate the impacts of climate change on the coastal zone and the communities that live there.

• April 17, 2007, Subcommittee on Energy and Mineral Resources oversight hearing on "Implementation of Title III, the Oil and Gas Provisions of the Energy Policy Act of 2005." This hearing took an in-depth look at some of the problems created by Title III of EPAct 2005, specifically Sections 365(g), 366, 368, 369 and 390. Witness testimony supported the 2005 GAO report finding that the BLM's increased oil and gas permitting activity "has lessened BLM's ability to meet its environmental protection responsibilities."

As discussed during the hearing, oil and gas development has ecological consequences. The "footprint" of an individual well or pad may be relatively small, but production requires infrastructure and development such as roads and pipelines that can contaminate water, reduce water quantity, degrade fish habitat, and fragment wildlife corridors, calving grounds, and nesting areas. Economically and culturally, wildlife is an important component of the West. Trout Unlimited estimates that nine million people spend more than $5 billion each year to hunt, fish, or otherwise enjoy the wildlife populations in the five Rocky Mountain States.

Section 390 of EPAct allows BLM to use categorical exclusions under the National Environmental Policy Act of 1969 for individual sites that involve surface disturbance of less than five acres; for a well at a location on which drilling has previously occurred within 5 years; for a well within a developed field that has an approved land use plan "or any environmental document prepared pursuant to NEPA" within the preceding 5 years; for a new pipeline in an

approved right-of-way corridor as long as the approval occurred within five years of construction of the pipeline; and for maintenance of a minor activity. In a resolution approved Feb. 27, 2007, the Western Governors Association called on Congress to remove that categorical exclusion language for exploration or development of oil and gas in wildlife corridors and crucial wildlife habitat on Federal land.

In general, witnesses recommended repeal of Section 390 of EPAct 2005, asserting that without the blanket exemption for oil and gas activities on Federal lands, BLM would be able to consider applications for "categorical exclusions" from NEPA review, but all such applications would be subject to the "extraordinary circumstances" criteria of the Department of the Interior's NEPA rules. In other words, repeal of the provision would allow the BLM some discretion in applying a categorical exclusion to NEPA for oil and gas activities.

• April 17, 2007, Subcommittee on Fisheries, Wildlife and Oceans oversight hearing on "Wildlife and Oceans in a Changing Climate." This hearing provided an overview of the impacts that climate change is having and will continue to have on oceans and wildlife.

Several witnesses, including experts on chemical oceanography, wildlife biology, and conservation testified regarding the need to research, anticipate and plan for the impacts of ocean acidification on marine life and the impacts of climate change on wildlife populations and their habitats.

• April 19, 2007, Subcommittee on Energy and Mineral Resources oversight hearing on "Review of Title II, Subtitle B—Geothermal Energy of EPAct; and other renewable programs and proposals for public resources." This hearing focused on the vast potential for increasing domestic energy production on public lands using renewable energy. According to witnesses from the geothermal, solar, wind, and biomass industries, renewable energy has the potential to create American jobs, reduce fossil fuel emissions from energy production, and create substantial amounts of green energy. However, significant challenges to the industry still exist, and long term research and development projects are needed to bring these new and emerging technologies to a commercial scale, in addition to ensuring the energy produced by renewable energy can obtain access to the Federal transmission system.

• April 24, 2007, Subcommittees on Energy and Mineral Resources and Fisheries, Wildlife and Oceans joint oversight hearing: "Renewable Energy Opportunities and Issues on the Outer Continental Shelf." This hearing reviewed the opportunities for renewable energy development on the Outer Continental Shelf (OCS). While it was generally acknowledged that there is a vast potential for renewable energy generation on the OCS, the roles of the Minerals Management Service, Federal Energy Regulatory Commission, and National Oceanic and Atmospheric Administration in managing projects are not clear. Additional environmental concerns indicate the need for more careful and thorough study of the potential projects. Witnesses from State organizations, the renewable energy industry, and fisheries associations testified that while the challenges associated with OCS renewable energy development are real, so are the opportunities.

• April 26, 2007, Subcommittees on Energy and Mineral Resources and National Parks, Forests and Public Lands joint oversight hearing on "Land Use Issues Associated with Onshore Oil and Gas Leasing and Development." This hearing focused on the effects of provisions in EPAct 2005 that facilitate oil and natural gas activities on public lands, and the concern that this emphasis results in inadequate environmental planning. Additionally, witnesses raised the issue of stockpiling leases, noting the recent steep increase in permits without increased production.

A representative of the Western Governors Association testified about their call for the repeal of a provision in the Energy Policy Act of 2005 that created new categorical exclusions from the National Environmental Policy Act. Witnesses also discussed conflicts arising from split estate ownership, the surface disposal of large quantities of mineral-laden water produced as a result of gas drilling, the perceived failure of the agencies to require that drilling companies provide adequate bonds and perform appropriate reclamation, and the damage and potential harm to sacred sites, cultural treasures, and recreational opportunities.

As was noted during the hearing, a 2003 BLM report indicates that 85% of the oil and 88% of proven gas reserves on Federal lands in Colorado, New Mexico, Montana, Utah, and Wyoming were (and are) available for leasing and development. Today, approximately 36 million acres of onshore public lands are under lease for oil and gas development with ample room for expanded production: just 12.5 million acres, or 35%, are in production.

BLM estimates it received 11,500 applications for permits to drill in Fiscal Year 2007, compared to 8,350 in Fiscal Year 2005. A May 2006 BLM internal report entitled "Commitments Made in Decision Documents Not Yet Achieved" documented failures in the Pinedale, Wyoming Field Office to uphold mitigation and monitoring commitments made in past oil and gas decisions in the Upper Green River Valley. Witnesses raised concern that BLM's leasing frenzy is undermining other Federal and State expenditures to protect other resources: for instance, FWS and the States spent a lot of time and effort crafting a plan intended to help sage grouse and prevent a formal ESA listing for that bird.

• May 1, 2007, Subcommittees on Energy and Mineral Resources and National Parks, Forests and Public Lands joint oversight hearing on "The Future of Fossil Fuels: Geological and Terrestrial Sequestration of Carbon Dioxide." Witnesses at this hearing affirmed that coal will be a necessary and important part of our energy future, and that it is important to develop technologies which will enable us to use coal in the most environmentally sound manner possible. Both terrestrial and geological carbon sequestration were discussed, with the consensus being that these offer real opportunities to reduce carbon dioxide emissions. However, more research needs to be done to map the potential areas for geological sequestration of carbon dioxide, and to develop this important new technology. While the Department of Energy's Regional Sequestration Partnerships have done an excellent job in gathering data and conducting initial tests, there was no standard peer-reviewed methodology used by the different partnerships, and there are still some data gaps that need to be addressed.

• May 1, 2007, Subcommittee on Fisheries, Wildlife and Oceans: "Gone with the Wind: Impacts of Wind Turbines on Birds and Bats." The purpose of this hearing was to follow up on a September, 2005 GAO report requested by Chairman Rahall and Congressman Alan Mollohan entitled, "Wind Power: Impacts on Wildlife and Government Responsibilities for Regulating Development and Protecting Wildlife." The GAO testified that utility-scale wind energy facilities have killed large numbers of birds and bats in various locations across the country, and that environmental regulatory oversight of this industry is minimal and/or inconsistent from State to State. The GAO determined that our current understanding of interactions between wind turbines and wildlife is insufficient and that any significant expansion of the wind energy sector could substantially increase the potential for negative population-level impacts on wildlife.

Witnesses at this hearing affirmed that wind energy is having a demonstratively negative impact on wildlife, especially bats in the Appalachian region. Witnesses also stated that the existing Federal wind energy tax credit provides another nexus to justify Federal oversight. A witness from the U.S. Fish and Wildlife Service testified that the wind industry's compliance with the Service's voluntary, interim wind energy guidelines was "sketchy at best" and that the Federal government needed specific regulatory and enforcement authority to minimize impacts to protected wildlife. Other witnesses expressed a glaring need for additional research regarding engineering and design standards in order to minimize impacts before the industry expands.

FULL COMMITTEE MARKUP ACTION

On Wednesday, June 6, 2007, Thursday, June 7, 2007, and Wednesday, June 13, 2007, the Natural Resources Committee met in open session to consider the bill. Natural Resources Committee Chairman Nick J. Rahall, II (D–WV) offered an amendment in the nature of a substitute.

Mr. Costa offered an amendment to amend section 102, extending the deadline for processing of applications for permits to drill from 30 to 90 days, rather than repealing the deadline, which was agreed to by voice vote.

Mr. Costa offered an amendment to adjust the Healthy Lands fees to apply to lands that are subject to the relevant leases when the regulations go into effect, and to count such fees as offsetting receipts, which was agreed to by voice vote.

Mr. Costa offered an amendment to clarify language in section 304, dealing with the Strategic Solar Reserve Leasing Program, which was agreed to by voice vote.

Mr. DeFazio offered an amendment relating to old growth forests and the biomass utilization pilot program, which was agreed to by voice vote.

Mr. Grijalva offered an amendment to ensure that nothing in section 103 limits the ability of the Secretaries to authorize rights of way for energy transmission projects that are consistent with the governing land use plan, after completion of environmental analysis and in compliance with applicable laws, which was agreed to by voice vote.

Mr. Abercrombie offered an amendment to change the energy corridor right of way study deadline from 18 months to 6 months, which was agreed to by voice vote.

Mr. Gilchrest offered an amendment to introduce a new title to delay implementation of Titles I and II pending determinations by the Secretary of the Interior, which was withdrawn.

Mr. Inslee offered an amendment to add a title requiring a deadline for a memorandum of understanding between the Minerals Management Service and the Federal Regulatory Commission relating to jurisdiction over the permitting of ocean power projects in Federal waters, which was withdrawn.

Mr. Inslee offered an amendment to add a title on Ocean Energy Licensing and Leasing, which was withdrawn.

Mr. Inslee offered an amendment to add a new title regarding a seven year nonpayment period for ocean renewable energy resources, which was withdrawn.

Mr. Jindal offered an amendment to provide for payments to adjacent States of 37.5% of revenues from alternative energy leases on the outer continental shelf, which was withdrawn.

Mr. Jindal offered an amendment to add inventories of offshore infrastructure capable of supporting alternative energy development to section 301, which was passed by voice vote.

Mr. Jindal offered an amendment to designate 37.5% of the cost recovery fees under section 101 for coastal restoration activities, which was withdrawn.

Mrs. McMorris Rodgers offered an amendment to section 241, which was agreed to by voice vote.

Mr. Heller offered an amendment to transfer the remaining balance in the permit processing pilot fund into the payment in lieu of taxes program, which was withdrawn.

Mr. Sali offered an amendment to strike section 231, which was withdrawn.

Mr. Pearce offered an amendment to include additional renewable energy definitions in section 103, which was agreed to by voice vote.

Mr. Udall offered an amendment to add a section on Oil Shale Community Impact Assistance, which was agreed to by voice vote.

Mr. Udall offered an amendment to provide for additional notice to conservation easement holders and special-use recreation permit holders, which was agreed to by voice vote.

Mr. Baca offered an amendment to broaden the reverse osmosis research program in section 303, which was agreed to by voice vote.

Mr. Pearce offered an amendment to expand the maximum size of the strategic solar reserve program to 25 gigawatts, which was accepted by voice vote.

Mr. Flake offered an amendment to strike language relating to coordination of the national strategy for wildlife in section 454 with other plans, which was withdrawn.

Mr. Flake offered an amendment to strike the National Global Warming and Wildlife Science Center in section 455, which was withdrawn.

Mr. Bishop offered an amendment to strike the phrase "ecological forest restoration" and offer a more detailed definition for the biomass provisions, which was withdrawn.

Mr. Pearce offered an amendment to make the effective date of the bill dependent upon the Secretary of the Interior certifying that nothing in the bill would reduce the production of domestic energy or increase imports or prices, which was not agreed to by a rollcall vote of 16 yeas and 23 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 7, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Pearce #5 to the Amendment in the Nature of a Substitute was not agreed to by a roll call vote of 16 yeas and 23 nays.

☒Recorded Vote Vote # 1 Total: Yeas: 16 Nays: 23

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV		✓		*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI		✓	
Mr. Miller, CA		✓		*Mr. Gohmert, TX*			
Mr. Saxton, NJ		✓		Mr. Costa, CA		✓	
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK	✓		
Mr. Kildee, MI		✓		*Mr. Bishop, UT*	✓		
Mr. Duncan, TN	✓			Mr. Sarbanes, MD		✓	
Mr. DeFazio, OR		✓		*Mr. Shuster, PA*			
Mr. Gilchrest, MD	✓			Mr. Hinchey, NY			
Mr. Faleomavaega, AS				*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI		✓	
Mr. Abercrombie, HI		✓		*Mr. Sali, ID*	✓		
Mr. Tancredo, CO				Mr. Kind, WI		✓	
Mr. Ortiz, TX		✓		*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ				Mrs. Capps, CA		✓	
Mr. Pallone, NJ		✓		*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA		✓	
Mrs. Christensen, VI		✓		*Mr. McCarthy, CA*			
Mr. Brown, SC	✓			Mr. Mark Udall, CO		✓	
Mrs. Napolitano, CA		✓		Mr. Baca, CA		✓	
Mr. Fortuño, PR				Ms. Solis, CA		✓	
Mr. Holt, NJ		✓		Ms. Herseth, SD			
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC			
Mr. Grijalva, AZ		✓					
				Total	16	23	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:31pm)

Mr. Pearce offered an amendment to include carbon dioxide captured from coal- and coal-to-liquids facilities, and liquid fuels derived from coal, in the proposed study of congestion and constraints in energy transmission, which was agreed to by a rollcall vote of 32 yeas and 10 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 7, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Pearce #4A to the Amendment in the Nature of a Substitute was agreed to by a roll call vote of 32 yeas and 10 nays.

☒Recorded Vote Vote # 2 Total: Yeas: 32 Nays: 10

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV	✓			*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI	✓		
Mr. Miller, CA		✓		*Mr. Gohmert, TX*			
Mr. Saxton, NJ	✓			Mr. Costa, CA	✓		
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK	✓		
Mr. Kildee, MI		✓		*Mr. Bishop, UT*	✓		
Mr. Duncan, TN	✓			Mr. Sarbanes, MD	✓		
Mr. DeFazio, OR	✓			*Mr. Shuster, PA*			
Mr. Gilchrest, MD	✓			Mr. Hinchey, NY		✓	
Mr. Faleomavaega, AS				*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI		✓	
Mr. Abercrombie, HI	✓			*Mr. Sali, ID*	✓		
Mr. Tancredo, CO				Mr. Kind, WI	✓		
Mr. Ortiz, TX	✓			*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA		✓	
Mr. Pallone, NJ		✓		*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA	✓		
Mrs. Christensen, VI	✓			*Mr. McCarthy, CA*			
Mr. Brown, SC	✓			Mr. Mark Udall, CO	✓		
Mrs. Napolitano, CA	✓			Mr. Baca, CA	✓		
Mr. Fortuño, PR				Ms. Solis, CA		✓	
Mr. Holt, NJ		✓		Ms. Herseth, SD	✓		
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC			
Mr. Grijalva, AZ		✓					
				Total	32	10	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:32pm)

Mr. Pearce offered an amendment to allocate twenty percent of any penalties received due to underpayment of royalties for coal-to-liquids programs and pilot projects, which was not agreed to by a rollcall vote of 20 yeas and 26 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 7, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Pearce #4B to the Amendment in the Nature of a Substitute was not agreed to by a roll call vote of 20 yeas and 26 nays.

☒Recorded Vote Vote # 3 Total: Yeas: 20 Nays: 26

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV		✓		*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI		✓	
Mr. Miller, CA		✓		*Mr. Gohmert, TX*	✓		
Mr. Saxton, NJ		✓		Mr. Costa, CA		✓	
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK	✓		
Mr. Kildee, MI		✓		*Mr. Bishop, UT*	✓		
Mr. Duncan, TN	✓			Mr. Sarbanes, MD		✓	
Mr. DeFazio, OR		✓		*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD		✓		Mr. Hinchey, NY		✓	
Mr. Faleomavaega, AS				*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI		✓	
Mr. Abercrombie, HI	✓			*Mr. Sali, ID*	✓		
Mr. Tancredo, CO				Mr. Kind, WI		✓	
Mr. Ortiz, TX		✓		*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA		✓	
Mr. Pallone, NJ		✓		*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA		✓	
Mrs. Christensen, VI		✓		*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO		✓	
Mrs. Napolitano, CA		✓		Mr. Baca, CA		✓	
Mr. Fortuño, PR				Ms. Solis, CA		✓	
Mr. Holt, NJ		✓		Ms. Herseth, SD		✓	
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC		✓	
Mr. Grijalva, AZ		✓					
				Total	20	26	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:32pm)

Mr. Pearce offered an amendment to make funds received from non-producing coal leases under the due diligence fee established in section 224 available for coal-to-liquids programs and pilot projects, which was agreed to by a rollcall vote of 30 yeas and 15 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 7, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Pearce #4C to the Amendment in the Nature of a Substitute was agreed to by a roll call vote of 30 yeas and 15 nays.

☒Recorded Vote Vote # 4 Total: Yeas: 30 Nays: 15

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV	✓			*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI	✓		
Mr. Miller, CA		✓		*Mr. Gohmert, TX*	✓		
Mr. Saxton, NJ	✓			Mr. Costa, CA	✓		
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK	✓		
Mr. Kildee, MI				*Mr. Bishop, UT*	✓		
Mr. Duncan, TN	✓			Mr. Sarbanes, MD		✓	
Mr. DeFazio, OR		✓		*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD		✓		Mr. Hinchey, NY		✓	
Mr. Faleomavaega, AS				*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI		✓	
Mr. Abercrombie, HI	✓			*Mr. Sali, ID*	✓		
Mr. Tancredo, CO				Mr. Kind, WI	✓		
Mr. Ortiz, TX	✓			*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA		✓	
Mr. Pallone, NJ		✓		*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA		✓	
Mrs. Christensen, VI	✓			*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO	✓		
Mrs. Napolitano, CA		✓		Mr. Baca, CA		✓	
Mr. Fortuño, PR				Ms. Solis, CA		✓	
Mr. Holt, NJ		✓		Ms. Herseth, SD	✓		
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC	✓		
Mr. Grijalva, AZ		✓					
				Total	30	15	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:32pm)

Mr. Pearce offered an amendment to add the Office of Surface Mining Reclamation and Enforcement to the Interagency Council on Climate Change, which was agreed to by a rollcall vote of 45 yeas and 0 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 7, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Pearce #4D to the Amendment in the Nature of a Substitute was agreed to by a roll call vote of 45 yeas and 0 nays.

☒Recorded Vote Vote # 5 Total: Yeas: 45 Nays: 0

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV	✓			*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI	✓		
Mr. Miller, CA	✓			*Mr. Gohmert, TX*	✓		
Mr. Saxton, NJ	✓			Mr. Costa, CA	✓		
Mr. Markey, MA	✓			*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK	✓		
Mr. Kildee, MI				*Mr. Bishop, UT*	✓		
Mr. Duncan, TN	✓			Mr. Sarbanes, MD	✓		
Mr. DeFazio, OR	✓			*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD	✓			Mr. Hinchey, NY	✓		
Mr. Faleomavaega, AS				*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI	✓		
Mr. Abercrombie, HI	✓			*Mr. Sali, ID*	✓		
Mr. Tancredo, CO				Mr. Kind, WI	✓		
Mr. Ortiz, TX	✓			*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA	✓		
Mr. Pallone, NJ	✓			*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA	✓		
Mrs. Christensen, VI	✓			*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO	✓		
Mrs. Napolitano, CA	✓			Mr. Baca, CA	✓		
Mr. Fortuño, PR				Ms. Solis, CA	✓		
Mr. Holt, NJ	✓			Ms. Herseth, SD	✓		
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC	✓		
Mr. Grijalva, AZ	✓						
				Total	45	0	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:32pm)

Mr. Pearce offered an amendment to exclude the consideration of the impact of coal-fired power plants and coal-to-liquids plants in developing climate change resiliency planning grants, which was not agreed to by a rollcall vote of 18 yeas and 27 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 7, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Pearce #4E to the Amendment in the Nature of a Substitute was not agreed to by a roll call vote of 18 yeas and 27 nays.

☒Recorded Vote Vote # 6 Total: Yeas: 18 Nays: 27

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV		✓		*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI		✓	
Mr. Miller, CA		✓		*Mr. Gohmert, TX*	✓		
Mr. Saxton, NJ		✓		Mr. Costa, CA		✓	
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK		✓	
Mr. Kildee, MI				*Mr. Bishop, UT*	✓		
Mr. Duncan, TN	✓			Mr. Sarbanes, MD		✓	
Mr. DeFazio, OR		✓		*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD		✓		Mr. Hinchey, NY		✓	
Mr. Faleomavaega, AS				*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI		✓	
Mr. Abercrombie, HI		✓		*Mr. Sali, ID*	✓		
Mr. Tancredo, CO				Mr. Kind, WI		✓	
Mr. Ortiz, TX		✓		*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA		✓	
Mr. Pallone, NJ		✓		*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA		✓	
Mrs. Christensen, VI		✓		*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO		✓	
Mrs. Napolitano, CA		✓		Mr. Baca, CA		✓	
Mr. Fortuño, PR				Ms. Solis, CA		✓	
Mr. Holt, NJ		✓		Ms. Herseth, SD		✓	
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC		✓	
Mr. Grijalva, AZ		✓					
				Total	18	27	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:32pm)

Mr. Markey offered an amendment to create a wind turbine advisory committee by substituting a new subtitle D in title II, which was agreed to by a rollcall vote of 43 yeas and 1 nay as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 7, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Markey.048 to the Amendment in the Nature of a Substitute was agreed to by a roll call vote of 43 yeas and 1 nay.

☒Recorded Vote Vote # 7 Total: Yeas: 43 Nays: 1

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV	✓			*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI	✓		
Mr. Miller, CA	✓			*Mr. Gohmert, TX*		✓	
Mr. Saxton, NJ	✓			Mr. Costa, CA	✓		
Mr. Markey, MA	✓			*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK	✓		
Mr. Kildee, MI				*Mr. Bishop, UT*	✓		
Mr. Duncan, TN				Mr. Sarbanes, MD	✓		
Mr. DeFazio, OR	✓			*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD	✓			Mr. Hinchey, NY	✓		
Mr. Faleomavaega, AS				*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI	✓		
Mr. Abercrombie, HI	✓			*Mr. Sali, ID*	✓		
Mr. Tancredo, CO				Mr. Kind, WI	✓		
Mr. Ortiz, TX	✓			*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA	✓		
Mr. Pallone, NJ	✓			*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA	✓		
Mrs. Christensen, VI	✓			*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO	✓		
Mrs. Napolitano, CA	✓			Mr. Baca, CA	✓		
Mr. Fortuño, PR				Ms. Solis, CA	✓		
Mr. Holt, NJ	✓			Ms. Herseth, SD	✓		
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC	✓		
Mr. Grijalva, AZ	✓						
				Total	43	1	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:32pm)

Mr. Bishop offered an amendment to require a fee to file protests against applications for permits to drill, which was not agreed to by a rollcall vote of 17 yeas and 27 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 7, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Bishop.014 to the Amendment in the Nature of a Substitute was not agreed to by a roll call vote of 17 yeas and 27 nays.

☒Recorded Vote Vote # 8 Total: Yeas: 17 Nays: 27

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV		✓		*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI		✓	
Mr. Miller, CA		✓		*Mr. Gohmert, TX*		✓	
Mr. Saxton, NJ		✓		Mr. Costa, CA		✓	
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK	✓		
Mr. Kildee, MI				*Mr. Bishop, UT*	✓		
Mr. Duncan, TN				Mr. Sarbanes, MD		✓	
Mr. DeFazio, OR		✓		*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD		✓		Mr. Hinchey, NY		✓	
Mr. Faleomavaega, AS				*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI		✓	
Mr. Abercrombie, HI		✓		*Mr. Sali, ID*	✓		
Mr. Tancredo, CO				Mr. Kind, WI		✓	
Mr. Ortiz, TX		✓		*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA		✓	
Mr. Pallone, NJ		✓		*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA		✓	
Mrs. Christensen, VI		✓		*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO		✓	
Mrs. Napolitano, CA		✓		Mr. Baca, CA		✓	
Mr. Fortuño, PR				Ms. Solis, CA		✓	
Mr. Holt, NJ		✓		Ms. Herseth, SD		✓	
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC		✓	
Mr. Grijalva, AZ		✓					
				Total	17	27	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:33pm)

Mr. Inslee offered an amendment to require the preparation of Programmatic Environmental Impact Statements for marine and hydrokinetic renewable energy projects in each of the Environmental Protection Agency regions, which was agreed to by a rollcall vote of 45 yeas and 0 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 7, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Inslee.056 to the Amendment in the Nature of a Substitute was agreed to by a roll call vote of 45 yeas and 0 nays.

☒Recorded Vote Vote # 9 Total: Yeas: 45 Nays: 0

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV	✓			*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI	✓		
Mr. Miller, CA	✓			*Mr. Gohmert, TX*	✓		
Mr. Saxton, NJ	✓			Mr. Costa, CA	✓		
Mr. Markey, MA	✓			*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK	✓		
Mr. Kildee, MI				*Mr. Bishop, UT*	✓		
Mr. Duncan, TN	✓			Mr. Sarbanes, MD	✓		
Mr. DeFazio, OR	✓			*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD	✓			Mr. Hinchey, NY	✓		
Mr. Faleomavaega, AS				*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI	✓		
Mr. Abercrombie, HI	✓			*Mr. Sali, ID*	✓		
Mr. Tancredo, CO				Mr. Kind, WI	✓		
Mr. Ortiz, TX	✓			*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA	✓		
Mr. Pallone, NJ	✓			*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA	✓		
Mrs. Christensen, VI	✓			*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO	✓		
Mrs. Napolitano, CA	✓			Mr. Baca, CA	✓		
Mr. Fortuño, PR				Ms. Solis, CA	✓		
Mr. Holt, NJ	✓			Ms. Herseth, SD	✓		
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC	✓		
Mr. Grijalva, AZ	✓						
				Total	45	0	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:33pm)

Mrs. McMorris Rodgers offered an amendment to include hydropower projects in the study of constraints of energy transmission due to congestion and lack of access to the Federal grid, which was agreed to by a rollcall vote of 44 yeas and 0 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 7, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mrs. McMorris Rodgers.010 to the Amendment in the Nature of a Substitute was agreed to by a roll call vote of 44 yeas and 0 nays.

☒Recorded Vote Vote # 10 Total: Yeas: 44 Nays: 0

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV	✓			*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI	✓		
Mr. Miller, CA	✓			*Mr. Gohmert, TX*	✓		
Mr. Saxton, NJ	✓			Mr. Costa, CA	✓		
Mr. Markey, MA	✓			*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK	✓		
Mr. Kildee, MI				*Mr. Bishop, UT*	✓		
Mr. Duncan, TN	✓			Mr. Sarbanes, MD	✓		
Mr. DeFazio, OR	✓			*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD	✓			Mr. Hinchey, NY	✓		
Mr. Faleomavaega, AS				*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI			
Mr. Abercrombie, HI	✓			*Mr. Sali, ID*	✓		
Mr. Tancredo, CO				Mr. Kind, WI	✓		
Mr. Ortiz, TX	✓			*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA	✓		
Mr. Pallone, NJ	✓			*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA	✓		
Mrs. Christensen, VI	✓			*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO	✓		
Mrs. Napolitano, CA	✓			Mr. Baca, CA	✓		
Mr. Fortuño, PR				Ms. Solis, CA	✓		
Mr. Holt, NJ	✓			Ms. Herseth, SD	✓		
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC	✓		
Mr. Grijalva, AZ	✓						
				Total	44	0	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:33pm)

Mr. Markey offered an amendment to add a new title, Title V, to include renewable energy projects as potential recipients of money that is also made available for coal-to-liquids projects as a result of the bill, which was agreed to by a rollcall vote of 26 yeas and 18 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 7, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Markey (Title V: Additional Provisions) to the Amendment in the Nature of a Substitute was agreed to by a roll call vote of 26 yeas and 18 nays.

☒Recorded Vote Vote # 11 Total: Yeas: 26 Nays: 18

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV	✓			*Mr. Jindal, LA*	✓		
Mr. Young, AK		✓		Mrs. Bordallo, VI	✓		
Mr. Miller, CA	✓			*Mr. Gohmert, TX*	✓		
Mr. Saxton, NJ		✓		Mr. Costa, CA	✓		
Mr. Markey, MA	✓			*Mr. Cole, OK*		✓	
Mr. Gallegly, CA		✓		Mr. Boren, OK		✓	
Mr. Kildee, MI				*Mr. Bishop, UT*		✓	
Mr. Duncan, TN		✓		Mr. Sarbanes, MD	✓		
Mr. DeFazio, OR	✓			*Mr. Shuster, PA*		✓	
Mr. Gilchrest, MD		✓		Mr. Hinchey, NY	✓		
Mr. Faleomavaega, AS				*Mr. Heller, NV*		✓	
Mr. Cannon, UT		✓		Mr. Kennedy, RI			
Mr. Abercrombie, HI	✓			*Mr. Sali, ID*		✓	
Mr. Tancredo, CO				Mr. Kind, WI	✓		
Mr. Ortiz, TX	✓			*Mr. Lamborn, CO*		✓	
Mr. Flake, AZ		✓		Mrs. Capps, CA	✓		
Mr. Pallone, NJ	✓			*Ms. Fallin, OK*		✓	
Mr. Pearce, NM		✓		Mr. Inslee, WA	✓		
Mrs. Christensen, VI	✓			*Mr. McCarthy, CA*		✓	
Mr. Brown, SC		✓		Mr. Mark Udall, CO	✓		
Mrs. Napolitano, CA	✓			Mr. Baca, CA	✓		
Mr. Fortuño, PR				Ms. Solis, CA	✓		
Mr. Holt, NJ	✓			Ms. Herseth, SD	✓		
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC	✓		
Mr. Grijalva, AZ	✓						
				Total	26	18	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:33pm)

Mr. Lamborn offered an amendment to generally increase owner's rights with respect to canal side power production at Bureau of Reclamation projects, which was agreed to by a rollcall vote of 23 yeas and 21 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 7, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Lamborn.015 to the Amendment in the Nature of a Substitute was agreed to by a roll call vote of 23 yeas and 21 nays.

☒Recorded Vote Vote # 12 Total: Yeas: 23 Nays: 21

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV		✓		*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI		✓	
Mr. Miller, CA		✓		*Mr. Gohmert, TX*	✓		
Mr. Saxton, NJ	✓			Mr. Costa, CA	✓		
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK	✓		
Mr. Kildee, MI				*Mr. Bishop, UT*	✓		
Mr. Duncan, TN	✓			Mr. Sarbanes, MD		✓	
Mr. DeFazio, OR		✓		*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD	✓			Mr. Hinchey, NY		✓	
Mr. Faleomavaega, AS				*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI			
Mr. Abercrombie, HI		✓		*Mr. Sali, ID*	✓		
Mr. Tancredo, CO				Mr. Kind, WI		✓	
Mr. Ortiz, TX		✓		*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA		✓	
Mr. Pallone, NJ		✓		*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA		✓	
Mrs. Christensen, VI		✓		*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO	✓		
Mrs. Napolitano, CA		✓		Mr. Baca, CA		✓	
Mr. Fortuño, PR				Ms. Solis, CA		✓	
Mr. Holt, NJ		✓		Ms. Herseth, SD		✓	
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC		✓	
Mr. Grijalva, AZ		✓					
				Total	23	21	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:33pm)

Mr. Pearce offered an amendment to allow the Secretary of the Interior to reimburse States for any loss of revenue as a result of the bill, which was not agreed to by a rollcall vote of 18 yeas and 21 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 13, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Pearce #6 to the Amendment in the Nature of a Substitute was not agreed to by a roll call vote of 18 yeas and 21 nays.

☒Recorded Vote Vote # 13 Total: Yeas: 18 Nays: 21

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV		✓		*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI		✓	
Mr. Miller, CA		✓		*Mr. Gohmert, TX*			
Mr. Saxton, NJ	✓			Mr. Costa, CA		✓	
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA				Mr. Boren, OK	✓		
Mr. Kildee, MI		✓		*Mr. Bishop, UT*	✓		
Mr. Duncan, TN				Mr. Sarbanes, MD		✓	
Mr. DeFazio, OR		✓		*Mr. Shuster, PA*			
Mr. Gilchrest, MD	✓			Mr. Hinchey, NY			
Mr. Faleomavaega, AS		✓		*Mr. Heller, NV*			
Mr. Cannon, UT	✓			Mr. Kennedy, RI		✓	
Mr. Abercrombie, HI		✓		*Mr. Sali, ID*	✓		
Mr. Tancredo, CO	✓			Mr. Kind, WI		✓	
Mr. Ortiz, TX	✓			*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA		✓	
Mr. Pallone, NJ				*Ms. Fallin, OK*			
Mr. Pearce, NM	✓			Mr. Inslee, WA		✓	
Mrs. Christensen, VI		✓		*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO		✓	
Mrs. Napolitano, CA				Mr. Baca, CA		✓	
Mr. Fortuño, PR	✓			Ms. Solis, CA		✓	
Mr. Holt, NJ				Ms. Herseth, SD		✓	
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC		✓	
Mr. Grijalva, AZ		✓					
				Total	18	21	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:34pm)

Mr. Pearce offered an amendment to require that the Secretary of the Interior issue no fewer oil and gas leases between Fiscal Years 2001–2008 as were issued between 1992–2000, which was not agreed to by a rollcall vote of 15 yeas and 25 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 13, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Pearce (Leasing Performance Standards) to the Amendment in the Nature of a Substitute was not agreed to by a roll call vote of 15 yeas and 25 nays.

☒Recorded Vote Vote # 14 Total: Yeas: 15 Nays: 25

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV		✓		*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI		✓	
Mr. Miller, CA		✓		*Mr. Gohmert, TX*			
Mr. Saxton, NJ		✓		Mr. Costa, CA		✓	
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA				Mr. Boren, OK	✓		
Mr. Kildee, MI		✓		*Mr. Bishop, UT*	✓		
Mr. Duncan, TN				Mr. Sarbanes, MD		✓	
Mr. DeFazio, OR		✓		*Mr. Shuster, PA*			
Mr. Gilchrest, MD		✓		Mr. Hinchey, NY			
Mr. Faleomavaega, AS		✓		*Mr. Heller, NV*			
Mr. Cannon, UT				Mr. Kennedy, RI		✓	
Mr. Abercrombie, HI		✓		*Mr. Sali, ID*	✓		
Mr. Tancredo, CO	✓			Mr. Kind, WI		✓	
Mr. Ortiz, TX	✓			*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA		✓	
Mr. Pallone, NJ				*Ms. Fallin, OK*			
Mr. Pearce, NM	✓			Mr. Inslee, WA		✓	
Mrs. Christensen, VI		✓		*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO		✓	
Mrs. Napolitano, CA		✓		Mr. Baca, CA		✓	
Mr. Fortuño, PR	✓			Ms. Solis, CA		✓	
Mr. Holt, NJ		✓		Ms. Herseth, SD		✓	
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC		✓	
Mr. Grijalva, AZ		✓					
				Total	15	25	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:34pm)

Mr. Sali offered an amendment to require the Secretary of Energy to determine that this Act will not increase domestic crude oil, natural gas, or petroleum product prices before Titles I and II can take effect, which was not agreed to by a rollcall vote of 17 yeas and 25 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 13, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Sali.016 to the Amendment in the Nature of a Substitute was not agreed to by a roll call vote of 17 yeas and 25 nays.

☒Recorded Vote Vote # 15 Total: Yeas: 17 Nays: 25

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV		✓		*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI		✓	
Mr. Miller, CA		✓		*Mr. Gohmert, TX*	✓		
Mr. Saxton, NJ		✓		Mr. Costa, CA		✓	
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA				Mr. Boren, OK	✓		
Mr. Kildee, MI		✓		*Mr. Bishop, UT*	✓		
Mr. Duncan, TN				Mr. Sarbanes, MD		✓	
Mr. DeFazio, OR		✓		*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD		✓		Mr. Hinchey, NY			
Mr. Faleomavaega, AS		✓		*Mr. Heller, NV*			
Mr. Cannon, UT				Mr. Kennedy, RI		✓	
Mr. Abercrombie, HI		✓		*Mr. Sali, ID*	✓		
Mr. Tancredo, CO	✓			Mr. Kind, WI		✓	
Mr. Ortiz, TX	✓			*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA		✓	
Mr. Pallone, NJ				*Ms. Fallin, OK*			
Mr. Pearce, NM	✓			Mr. Inslee, WA		✓	
Mrs. Christensen, VI		✓		*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO		✓	
Mrs. Napolitano, CA		✓		Mr. Baca, CA		✓	
Mr. Fortuño, PR	✓			Ms. Solis, CA		✓	
Mr. Holt, NJ		✓		Ms. Herseth, SD		✓	
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC		✓	
Mr. Grijalva, AZ		✓					
				Total	17	25	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:34pm)

Mr. Sali offered an amendment to remove inventoried roadless areas from the biomass supply study of Section 307, which was not agreed to by a rollcall vote of 17 yeas and 28 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 13, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Sali.015 to the Amendment in the Nature of a Substitute was not agreed to by a roll call vote of 17 yeas and 28 nays.

☒Recorded Vote Vote # 16 Total: Yeas: 17 Nays: 28

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV		✓		*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI		✓	
Mr. Miller, CA		✓		*Mr. Gohmert, TX*	✓		
Mr. Saxton, NJ		✓		Mr. Costa, CA		✓	
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK	✓		
Mr. Kildee, MI		✓		*Mr. Bishop, UT*	✓		
Mr. Duncan, TN				Mr. Sarbanes, MD		✓	
Mr. DeFazio, OR		✓		*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD		✓		Mr. Hinchey, NY		✓	
Mr. Faleomavaega, AS		✓		*Mr. Heller, NV*			
Mr. Cannon, UT				Mr. Kennedy, RI		✓	
Mr. Abercrombie, HI		✓		*Mr. Sali, ID*	✓		
Mr. Tancredo, CO	✓			Mr. Kind, WI		✓	
Mr. Ortiz, TX		✓		*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA		✓	
Mr. Pallone, NJ		✓		*Ms. Fallin, OK*			
Mr. Pearce, NM	✓			Mr. Inslee, WA		✓	
Mrs. Christensen, VI		✓		*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO		✓	
Mrs. Napolitano, CA		✓		Mr. Baca, CA		✓	
Mr. Fortuño, PR	✓			Ms. Solis, CA		✓	
Mr. Holt, NJ		✓		Ms. Herseth, SD		✓	
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC		✓	
Mr. Grijalva, AZ		✓					
				Total	17	28	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:34pm)

Mr. Flake offered an amendment to strike the National Global Warming and Wildlife Science Center, which was not agreed to by a rollcall vote of 20 yeas and 28 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 13, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Flake.065 to the Amendment in the Nature of a Substitute was not agreed to by a roll call vote of 20 yeas and 28 nays.

☒Recorded Vote Vote # 17 Total: Yeas: 20 Nays: 28

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV		✓		*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI		✓	
Mr. Miller, CA		✓		*Mr. Gohmert, TX*	✓		
Mr. Saxton, NJ		✓		Mr. Costa, CA		✓	
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK		✓	
Mr. Kildee, MI		✓		*Mr. Bishop, UT*	✓		
Mr. Duncan, TN				Mr. Sarbanes, MD		✓	
Mr. DeFazio, OR		✓		*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD		✓		Mr. Hinchey, NY		✓	
Mr. Faleomavaega, AS		✓		*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI		✓	
Mr. Abercrombie, HI		✓		*Mr. Sali, ID*	✓		
Mr. Tancredo, CO	✓			Mr. Kind, WI		✓	
Mr. Ortiz, TX		✓		*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA		✓	
Mr. Pallone, NJ		✓		*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA		✓	
Mrs. Christensen, VI		✓		*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO		✓	
Mrs. Napolitano, CA		✓		Mr. Baca, CA		✓	
Mr. Fortuño, PR	✓			Ms. Solis, CA		✓	
Mr. Holt, NJ		✓		Ms. Herseth, SD		✓	
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC	✓		
Mr. Grijalva, AZ		✓					
				Total	20	28	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:34pm)

Mr. Jindal offered an amendment to treat any leases extended as a result of renegotiation in an attempt to incorporate price thresholds as being subject to the revenue sharing provisions of the Gulf of Mexico Energy Security Act, which was not agreed to by a roll-call vote of 22 yeas and 26 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 13, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Jindal.050 to the Amendment in the Nature of a Substitute was not agreed to by a roll call vote of 22 yeas and 26 nays.

☒Recorded Vote Vote # 18 Total: Yeas: 22 Nays: 26

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV		✓		*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI		✓	
Mr. Miller, CA		✓		*Mr. Gohmert, TX*	✓		
Mr. Saxton, NJ		✓		Mr. Costa, CA		✓	
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK	✓		
Mr. Kildee, MI		✓		*Mr. Bishop, UT*	✓		
Mr. Duncan, TN				Mr. Sarbanes, MD		✓	
Mr. DeFazio, OR		✓		*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD	✓			Mr. Hinchey, NY		✓	
Mr. Faleomavaega, AS		✓		*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI		✓	
Mr. Abercrombie, HI		✓		*Mr. Sali, ID*	✓		
Mr. Tancredo, CO	✓			Mr. Kind, WI		✓	
Mr. Ortiz, TX	✓			*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA		✓	
Mr. Pallone, NJ		✓		*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA		✓	
Mrs. Christensen, VI		✓		*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO		✓	
Mrs. Napolitano, CA		✓		Mr. Baca, CA		✓	
Mr. Fortuño, PR	✓			Ms. Solis, CA		✓	
Mr. Holt, NJ		✓		Ms. Herseth, SD		✓	
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC		✓	
Mr. Grijalva, AZ		✓					
				Total	22	26	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:35pm)

Mr. Pearce offered an amendment to strike titles I and II, which was not agreed to by a rollcall vote of 21 yeas and 27 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 13, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Pearce #1 to the Amendment in the Nature of a Substitute was not agreed to by a roll call vote of 21 yeas and 27 nays.

☒Recorded Vote Vote # 19 Total: Yeas: 21 Nays: 27

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV		✓		*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI		✓	
Mr. Miller, CA		✓		*Mr. Gohmert, TX*	✓		
Mr. Saxton, NJ		✓		Mr. Costa, CA		✓	
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK	✓		
Mr. Kildee, MI		✓		*Mr. Bishop, UT*	✓		
Mr. Duncan, TN				Mr. Sarbanes, MD		✓	
Mr. DeFazio, OR		✓		*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD		✓		Mr. Hinchey, NY		✓	
Mr. Faleomavaega, AS		✓		*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI		✓	
Mr. Abercrombie, HI		✓		*Mr. Sali, ID*	✓		
Mr. Tancredo, CO	✓			Mr. Kind, WI		✓	
Mr. Ortiz, TX	✓			*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA		✓	
Mr. Pallone, NJ		✓		*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA		✓	
Mrs. Christensen, VI		✓		*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO		✓	
Mrs. Napolitano, CA		✓		Mr. Baca, CA		✓	
Mr. Fortuño, PR	✓			Ms. Solis, CA		✓	
Mr. Holt, NJ		✓		Ms. Herseth, SD		✓	
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC		✓	
Mr. Grijalva, AZ		✓					
				Total	21	27	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:35pm)

Mr. Cannon offered an amendment to strike the oil shale and tar sands leasing provisions of the bill, which was not agreed to by a rollcall vote of 22 yeas and 26 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 13, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Cannon.015 to the Amendment in the Nature of a Substitute was not agreed to by a roll call vote of 22 yeas and 26 nays.

☒Recorded Vote Vote # 20 Total: Yeas: 22 Nays: 26

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV		✓		*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI		✓	
Mr. Miller, CA		✓		*Mr. Gohmert, TX*	✓		
Mr. Saxton, NJ		✓		Mr. Costa, CA		✓	
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK	✓		
Mr. Kildee, MI		✓		*Mr. Bishop, UT*	✓		
Mr. Duncan, TN				Mr. Sarbanes, MD		✓	
Mr. DeFazio, OR		✓		*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD	✓			Mr. Hinchey, NY		✓	
Mr. Faleomavaega, AS		✓		*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI		✓	
Mr. Abercrombie, HI		✓		*Mr. Sali, ID*	✓		
Mr. Tancredo, CO	✓			Mr. Kind, WI		✓	
Mr. Ortiz, TX	✓			*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA		✓	
Mr. Pallone, NJ		✓		*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA		✓	
Mrs. Christensen, VI		✓		*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO		✓	
Mrs. Napolitano, CA		✓		Mr. Baca, CA		✓	
Mr. Fortuño, PR	✓			Ms. Solis, CA		✓	
Mr. Holt, NJ		✓		Ms. Herseth, SD		✓	
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC		✓	
Mr. Grijalva, AZ		✓					
				Total	22	26	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:35pm)

Mr. Gohmert offered an amendment to strike the biomass utilization program, which was not agreed to by a rollcall vote of 21 yeas and 27 nays as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 13, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- amendment offered by Mr. Gohmert.040 to the Amendment in the Nature of a Substitute was not agreed to by a roll call vote of 21 yeas and 27 nays.

☒Recorded Vote Vote # 21 Total: Yeas: 21 Nays: 27

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV		✓		*Mr. Jindal, LA*	✓		
Mr. Young, AK	✓			Mrs. Bordallo, VI		✓	
Mr. Miller, CA		✓		*Mr. Gohmert, TX*	✓		
Mr. Saxton, NJ		✓		Mr. Costa, CA		✓	
Mr. Markey, MA		✓		*Mr. Cole, OK*	✓		
Mr. Gallegly, CA	✓			Mr. Boren, OK	✓		
Mr. Kildee, MI		✓		*Mr. Bishop, UT*	✓		
Mr. Duncan, TN				Mr. Sarbanes, MD		✓	
Mr. DeFazio, OR		✓		*Mr. Shuster, PA*	✓		
Mr. Gilchrest, MD		✓		Mr. Hinchey, NY		✓	
Mr. Faleomavaega, AS		✓		*Mr. Heller, NV*	✓		
Mr. Cannon, UT	✓			Mr. Kennedy, RI		✓	
Mr. Abercrombie, HI		✓		*Mr. Sali, ID*	✓		
Mr. Tancredo, CO	✓			Mr. Kind, WI		✓	
Mr. Ortiz, TX		✓		*Mr. Lamborn, CO*	✓		
Mr. Flake, AZ	✓			Mrs. Capps, CA		✓	
Mr. Pallone, NJ		✓		*Ms. Fallin, OK*	✓		
Mr. Pearce, NM	✓			Mr. Inslee, WA		✓	
Mrs. Christensen, VI		✓		*Mr. McCarthy, CA*	✓		
Mr. Brown, SC	✓			Mr. Mark Udall, CO		✓	
Mrs. Napolitano, CA		✓		Mr. Baca, CA		✓	
Mr. Fortuño, PR	✓			Ms. Solis, CA		✓	
Mr. Holt, NJ		✓		Ms. Herseth, SD	✓		
Mrs. McMorris Rodgers, WA	✓			Mr. Shuler, NC		✓	
Mr. Grijalva, AZ		✓					
				Total	21	27	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:35pm)

The amendment in the nature of a substitute, as amended, was adopted by a vote of 28 ayes to 20 nays, as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 13, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- Amendment in the Nature of a Substitute offered by Mr. Rahall.SUB1 was agreed to by a roll call vote of 28 yeas and 20 nays.

☒Recorded Vote Vote # 22 Total: Yeas: 28 Nays: 20

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV	✓			*Mr. Jindal, LA*		✓	
Mr. Young, AK		✓		Mrs. Bordallo, VI	✓		
Mr. Miller, CA	✓			*Mr. Gohmert, TX*		✓	
Mr. Saxton, NJ	✓			Mr. Costa, CA	✓		
Mr. Markey, MA	✓			*Mr. Cole, OK*		✓	
Mr. Gallegly, CA		✓		Mr. Boren, OK		✓	
Mr. Kildee, MI	✓			*Mr. Bishop, UT*		✓	
Mr. Duncan, TN				Mr. Sarbanes, MD	✓		
Mr. DeFazio, OR	✓			*Mr. Shuster, PA*		✓	
Mr. Gilchrest, MD	✓			Mr. Hinchey, NY	✓		
Mr. Faleomavaega, AS	✓			*Mr. Heller, NV*		✓	
Mr. Cannon, UT		✓		Mr. Kennedy, RI	✓		
Mr. Abercrombie, HI	✓			*Mr. Sali, ID*		✓	
Mr. Tancredo, CO		✓		Mr. Kind, WI	✓		
Mr. Ortiz, TX	✓			*Mr. Lamborn, CO*		✓	
Mr. Flake, AZ		✓		Mrs. Capps, CA	✓		
Mr. Pallone, NJ	✓			*Ms. Fallin, OK*		✓	
Mr. Pearce, NM		✓		Mr. Inslee, WA	✓		
Mrs. Christensen, VI	✓			*Mr. McCarthy, CA*		✓	
Mr. Brown, SC		✓		Mr. Mark Udall, CO	✓		
Mrs. Napolitano, CA	✓			Mr. Baca, CA	✓		
Mr. Fortuño, PR		✓		Ms. Solis, CA	✓		
Mr. Holt, NJ	✓			Ms. Herseth, SD	✓		
Mrs. McMorris Rodgers, WA		✓		Mr. Shuler, NC	✓		
Mr. Grijalva, AZ	✓						
				Total	28	20	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:35pm)

The bill, as amended, was then ordered favorably reported to the House of Representatives by a rollcall vote of 26 yeas and 22 nays, as follows:

Committee on Natural Resources
U.S. House of Representatives
110th Congress

Date: June 13, 2007 Convened: Adjourned:

Meeting on: Markup of HR 2337- Favorably reported to the House of Representatives, as amended, by a roll call vote of 26 yeas and 22 nays.

☒Recorded Vote Vote # 23 Total: Yeas: 26 Nays: 22

MEMBERS	Yea	Nay	Pres	MEMBERS	Yea	Nay	Pres
Mr. Rahall, WV	✓			*Mr. Jindal, LA*		✓	
Mr. Young, AK		✓		Mrs. Bordallo, VI	✓		
Mr. Miller, CA	✓			*Mr. Gohmert, TX*		✓	
Mr. Saxton, NJ	✓			Mr. Costa, CA	✓		
Mr. Markey, MA	✓			*Mr. Cole, OK*		✓	
Mr. Gallegly, CA		✓		Mr. Boren, OK		✓	
Mr. Kildee, MI	✓			*Mr. Bishop, UT*		✓	
Mr. Duncan, TN				Mr. Sarbanes, MD	✓		
Mr. DeFazio, OR	✓			*Mr. Shuster, PA*		✓	
Mr. Gilchrest, MD	✓			Mr. Hinchey, NY	✓		
Mr. Faleomavaega, AS	✓			*Mr. Heller, NV*		✓	
Mr. Cannon, UT		✓		Mr. Kennedy, RI	✓		
Mr. Abercrombie, HI	✓			*Mr. Sali, ID*		✓	
Mr. Tancredo, CO		✓		Mr. Kind, WI	✓		
Mr. Ortiz, TX		✓		*Mr. Lamborn, CO*		✓	
Mr. Flake, AZ		✓		Mrs. Capps, CA	✓		
Mr. Pallone, NJ	✓			*Ms. Fallin, OK*		✓	
Mr. Pearce, NM		✓		Mr. Inslee, WA	✓		
Mrs. Christensen, VI	✓			*Mr. McCarthy, CA*		✓	
Mr. Brown, SC		✓		Mr. Mark Udall, CO	✓		
Mrs. Napolitano, CA	✓			Mr. Baca, CA	✓		
Mr. Fortuño, PR		✓		Ms. Solis, CA	✓		
Mr. Holt, NJ	✓			Ms. Herseth, SD		✓	
Mrs. McMorris Rodgers, WA		✓		Mr. Shuler, NC	✓		
Mr. Grijalva, AZ	✓						
				Total	26	22	

Markups - 1/3 to meet (16), 25 to report
June 14, 2007 (12:36pm)

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

Section 1 provides the short title of the legislation, the "Energy Policy Reform and Revitalization Act of 2007."

Title I—Energy Policy Act of 2005 Reforms

Section 101. Fiscally responsible energy amendments

As recommended by the Administration, subsection (a) repeals § 365(i) of the Energy Policy Act of 2005 (EPACT), which prohibited the recovery of additional fees to cover the processing of drilling-related permit applications, and directs the Secretary of the Interior to promulgate regulations establishing a fee to recover costs incurred during processing of Applications for Permits to Drill (APD). This subsection also establishes a $1,700 per application fee until such regulations are promulgated. This proposal is consistent with the administration's budget for FY08.

Subsection (b) repeals the permit processing improvement fund created by EPACT § 365(g), and transfers any money in the permit processing improvement fund into the general fund of the U.S. Treasury. EPACT § 365(g) amended section 191 of the Minerals Leasing Act to require that 50% of all rentals collected be made automatically available to BLM, without further appropriation, for oil and gas permit processing.

Section 102. Extension of deadline for consideration of applications for permits

This section amends EPACT § 366 to extend to 90 days the previous 30-day timeframe for the BLM to process onshore oil and gas permits. The mandatory 30-day timeframe minimized public involvement and the ability for BLM to review impacts on resources.

Section 103. Energy rights-of-way corridors on Federal land

EPACT § 368 required the designation of pipeline and electricity transmission corridors on Federal land by August, 2007, minimizing the amount of time available for environmental review and State and Tribal consultation. section 103(a) eliminates the arbitrary deadlines in § 368.

Section 103(b) gives the Secretaries of Agriculture, Commerce, Defense, Energy, and Interior six months to complete a study of the need for energy corridors on public lands, excluding from potential corridor designation any lands protected by Federal or State law for their natural, cultural, or historic resources. The study will look at congestion and constraints in the transmission of electricity, oil, gas, hydrogen, liquids from coal, and carbon dioxide, as well as barriers to access by renewable energy sources.

Section 103(d) clarifies that this section does not restrict the Secretary from authorizing rights-of-way for energy transmission when that is consistent with current land use plans.

Section 104. Oil shale and tar sands leasing

EPACT § 369 mandated an accelerated timetable for the creation of a commercial leasing program for oil shale and tar sands. This section eliminates the deadline for the completion of the Pro-

grammatic Environmental Impact Statement, and provides additional time for the development of proposed leasing regulations, rather than final leasing regulations, after the completion of the PEIS. The proposed regulations would be open to public comment for 180 days. This section also requires the Departments of Interior and Energy to work with the Environmental Protection Agency on an oil shale and tar sands leasing and development strategy, and to develop alternative approaches for providing access to Federal lands for pioneering commercial facilities for oil shale and tar sands. These changes are consistent with the position of the State of Colorado.

Section 105. Limitation on rebuttable presumption regarding application of categorical exclusion under NEPA for oil and gas exploration and development activities

This section amends EPACT § 390, which created categorical exclusions (thereby obviating the need for further environmental review) for a series of oil and gas drilling activities. § 390(b)(3) is amended in accordance with the resolution of the Western Governors Association by protecting crucial wildlife habitat and significant wildlife migration corridors in developed fields. This section also clarifies that the EPACT categorical exclusions are to be treated in accordance with Council for Environmental Quality (CEQ) regulations regarding categorical exclusions.

Section 106. Best management practices

This section requires BLM to update their best management practices guidelines to require public review and comment before any lease stipulations are waived, except in emergency situations. Lease stipulations are specific conditions on a lease, often used to protect wildlife habitat, water quality, air quality, or provide other environmental safeguards. This section provides for expedited permit reviews for operators that commit to adhere to best management practices for protection of wildlife habitat without seeking a waiver of any stipulations.

Section 107. Federal consistency appeals

This section amends § 319 of the Coastal Zone Management Act to increase from 160 days to 320 days the amount of time allotted to the Secretary of Commerce to compile a record of decision (ROD) used in an appeal of State consistency. This time period is more representative of the actual record of time used by the Secretary to compile past RODs.

Title II—Federal Energy Public Accountability, Integrity, and Public Interest

SUBTITLE A—ACCOUNTABILITY AND INTEGRITY IN THE FEDERAL ENERGY PROGRAM

Section 201. Limitations on royalty in-kind

This section amends EPACT § 342 to prohibit the Federal Government from taking royalties in-kind, as opposed to in-value, except for when the oil taken in-kind is to be used for filling the Strategic Petroleum Reserve.

Section 202. Audits

This section requires the Minerals Management Service (MMS) to perform no less than 550 audits each year by 2009. The average number of audits conducted by MMS was roughly 540 per year from 1998 to 2001; the average from 2002 to 2005 was 393, and in 2006 MMS only conducted 144 audits. This section also requires that all audits conducted by MMS be in accordance with the Government Auditing Standards published by the Government Accountability Office. In addition, all staff performing audits or compliance reviews much meet professional qualifications consistent with those standards.

Section 203. Fines and penalties

This section amends the Federal Oil and Gas Royalty Management Act to increase fines for underpayment or late payment of royalties. After a 30-day grace period, violators would be liable for three times the royalty plus interest, plus a fee of up to $25,000 per day until the violation is corrected. Penalties for administrative violations are doubled to up to $10,000 per violation per day. A new provision is added to subject repeat violators to further tripling of the penalty and the potential for a cancellation of the lease and a prohibition from acquiring future leases. The section also extends the statute of limitations for oil and gas leases held by violators, and provides that money awarded to the federal government under civil lawsuits for the underpayment of royalties be shared with states or the Land and Water Conservation Fund (for offshore lease violations).

SUBTITLE B—AMENDMENTS TO FEDERAL OIL AND GAS ROYALTY MANAGEMENT ACT

Section 211. Amendments to definitions

This section clarifies the definition of "designee" under FOGRMA, and allows the Secretary to correspond with the designee only, as opposed to having to contact each individual lessee (that has designated that designee) in writing.

Section 212. Interest

This section eliminates the requirement that the Federal government pay interest on royalty overpayments made by operators. This eliminates the incentives that operators had to make errors in their favor on their royalty calculation and receive a guaranteed return.

Section 213. Obligation period

This section establishes that in the case of an adjustment made by a lessee that results in an underpayment, the lessee will be obligated to repay that amount (plus interest) from the date the lessee makes the adjustment, thus extending the statute of limitations on that royalty payment. This will enable the MMS to audit such lease during the ensuing six-year cycle.

Section 214. Tolling agreements and subpoenas

This section allows the Secretary to only correspond with the lease designee in the case of subpoenas or agreements to pause the

statute of limitations, as opposed to having to contact each lessee individually.

Section 215. Liability for royalty payments

This section establishes that designees are liable for royalty payments under a lease, and that lease owners and operators are liable for their pro-rated share of payment obligations under a lease.

SUBTITLE C—PUBLIC INTEREST IN THE FEDERAL ENERGY PROGRAM

Section 221. Surface owner protection

This section requires written agreements between an operator and surface owner prior to exploration and drilling operations, including a reclamation plan that is acceptable to both surface estate owner and operator, and compensation for damages to a surface owner's income and property. It also sets procedural guidelines and a timetable for arbitration. The section further authorizes the Secretary, under certain conditions and criteria, to authorize exploration and drilling operations when arbitration between parties fails, and to compensate surface estate owners from bonds and financial assurances when property is damaged, or to release the bonds when operations end without damage. A schedule is established for surface owner notification of lease sales, issuances, and other leasing decisions.

Section 222. Onshore oil and gas reclamation and bonding

This section amends section 17 of the Mineral Leasing Act to require oil, gas, and coalbed methane operators to undertake complete and timely restoration necessary to return lands to a condition that can support comparable or higher uses than their condition prior to drilling. It also requires operators to post a bond, or other financial guaranty, that covers reclamation of all operations within a permit area, to post additional financial assurances as operations expand, and authorizes the Secretary to determine the amount of the bond based on the probable difficulty of reclamation.

Section 223. Protection of water resources

This section amends section 17 of the Mineral Leasing Act to require oil, gas, and coalbed methane operators to replace or remediate any lost or contaminated surface or groundwater supply to water users. This section also requires applicants for permits to drill to provide a water management plan that protects the quantity and quality of water supplies onsite and downstream, or to provide alternative sources of water. That plan must include a means of preventing produced water from harming present water users and establish beneficial uses of the water where possible.

Section 224. Due diligence fee

This section establishes a $1 per acre annual fee on oil, gas, and coal leases which are not in production, and reinvests that revenue to help fund the Administration's "Healthy Lands Initiative" to restore federal lands and resources damaged by oil and gas development. This section also provides that funds from non-producing coal leases are to be made available for coal-to-liquids programs or

pilot projects, although that eligibility is broadened by the terms of Section 502.

SUBTITLE D—WIND ENERGY

In an effort to reduce impacts to wildlife from wind energy facilities, in 2003 the U.S. Fish and Wildlife Service proposed voluntary interim guidelines for wind energy developers. The public comment period ended in 2005, but the Fish and Wildlife Service never published final guidelines.

Section 231. Wind Turbine Guidelines Advisory Committee

This section authorizes the Secretary of the Interior to convene or utilize an existing Wind Turbine Guidelines Advisory Committee, in accordance with the Federal Advisory Committee Act, to study and make recommendations on guidance for wind energy developers to follow to avoid or minimize impacts to wildlife and their habitats related to wind energy facilities. The advisory committee would evaluate many issues, including: the Fish and Wildlife Service's 2003 interim guidance; methods to acquire information to assess and balance potential impacts to wildlife when siting and designing wind energy facilities; scientific tools and procedures to conduct pre-development assessments, post-construction monitoring for impacts to wildlife, and options for compensatory mitigation for unavoidable impacts; a process to coordinate State, tribal, local and national review of wind energy proposals consistent with existing Federal and State law and international treaties; determinations of project size thresholds and timetables to phase in guidance; and consultation with State wildlife agencies to assess current efforts to avoid or minimize wildlife impacts from wind turbines.

No more than 20 members would serve on the advisory committee, and they would be appointed to achieve balanced representation from all stakeholders including the wind industry, wildlife conservation organizations and government. Within 18 months after date of enactment, the advisory committee would report to both the Secretary and the Congress on recommendations for effective measures that the wind industry, other stakeholders, government and tribal agencies could take to protect wildlife resources and enhance potential benefits to wildlife. Based upon these recommendations, the Secretary is directed, after public notice and comment, to issue final guidance to avoid or minimize impacts to wildlife from land-based wind energy facilities.

Section 232. Authorization of appropriations for research to study wind energy impacts on wildlife

This section authorizes $2 million per year for Fiscal Years 2008–2015 for research into minimizing wildlife impacts and developing effective mitigation methods for that purpose. It is expected that the research authorized will build on existing joint research conducted by the Fish and Wildlife Service and the U.S. Geological Survey to assess bird and bat migratory habitat and migration behavior.

Section 233. Enforcement

This section reaffirms the Secretary's responsibility to enforce the Endangered Species Act, Migratory Bird Treaty Act, Bald and

Golden Eagle Protection Acts, Marine Mammal Protection Act and National Environmental Protection Act to protect wildlife, and address adverse impacts on wildlife attributed to wind projects wherever those facilities are located. It does not change any of those existing laws.

Section 234. Savings clause

This section explicitly states that nothing in this section preempts any State laws or regulations relating to wind projects or enforcement of applicable State laws.

SUBTITLE E—ENHANCING ENERGY TRANSMISSION

Section 241. Power Marketing Administrations report

This section directs Bonneville and Western Area Power Marketing Administration, in consultation with regional transmission entities, to study the adequacy of their transmission systems to carry an increased load from ocean wave, tidal and current energy projects in State and Federal waters adjacent to California, Washington, and Oregon. An amendment adopted during Committee consideration clarified that the costs of the study will be covered by the agency and not ratepayers. In addition, the amendment affirmed current law regarding the order for processing requests for transmission.

Title III—Alternative Energy and Efficiency

Section 301. State ocean and coastal alternative energy planning

This section amends the Coastal Zone Management Act to establish a new grant program to encourage coastal States to voluntarily complete surveys of the Outer Continental Shelf and adjacent coastal waters to identify areas suitable for development of renewable energy projects. The overall goal is to encourage States, in consultation with the MMS, to plan where they would like renewable energy projects to be located, and eliminate future State consistency certification conflicts between the State and Federal governments. The Secretary would be required to publish guidelines within 180 days after date of enactment. Grants awarded during FY 2008–FY 2010 would not require a non-Federal contribution, but matching funds would be required in subsequent years. A savings clause is included to clearly state that this provision does not supersede or preempt existing Federal authority to regulate energy development in the OCS nor grant new authorities to the coastal States.

Section 302. Canal-side power production at Bureau of Reclamation projects

This section requires the Secretary of the Interior to evaluate the potential for developing Bureau of Reclamation canal-side rights-of-way lands for solar or wind energy production through leasing of lands or other means. The Bureau of Reclamation owns and operates hundreds of water projects in 17 Western States. Thousands of miles of open canals deliver project water to farms and cities. Project canals typically include a generous amount of adjacent federally-owned right-of-way lands. In many cases these rights-of-way are used for project maintenance roads, but there may be opportu-

nities to use these canal-side rights-of-way lands as locations for alternative electric energy production facilities, especially wind or solar. Energy produced canal-side could be used as a local power source for pumps, gates, and other facilities on the irrigation project. Any excess energy could be supplied to the grid for credit.

Subsection (b) requires the Secretary of the Interior to consult with landowners and others who would be affected by development of canal-side rights-of-way for renewable energy production while carrying out the evaluation under this section.

Subsection (c) requires written permission from land owners before non-Federal rights-of-way can be inventoried, forbids using this section as a basis for increasing power costs, and forbids using this section as a means to impede accessibility or create additional costs for entities managing the right-of-way.

Section 303. Increasing energy efficiencies for water desalination

This section directs the Secretary of the Interior to implement an aggressive research program aimed at improving the energy efficiency and utilizing renewable energy generated reverse osmosis technology. Modern water desalination and water recycling facilities often use reverse osmosis technology to remove salts and other impurities from water. A current drawback of this process is its high energy cost.

Section 304. Establishing a pilot program for the development of strategic solar reserves on Federal lands

This section requires the Secretary to identify and designate a set of areas on Federal lands managed by BLM as "solar reserves," with each area being large enough to permit the generation of one GW of concentrating solar power. This pilot program will allow for the generation of 4–25 GW of solar power, and require the environmental and permitting process to be completed as quickly as possible. Companies that are granted leases to establish concentrating solar power systems on the reserves will pay a rental fee of $300 during the 10-year duration of this pilot program, and fees established by the Secretary of the Interior for the remaining duration of the leases.

Section 305. OTEC regulations

This section directs the National Oceanic and Atmospheric Administration to use its authority under the Ocean Thermal Energy Conversion (OTEC) Research, Development and Demonstration Act of 1980 to reissue regulations (prior regulations were withdrawn) providing for the licensing, construction and operation of OTEC facilities in U.S. waters. Under current law, no OTEC facilities may operate in U.S. waters without a license from NOAA, and there is renewed interest in this technology in the insular areas that may warrant licensing within the next few years.

Section 306. Biomass Utilization Pilot Program

This section establishes a Biomass Utilization Pilot Program using technical assistance and grants to provide incentives for biomass utilization. The pilot program applies to National Forest System lands and Bureau of Land Management lands, wilderness areas, wilderness study areas, inventoried roadless areas, and com-

ponents of the National Landscape Conservation System. The pilot program would include a variety of techniques that represent innovations in facilities operations. A study of the long-term and ecologically sustainable supply of biomass is required to be completed prior to the development of a pilot project to ensure a reliable investment. The highest and best use of woody biomass is also emphasized. Selection of the appropriate scale of a biomass facility is to include a collaborative process that evaluates existing economic, ecological and social conditions, and encourages rural economic development.

Section 307. Programmatic environmental impact statement

This section directs the Secretaries of Commerce and Energy to prepare programmatic environmental impact statements (PEIS) within 18 months for the deployment of marine and hydrokinetic renewable energies (such as wave, tidal, and current energy), with one PEIS being completed for each EPA region in the United States.

Title IV—Carbon Capture and Climate Change Mitigation

SUBTITLE A—GEOLOGICAL SEQUESTRATION ASSESSMENT

Section 401. Short title

Section 401 titles the subtitle the "National Carbon Dioxide Storage Capacity Assessment Act of 2007."

Section 402. National assessment

This section directs the U.S. Geological Survey (USGS) to develop a peer-reviewed methodology for conducting a nationwide assessment of underground carbon dioxide storage capacity, and then to conduct the assessment focusing on deep saline formations, unmineable coal seams or oil and gas reservoirs capable of accommodating industrial carbon dioxide. The USGS will coordinate with the Department of Energy, EPA, and State geological surveys for various portions of the methodology and assessment, and will publish the methodology for external review and comment. USGS is given one year to complete the methodology and two years to complete the assessment. $30 million is authorized to carry out this section.

SUBTITLE B—TERRESTRIAL SEQUESTRATION ASSESSMENT

Section 421. Requirement to conduct an assessment

This section directs the USGS to conduct an assessment of the potential for the terrestrial sequestration of carbon dioxide in different ecosystems, and to develop management measures or restoration activities that can increase the amount of carbon sequestered by each ecosystem. The USGS is directed to emphasize the use of native plant species in developing such measures or activities.

Section 422. Methodology

This section requires the USGS to develop a methodology for conducting the assessment under § 421 within 270 days of enactment of this Act.

Section 423. Completion of assessment and report

This section requires the USGS to complete the assessment within two years after the publication of the final methodology under § 422.

Section 424. Authorization of appropriations

This section authorizes $15 million for the USGS to carry out this subtitle.

SUBTITLE C—SEQUESTRATION ACTIVITIES

Section 431. Carbon dioxide storage inventory

This section amends EPACT § 354, "Enhanced Oil and Natural Gas Production Through Carbon Dioxide Injection," to require BLM to keep records of the amount of carbon dioxide stored during enhanced oil recovery (EOR) or enhanced gas recovery (EGR) activities under Federal leases.

Section 432. Framework for geological carbon sequestration on Federal lands

This section directs the Interior Department to report on a recommended regulatory framework for conducting geological carbon sequestration activities on Federal lands.

SUBTITLE D—NATURAL RESOURCES AND WILDLIFE PROGRAMS

Chapter 1—National Resources Management and Climate Change

Section 441. Interagency Council on Climate Change

This provision creates a Climate Change Adaptability Intra-Governmental Panel to address the impacts of climate change on Federal lands, the ocean environment, and the Federal water infrastructure. The provision is needed due to the ad hoc basis that Federal resource management and development agencies are currently using to address climate change with little communication and coordination among agencies. The panel would include the agency heads from the Bureau of Land Management, National Park Service, Fish and Wildlife Service, United States Forest Service, Minerals Management Service, NOAA, Bureau of Reclamation, Council on Environmental Quality, and Office of Surface Mining Reclamation and Enforcement. The Panel will report to Congress on the common protocol they will adopt to address the impacts on climate change including the integration of climate science into management decisions.

Chapter 2—National Policy and Strategy for Wildlife

Section 451. Short title

Section 441 titles the chapter the "Global Warming Wildlife Survival Act."

Section 452. National policy on wildlife and global warming

This section establishes that it is the policy of the Federal government, in cooperation with State, tribal, and affected local governments, other concerned public and private organizations, landowners, and citizens to use all practicable means and measures—

(1) to assist wildlife populations in adapting to and surviving the effects of global warming; and (2) to ensure the persistence and resilience of the wildlife of the United States as an essential part of our Nation's culture, landscape, and natural resources.

Section 453. Definitions

This section defines the terms used in the chapter, including "Secretary," "wildlife" and "habitat linkages."

Section 454. National strategy

This section requires the Secretary of the Interior to promulgate a national strategy to mitigate the impacts of global warming on wildlife populations in the United States.

Section 455. Advisory board

This section establishes a Scientific Advisory Board to provide scientific and technical advice and recommendations to the Secretary on the impacts of global warming on wildlife and its habitat, areas of habitat of particular importance for the conservation of wildlife populations affected by global warming, and strategies and mechanisms to mitigate the impacts of global warming on wildlife in the management of Federal lands and in other Federal programs for wildlife conservation. The provision also establishes a Global Warming and Wildlife Science Center within the U.S. Geological Survey to conduct and coordinate research on the impacts of global warming on wildlife and habitat, and mechanisms for adaptation or mitigation of such impacts.

Section 456. Authorization of appropriations

This section authorizes new funding for Federal and State agencies to carry out the purposes of this chapter.

Chapter 3—State and Tribal Wildlife Grants Program

Section 461. State and Tribal Wildlife Grants Program

This section establishes a permanent authorization for the State and Tribal Wildlife Grants Program consistent with the language included annually in the law providing appropriations to the Department of the Interior.

SUBTITLE E—OCEAN PROGRAMS

Section 471. Ocean Policy, Global Warming, and Acidification Program

This section directs the Secretary of Commerce to develop and implement a national strategy to support coastal State and Federal agency efforts to (1) predict, plan for and mitigate the impacts on ocean and coastal ecosystems from global warming, relative sea level rise and ocean acidification; and (2) ensure the recovery, resiliency and health of ocean and coastal ecosystems.

Section 472. Planning for climate change in the coastal zone

This section recognizes the lead role of coastal States in comprehensive coastal planning by amending the Coastal Zone Management Act to add a new coastal climate change resiliency grant program. The program would provide grants to States to (1) volun-

tarily develop plans to complement existing coastal programs to address potential climate change impacts; and (2) provide project grants to implement strategies developed within such plans. The Secretary would be required to publish guidelines within 180 days after the date of enactment after consultation with the States. To be approved by the Secretary, State climate change resiliency plans would need to identify coastal resources at risk, develop strategies to address threats, and specify monitoring requirements to regularly assess conditions. To be eligible to receive project grants to implement activities identified under resiliency plans, States would be required to have their resiliency plans approved by the Secretary.

Section 473. Enhancing climate change predictions

This section implements a key recommendation of the Joint Ocean Commission Initiative by establishing a National Integrated Coastal Ocean Observation System administered by the National Oceanic and Atmospheric Administration as the lead Federal agency and coordinated within a regional framework that includes both Federal and non-Federal partners. The observation system would gather real-time and other observation data on the ocean environment (i.e., temperature, salinity, currents, etc.) to refine and enhance predictive capabilities for climate change and to provide other immediate societal benefits, such as better fisheries management and safe navigation.

Title V—Additional Provisions

Section 501. Sharing of penalties

This section provides that in the event that the United States receives money in a civil action arising from the underpayment of royalties (including qui tam cases brought by private parties), and there is a provision of law that allows for those funds to be spent on coal-to-liquids programs or pilot projects, then those funds should also be available to be spent on other types of renewable energy programs on a competitive basis, subject to appropriations.

Section 502. Sharing of fees

Section 224 of this Act required that funds obtained from the due diligence fee on non-producing coal leases be spent on coal-to-liquids programs or pilot projects. This section expands the eligible use of those funds to include different types of renewable energy programs, subject to appropriations.

Section 503. Oil shale community impact assistance

This section establishes an Oil Shale Community Impact Assistance Fund, which would receive all bonus bids that come from a commercial oil shale leasing program, 25% of the rental payments from those leases, and 25% of the first 10 years of royalties from those leases. Money from this Fund would be distributed to counties that host commercial oil shale leases, subject to appropriations, and can be used by those counties for construction, operation, and maintenance of public facilities and for the provision of public services.

Section 504. Additional notice requirements

Section 504(a) requires the Secretary of the Interior to notify holders of special use recreation permits (such as outdoor recreation companies, hosts of annual events, etc.) when lands that are covered by their permits are being offered for leasing.

Section 504(b) requires holders of conservation easements on split-estate lands to be notified about lease sales, lease issuances, lease modifications, and approvals of applications for permits to drill, provided the conservation easement holder has notified the Secretary of the Interior about the existence of the easement. This subsection also requires the Secretary to develop a means for conservation easement holders to notify the Secretary about such easements.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Regarding clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Natural Resources' oversight findings and recommendations are reflected in the body of this report.

FEDERAL ADVISORY COMMITTEE STATEMENT

The functions of the proposed advisory committee authorized in the bill are not currently being nor could they be performed by one or more agencies, an advisory committee already in existence or by enlarging the mandate of an existing advisory committee.

CONSTITUTIONAL AUTHORITY STATEMENT

Article I, section 8 of the Constitution of the United States grants Congress the authority to enact this bill.

COMPLIANCE WITH HOUSE RULE XIII

1. Cost of Legislation. Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out this bill. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974.

2. Congressional Budget Act. As required by clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, any new budget authority included in this bill will include a comparison of the total estimated funding level for the relevant programs to the appropriate levels under current law, as described in the cost estimate obtained from the Director of the Congressional Budget Office, which follows below.

3. General Performance Goals and Objectives. As required by clause 3(c)(4) of rule XIII, the general performance goal or objective of this bill is to promote energy policy reforms and public accountability, alternative energy and efficiency, and carbon capture and climate change mitigation.

4. Congressional Budget Office Cost Estimate. Under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for this bill from the Director of the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 13, 2007.

Hon. NICK J. RAHALL II,
Chairman, Committee on Natural Resources,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has completed the enclosed cost estimate for H.R. 2337, the Energy Policy Reform and Revitalization Act of 2007.

The CBO staff contacts for this estimate are Deborah Reis (for federal costs), Leo Lex (for the impact on state and local governments), and Craig Cammarata (for the impact on the private sector).

Sincerely,

PETER R. ORSZAG,
Director.

Enclosure.

H.R. 2337—Energy Policy Reform and Revitalization Act of 2007

Summary: H.R. 2337 would establish a framework of national strategies to protect natural resources affected by the production, distribution, and use of energy. The bill also would revise programs managed by the Department of the Interior (DOI) to promote and regulate the production and transmission of alternative energy (such as solar or wind power) on Federal lands.

Assuming appropriation of the necessary or authorized amounts, CBO estimates that implementing this legislation would result in new discretionary spending of $2.6 billion over the 2008–2012 period. In addition, H.R. 2337 would affect direct spending by establishing new fees and repealing existing mandatory spending programs. We estimate that the net effect of such changes would be a $52 million reduction in direct spending in 2008 and a $431 million reduction over the next 10 years. Enacting H.R. 2337 would have no significant impact on revenues.

H.R. 2337 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA); state and tribal governments would benefit from grants authorized by the bill.

H.R. 2337 would impose a private-sector mandate, as defined in UMRA, on certain oil, gas, and coal operators that hold onshore federal leases by requiring those operators to pay a fee for land not in production. Based on information from the Bureau of Land Management (BLM), CBO estimates that the direct cost of the mandate would be about $30 million in 2008. As those existing leases expire, the cost of the mandate would decrease in subsequent years. Consequently, the cost of the mandate would fall below the annual threshold established by UMRA for private-sector mandates ($131 million in 2007, adjusted annually for inflation).

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 2337 is summarized in Table 1. The costs of

this legislation fall within budget functions 270 (energy), 300 (natural resources and environment), and 950 (undistributed offsetting receipts).

TABLE 1.—BUDGETARY EFFECTS OF H.R. 2337

	By fiscal year, in millions of dollars—				
	2008	2009	2010	2011	2012
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorizations	352	538	683	828	944
Estimated Outlays	156	330	529	709	841
CHANGES IN DIRECT SPENDING					
Estimated Budget Authority	−48	−49	−50	−51	−52
Estimated Outlays	−52	−54	−50	−51	−52

[1] Changes in direct spending through 2017 are detailed in Table 3.

Basis of estimate: CBO estimates that implementing H.R. 2337 would result in discretionary spending of $2.6 billion over the 2008–2012 period, assuming the appropriation of the necessary funds. In addition, CBO estimates that the bill would decrease net direct spending by $431 million over the 2008–2017 period. The bill also could increase revenues by establishing civil penalties for violations of laws regarding oil and gas leasing royalties, but we estimate that any increase would be less than $500,000 annually.

For this estimate, CBO assumes that the legislation will be enacted near the beginning of fiscal year 2008 and that the entire amounts authorized by the bill or estimated to be necessary will be appropriated each year. Estimated outlays are based on historical spending patterns for existing or similar programs. The estimate is based on information provided by the affected Federal agencies.

Spending subject to appropriation

H.R. 2337 would:

- Direct agencies within the Departments of Commerce, Agriculture, and the Interior to establish national strategies to protect natural resources from the effects of global warming and other environmental impacts of energy production, transmission, and use;
- Authorize or reauthorize grants to states and tribes for specified natural resource programs, including coastal zone management projects;
- Require new programs and regulations concerning the development and transmission of energy, including wind and solar power, on public lands and waters; and
- Authorize appropriations for three studies concerning the production of wind energy and the storage of carbon.

Estimates of discretionary spending are detailed in Table 2 and discussed below.

Natural Resources Strategies and Systems. H.R. 2337 would authorize three major programs to protect natural resources: a National Policy and Strategy to Protect Wildlife from the Effects of Global Warming; an Ocean Policy, Global Warming, and Acidification Program; and a National Integrated Coastal Ocean Observation System.

National Policy on Wildlife and Global Warming. Section 454 would direct DOI to create and implement a national strategy for

assisting wildlife populations and their habitats to adapt to global warming. The costs of carrying out section 454 are uncertain because the affected federal agencies have not completed the necessary plans or undertaken sufficient research to allow detailed estimates. CBO expects that a basic program to develop a national strategy, design in-house research and conservation programs, and manage grants to states and others would cost $15 million in 2008 and $285 million over the 2008–2012 period. Most of those amounts would be used by the U.S. Fish and Wildlife Service (USFWS) and other DOI agencies, the National Oceanic and Atmospheric Administration (NOAA), and the Forest Service. This estimate is based on the cost of implementing other nationwide, comprehensive programs such as the North American Waterfowl Conservation Plan. It does not include potential expenditures to acquire land for wildlife habitat, as would be authorized by the bill. Depending on the location and size of such acquisitions and the appropriation of funding for that purpose, the costs could be significant. However, it is unlikely that such costs would be incurred over the next five years.

TABLE 2.—ESTIMATED DISCRETIONARY SPENDING UNDER H.R. 2337

	By fiscal year, in millions of dollars—				
	2008	2009	2010	2011	2012
Natural Resource Strategies and Systems					
National Policy on Wildlife and Global Warming:					
Estimated Authorization Level	40	60	90	80	80
Estimated Outlays	15	30	60	90	90
Ocean Policy, Global Warming, and Acidification Program:					
Estimated Authorization Level:	10	15	20	25	25
Estimated Outlays	5	10	15	20	25
National Integrated Coastal and Ocean Observation System:					
Estimated Authorization Level	100	250	350	500	600
Estimated Outlays	50	155	260	380	485
Subtotal:					
Estimated Authorization Level	150	325	460	605	705
Estimated Outlays	70	195	335	490	600
Authorizations for Grant Programs					
USFWS State and Tribal Wildlife Grants:					
Estimated Authorization Level	70	70	70	70	70
Estimated Outlays	5	20	50	65	70
Coastal Zone Management Grants:					
Estimated Authorization Level	61	61	61	61	61
Estimated Outlays	20	42	61	61	61
Subtotal:					
Estimated Authorization Level	131	131	131	131	131
Estimated Outlays	25	62	111	126	131
Energy Development and Other Federal Activities					
Increased Audits of Oil and Gas Leases:					
Estimated Authorization Level	10	20	30	30	30
Estimated Outlays	8	12	20	30	30
Bureau of Land Management Regulatory Programs:					
Estimated Authorization Level	32	33	34	35	36
Estimated Outlays	26	33	34	35	36
Water Desalination Research:					
Estimated Authorization Level	10	10	10	10	10
Estimated Outlays	10	10	10	10	10
Oil Shale Impact Assistance:					
Estimated Authorization Level	0	0	0	0	25
Estimated Outlays	0	0	0	0	25
Other Federal Activities:					
Estimated Authorization Level	5	5	5	5	5

TABLE 2.—ESTIMATED DISCRETIONARY SPENDING UNDER H.R. 2337—Continued

	By fiscal year, in millions of dollars—				
	2008	2009	2010	2011	2012
Estimated Outlays	5	5	5	5	5
Subtotal:					
Estimated Authorization Level	57	68	79	80	106
Estimated Outlays	49	60	69	80	106
Studies:					
Authorization Level	14	14	13	12	2
Estimated Outlays	11	13	14	13	4
Total Spending Subject to Appropriation					
Estimated Authorization Level	352	538	683	828	944
Estimated Outlays	155	330	529	709	841

Ocean Policy, Global Warming, and Acidification Program. Section 471 would direct the National Oceanic and Atmospheric Administration (NOAA) to develop and implement a national strategy to respond to the effects of global warming on oceans and coastal areas. The costs of carrying out this program are also uncertain, but based on the costs of implementing programs of similar scope such as the coastal zone management program and the endangered species program, CBO estimates that carrying out section 471 would cost $5 million in 2008 and $75 million over the 2008–2012 period. We expect that most of those amounts would be spent for planning and research.

National Integrated Coastal and Ocean Observation System. Section 473 would direct the National Ocean Research Council to develop and operate an integrated coastal and ocean observation system. The system would conduct ocean monitoring, data collection, analysis, public education, and research.

Based on projections and plans developed by the U.S. Commission on Ocean Policy, CBO estimates that developing the infrastructure for a fully integrated system would require the expenditure of about $200 million over the next two years. This amount would be used to improve existing systems operated by federal agencies such as NOAA, establish regional observing systems, and develop new sensor technologies, forecasting models, and other system products. CBO expects that initial system operating costs would commence in 2010; once fully operational (by 2012), the system would require annual funding of about $600 million. In total, we estimate that outlays for the system would be $50 million in 2008 and $1.3 billion over the 2008–2012 period.

Grant Authorizations or Reauthorizations. The bill would codify an existing grant program for wildlife conservation and would authorize new grants under the coastal zone management (CZM) program, as discussed below.

State and Tribal Wildlife Grants. Section 461 would establish a permanent authorization of whatever amounts are necessary for the USFWS's wildlife conservation grant program. Based on the enacted funding level for such grants in recent years, CBO estimates that the USFWS would spend $5 million in 2008 and $210 million over the 2008–2012 period to provide grants to eligible states and tribes.

Coastal Zone Management (CZM) Grants. The bill would amend the Coastal Zone Management Act to authorize two new purposes for CZM grants—surveys of state (or adjacent federal) waters to de-

termine their suitability for developing alternative energy resources and planning and developing strategies for addressing climate change. The bill would authorize the appropriation of whatever amounts are necessary for such grants. CBO estimates that providing grants to all eligible states for the newly authorized purposes would cost $20 million in 2008 and $245 million over the 2008–2012 period. For this estimate, we assume that each of the 35 coastal states with approved CZM plans would receive $750,000 for alternative energy surveys and $1 million for climate-change planning.

Energy Development and Other Federal Activities. Several provisions of the bill would affect Federal programs carried out by DOI and NOAA. Major provisions are described below.

Increased Audits of Oil and Gas Leases. Section 202 would require the Minerals Management Service (MMS) to perform at least 550 audits of oil and gas leases each fiscal year. Based on information provided by DOI, CBO estimates that hiring, training, and equipping the nearly 200 additional auditors and supervisors needed to perform the additional audits would cost $8 million in 2008 and $100 million over the 2008–2012 period, assuming appropriation of the necessary amounts.

BLM Activities. CBO estimates that implementing H.R. 2337 would increase discretionary outlays by $26 million in 2008 and by $162 million over the 2008–2012 period. We estimate that most of those amounts—$23 million in 2008 and $147 million over the 2008–2012 period—would be spent from appropriated funds needed to replace existing direct spending. Section 101 would repeal the authority to spend, without further appropriation, certain receipts from rental payments on onshore mineral leases. Those funds are used to administer applications for drilling-related permits.

Under the bill, we estimate that BLM would spend an additional $3 million a year to carry out various energy and regulatory programs, including developing guidelines on best practices for oil and gas development, creating an inventory of carbon dioxide on leased Federal lands, promulgating regulations to protect certain landowners from the effects of drilling underneath their property, and establishing a pilot program for developing solar energy resources on Federal lands.

Water Desalination Research. Section 303 would require DOI to implement a program to research methods to use reverse osmosis technology for water desalination and other water-treatment activities. Based on the level of funding provided to the Bureau of Reclamation for similar research in the past, CBO estimates that the agency would spend $8 million for the required research program in 2008 and $50 million over the 2008–2012 period.

Oil Shale Community Impact Assistance. The bill would establish a new fund to be credited with certain receipts from Federal leases for oil shale. The bill would authorize DOI to make payments from the fund subject to appropriation to certain state and local governments for use in planning, constructing, and maintaining public property. Based on information from DOI on the likely timing of federal lease sales for oil shale and the anticipated magnitude of receipts from such sales, CBO estimates that making such payments would cost $25 million in 2012.

Other Provisions. H.R. 2337 would require Federal agencies to complete numerous studies and reports, conduct pilot projects, and establish national guidelines and regulations for addressing global warming. CBO estimates that carrying out those requirements would cost $5 million in 2008 and about $25 million over the 2008–2012 period.

Studies. The bill would authorize specific appropriations for three programs:

- Section 232 would authorize the appropriation of $2 million for each of fiscal years 2008 through 2015 for research on the impact to wildlife of producing wind energy.
- Section 403 would authorize the appropriation of $30 million over the 2008–2012 period for a national assessment by the U.S. Geological Survey (USGS) of geological formations in the United States and their potential capacity for storing carbon dioxide.
- Section 424 would authorize the appropriation of $15 million over the 2008–2012 period for a USGS study to determine the potential for increasing carbon storage underground.

Assuming appropriation of the authorized amounts, CBO estimates that completing those three studies would cost $11 million in 2008 and $55 million over the 2008–2012 period.

Direct spending

Several provisions of the bill would amend the Department of the Interior's authority to collect and spend offsetting receipts from energy and mineral development on federal lands. The legislation's estimated effect on direct spending over the next 10 years is shown in Table 3. Major provisions that would affect direct spending are described below.

BLM Fees for Onshore Oil and Gas Drilling Permits. The Energy Policy Act of 2005 (EPAct) established a pilot program to better coordinate federal agencies' efforts to review and process applications for drilling-related permits under federal onshore mineral leases. For that program, EPAct authorizes BLM to spend, without further appropriation, one-half of rental payments collected from onshore lessees. Until the pilot program ends in 2015, EPAct prohibits BLM from charging fees to recover costs to administer drilling-related permits.

H.R. 2337 would repeal BLM's authority to spend rental payments for the permit coordination pilot program. Based on anticipated levels of such payments and historical spending patterns for administrative activities, CBO estimates that reductions in direct spending would total $23 million in 2008 and $261 million over the next 10 years. (We also estimate that eliminating BLM's direct spending authority would require additional discretionary appropriations to administer applications for drilling-related permits, as described earlier in the section on "Spending Subject to Appropriation.")

H.R. 2337 also would require BLM to charge a fee of $1,700 for all drilling-related permits. CBO expects that this provision would increase offsetting receipts (a credit against direct spending) during the 2008–2015 period when the prohibition on such fees would otherwise be in effect. Based on information from BLM about the anticipated volume of applications, CBO estimates the proposed fee would reduce direct spending by $17 million in 2008, $85 million

over the 2008–2012 period, and $136 million over the 2008–2015 period.

TABLE 3.—ESTIMATED CHANGES IN DIRECT SPENDING FROM ENACTING H.R. 2337

	By fiscal year, in millions of dollars—											
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2008–2012	2008–2017
Repeal of BLM Spending Authority of Rental Payments:												
Estimated Budget Authority	−29	−30	−31	−32	−33	−34	−35	−36	0	0	−155	−260
Estimated Outlays	−23	−30	−31	−32	−33	−34	−35	−36	−6	0	−149	−260
Collections of BLM Drilling Permit Fees:												
Estimated Budget Authority	−17	−17	−17	−17	−17	−17	−17	−17	0	0	−85	−136
Estimated Outlays	−17	−17	−17	−17	−17	−17	−17	−17	0	0	−85	−136
Changes in MMS Royalty Management:												
Estimated Budget Authority	−2	−2	−2	−2	−2	−2	−2	−2	−2	−2	−10	−20
Estimated Outlays	−2	−2	−2	−2	−2	−2	−2	−2	−2	−2	−10	−20
BLM Due Diligence Fee Offsetting Receipts:												
Estimated Budget Authority	−30	−30	−30	−30	−30	−30	−30	−30	−30	−30	−150	−300
Estimated Outlays	−30	−30	−30	−30	−30	−30	−30	−30	−30	−30	−150	−300
Spending of Offsetting Receipts:												
Estimated Budget Authority	30	30	30	30	30	30	30	30	30	30	150	300
Estimated Outlays	20	25	30	30	30	30	30	30	30	30	135	285
Net Effect, Due-Diligence Fees:												
Estimated Budget Authority	0	0	0	0	0	0	0	0	0	0	0	0
Estimated Outlays	−10	−5	0	0	0	0	0	0	0	0	−15	−15
Total Changes in Direct Spending:												
Estimated Budget Authority	−48	−49	−50	−51	−52	−53	−54	−55	−2	−2	−250	−416
Estimated Outlays	−52	−54	−50	−51	−52	−53	−54	−55	−8	−2	−259	−431

Changes in MMS Royalty Management. CBO estimates that enacting H.R. 2337 would reduce direct spending by MMS by about $2 million a year. Most of the estimated savings would result from the repeal of provisions that require MMS to pay interest to lessees if they overpay royalties. According to MMS, such interest payments totaled about $10 million over the 2001–2006 period.

The legislation also would require most lessees to pay royalties in cash, rather than making in-kind payments in the form oil, gas, or other fuel. Under this bill, MMS could accept in-kind payments only when royalty oil is needed to fill the Strategic Petroleum Reserve. Based on information regarding MMS's existing royalty-in-kind (RIK) program, CBO estimates that this change would have a negligible effect on the government's net income from royalties. Although more than half of the royalties from the Outer Continental Shelf are currently paid in-kind, MMS reports indicate that the estimated difference in collections between the two methods

has been very small—about two-tenths of one percent over the last three years—after adjusting for the direct spending for the RIK program's administrative costs. Whether either approach will yield higher or lower collections in the future is difficult to predict because of uncertainty regarding market conditions, contract terms, and the availability of information to verify the relative merits of each approach. Thus, CBO estimates that implementing this provision would have no significant net effect on direct spending over the 2008–2017 period.

BLM Due Diligence Fee. Section 224 would require BLM to establish a fee of $1 per acre on all nonproducing onshore oil and gas leases within 180 days after enactment. The agency would be authorized to use the proceeds from the fee, without further appropriation, to repair damage to Federal lands caused by oil and gas development under the Healthy Lands Initiative or for certain innovative energy projects. CBO estimates that enacting this provision would increase offsetting receipts (a credit against direct spending) by $30 million a year beginning in 2008. We estimate that the net effect of the new fees and associated spending would be a net decrease in direct spending of $10 million in 2008, $15 million over the 2008–2012 period, and $15 million over the 2008–2017 period—reflecting a short lag between the collection of new fees and their expenditure.

Revenues

H.R. 2337 would establish new civil penalties for violations of law regarding oil and gas leasing royalties. Enforcing the new penalty provisions of the bill could result in additional revenues, but CBO estimates that such increases would be less than $500,000 a year.

Estimated impact on state, local, and tribal governments: H.R. 2337 contains no intergovernmental mandates as defined in UMRA. The bill would authorize grants to state, local, or tribal governments for a number of programs including assistance for surveying coastal zones and coastal waters to identify potential areas for energy exploration and production; grants for state and tribal wildlife programs; and, grants to coastal states for developing resiliency plans related to climate change. Some of those grants would require matching contributions, but any additional costs to state or tribal governments would be incurred voluntarily. State and local governments also could receive payments from the Oil Shale Community Impact Assistance Fund that would be established by the bill.

Estimated impact on the private sector: H.R. 2337 would impose a private-sector mandate, as defined in UMRA, on certain oil, gas, and coal operators that hold onshore Federal leases by requiring those operators to pay $1 for each acre of land that is not in production for a given year. The fee would apply to new and existing onshore federal leases. Operators entering into a new lease after the fee has been established would do so voluntarily, and thus this provision would not constitute a mandate for those operators. However, operators with existing Federal leases would be required to pay a fee that is not a duty under their current lease agreements. The new requirement for those operators would be considered a mandate under UMRA. Based on information from BLM, CBO esti-

mates that the direct cost of the mandate would be about $30 million in 2008. As those existing leases expire, the cost of the mandate would decrease in subsequent years. Consequently, the cost of the mandate would fall below the annual threshold established by UMRA for private-sector mandates ($131 million in 2007, adjusted annually for inflation).

Estimate prepared by: Federal Costs: Natural resources programs: Deb Reis; Offshore leasing: Kathleen Gramp; Onshore leasing: Megan Carroll. Impact on State, Local, and Tribal Governments: Leo Lex. Impact on the Private Sector: Craig Cammarata.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

COMPLIANCE WITH PUBLIC LAW 104–4

This bill contains no unfunded mandates.

EARMARK STATEMENT

H.R. 2337 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e) or 9(f) of rule XXI.

PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

This bill is not intended to preempt any State, local or tribal law.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

ENERGY POLICY ACT OF 2005

SECTION 1. SHORT TITLE; TABLE OF CONTENTS

(a) * * *

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

* * * * * * *

TITLE II—RENEWABLE ENERGY

Subtitle A—General Provisions

* * * * * * *

[Sec. 210. Grants to improve the commercial value of forest biomass for electric energy, useful heat, transportation fuels, and other commercial purposes.]

Sec. 210. Biomass utilization pilot program.

* * * * * * *

TITLE II—RENEWABLE ENERGY

Subtitle A—General Provisions

* * * * * * *

[SEC. 210. GRANTS TO IMPROVE THE COMMERCIAL VALUE OF FOREST BIOMASS FOR ELECTRIC ENERGY, USEFUL HEAT, TRANSPORTATION FUELS, AND OTHER COMMERCIAL PURPOSES.

[(a) DEFINITIONS.—In this section:

[(1) BIOMASS.—The term "biomass" means nonmerchantable materials or precommercial thinnings that are byproducts of preventive treatments, such as trees, wood, brush, thinnings, chips, and slash, that are removed—

[(A) to reduce hazardous fuels;

[(B) to reduce or contain disease or insect infestation; or

[(C) to restore forest health.

[(2) INDIAN TRIBE.—The term "Indian tribe" has the meaning given the term in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)).

[(3) NONMERCHANTABLE.—For purposes of subsection (b), the term "nonmerchantable" means that portion of the byproducts of preventive treatments that would not otherwise be used for higher value products.

[(4) PERSON.—The term "person" includes—

[(A) an individual;

[(B) a community (as determined by the Secretary concerned);

[(C) an Indian tribe;

[(D) a small business or a corporation that is incorporated in the United States; and

[(E) a nonprofit organization.

[(5) PREFERRED COMMUNITY.—The term "preferred community" means—

[(A) any Indian tribe;

[(B) any town, township, municipality, or other similar unit of local government (as determined by the Secretary concerned) that—

[(i) has a population of not more than 50,000 individuals; and

[(ii) the Secretary concerned, in the sole discretion of the Secretary concerned, determines contains or is located near Federal or Indian land, the condition of which is at significant risk of catastrophic wildfire, disease, or insect infestation or which suffers from disease or insect infestation; or

[(C) any county that—

[(i) is not contained within a metropolitan statistical area; and

[(ii) the Secretary concerned, in the sole discretion of the Secretary concerned, determines contains or is located near Federal or Indian land, the condition of which is at significant risk of catastrophic wildfire, disease, or insect infestation or which suffers from disease or insect infestation.

[(6) SECRETARY CONCERNED.—The term "Secretary concerned" means the Secretary of Agriculture or the Secretary of the Interior.

[(b) BIOMASS COMMERCIAL USE GRANT PROGRAM.—

[(1) IN GENERAL.—The Secretary concerned may make grants to any person in a preferred community that owns or operates a facility that uses biomass as a raw material to

produce electric energy, sensible heat, or transportation fuels to offset the costs incurred to purchase biomass for use by such facility.

[(2) GRANT AMOUNTS.—A grant under this subsection may not exceed $20 per green ton of biomass delivered.

[(3) MONITORING OF GRANT RECIPIENT ACTIVITIES.—As a condition of a grant under this subsection, the grant recipient shall keep such records as the Secretary concerned may require to fully and correctly disclose the use of the grant funds and all transactions involved in the purchase of biomass. Upon notice by a representative of the Secretary concerned, the grant recipient shall afford the representative reasonable access to the facility that purchases or uses biomass and an opportunity to examine the inventory and records of the facility.

[(c) IMPROVED BIOMASS USE GRANT PROGRAM.—

[(1) IN GENERAL.—The Secretary concerned may make grants to persons to offset the cost of projects to develop or research opportunities to improve the use of, or add value to, biomass. In making such grants, the Secretary concerned shall give preference to persons in preferred communities.

[(2) SELECTION.—The Secretary concerned shall select a grant recipient under paragraph (1) after giving consideration to—

[(A) the anticipated public benefits of the project, including the potential to develop thermal or electric energy resources or affordable energy;

[(B) opportunities for the creation or expansion of small businesses and micro-businesses;

[(C) the potential for new job creation;

[(D) the potential for the project to improve efficiency or develop cleaner technologies for biomass utilization; and

[(E) the potential for the project to reduce the hazardous fuels from the areas in greatest need of treatment.

[(3) GRANT AMOUNT.—A grant under this subsection may not exceed $500,000.

[(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $50,000,000 for fiscal year 2006 and $35,000,000 for each of fiscal years 2007 through 2016 to carry out this section.

[(e) REPORT.—Not later than October 1, 2010, the Secretary of Agriculture, in consultation with the Secretary of the Interior, shall submit to the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committee on Resources, the Committee on Energy and Commerce, and the Committee on Agriculture of the House of Representatives, a report describing the results of the grant programs authorized by this section. The report shall include the following:

[(1) An identification of the size, type, and use of biomass by persons that receive grants under this section.

[(2) The distance between the land from which the biomass was removed and the facility that used the biomass.

[(3) The economic impacts, particularly new job creation, resulting from the grants to and operation of the eligible operations.]

SEC. 210. BIOMASS UTILIZATION PILOT PROGRAM.

(a) FINDINGS.—Congress finds the following:

(1) The supply of woody biomass for energy production is directly linked to forest management planning to a degree far greater than in the case of other types of energy development.

(2) As a consequence of this linkage, the process of developing and evaluating appropriate technologies and facilities for woody biomass energy and utilization must be integrated with long-term forest management planning processes, particularly in situations where Federal lands dominate the forested landscape.

(b) BIOMASS DEFINITION FOR FEDERAL FOREST LANDS.—In this section, with respect to organic material removed from National Forest System lands or from public lands administered by the Secretary of the Interior, the term "biomass" covers only organic material from—

(1) ecological forest restoration;
(2) small-diameter byproducts of hazardous fuels treatments;
(3) pre-commercial thinnings;
(4) brush;
(5) mill residues; and
(6) slash.

(c) PILOT PROGRAM.—The Secretary of Agriculture and the Secretary of the Interior shall establish a pilot program, to be known as the "Biomass Utilization Pilot Program", involving 10 different forest types on Federal lands, under which the Secretary concerned will provide technical assistance and grants to persons to support the following biomass-related activities:

(1) The development of biomass utilization infrastructure to support hazardous fuel reduction and ecological forest restoration.

(2) The research and implementation of integrated facilities that seek to utilize woody biomass for its highest and best uses, with particular emphasis on projects that are linked to implementing community wildfire protection plans, ecological forest restoration, and economic development in rural communities.

(3) The testing of multiple technologies and approaches to biomass utilization for energy, with emphasis on improving energy efficiency, developing thermal applications and distributed heat, biofuels, and achieving cleaner emissions including through combustion with other fuels, as well as other value-added uses.

(d) BIOMASS SUPPLY STUDY.—Prior to the development of any biomass utilization pilot projects, the Secretary concerned shall develop a study to determine the long-term, ecologically sustainable, biomass supply available in the pilot program area. The study shall incorporate results form coordinated resource offering protocol (CROP) studies. The study shall also analyze the long-term availability of biomass materials within a reasonable transportation distance. The biomass supply studies shall be developed through a collaborative approach, as evidenced by the broad involvement, analysis, and agreement of interested persons, including local governments, energy developers, conservationists, and land management agencies. The results of the biomass supply study shall be a basis for determining the project scale, as outlined in subsection (g).

(e) EXCLUSION OF CERTAIN FEDERAL LAND.—The following Federal lands may not be included within a pilot project site:

(1) Federal land containing old-growth forest or late-successional forest, unless the Secretary concerned determines that the pilot project on such land is appropriate for the applicable forest type and maximizes and enhances the retention of late-successional and large- and old-growth trees, late-successional and old-growth forest structure, and late-successional and old-growth forest composition.

(2) Federal land on which the removal of vegetation is prohibited, including components of the National Wilderness Preservation System.

(3) Wilderness Study Areas.

(4) Inventoried roadless areas.

(5) Components of the National Landscape Conservation System.

(6) National Monuments.

(f) MULTIPLE PROJECTS.—In conducting the pilot program, the Secretary concerned shall include a variety of projects involving—

(1) innovations in facilities of various sizes and processing techniques; and

(2) the full spectrum of woody biomass producing regions of the United States.

(g) SELECTION CRITERIA AND PROJECT SCALE.—In selecting the projects to be conducted under the pilot program, and the appropriate scale of projects, the Secretary concerned shall consider criteria that evaluate existing economic, ecological, and social conditions, focusing on opportunities such as workforce training, job creation, ecosystem health, reducing energy costs, and facilitating the production of alternative energy fuels. The agreement on the scale of a project shall be reached through a collaborative approach, as evidenced by the broad involvement, analysis, and agreement of interested persons, including local governments, energy developers, conservationists, and land management agencies. In selecting the appropriate scale of projects to be conducted under the pilot program, the Secretary concerned shall also consider the results of the supply study as outlined in subsection (d).

(h) MONITORING AND REPORTING REQUIREMENTS.—As part of the pilot program, the Secretary concerned shall impose monitoring and reporting requirements to ensure that the ecological, social, and economic effects of the projects conducted under the pilot program are being monitored and that the accomplishments, challenges, and lessons of each project are recorded and reported.

(i) OTHER DEFINITIONS.—In this section:

(1) HIGHEST AND BEST USE.—The term "highest and best use", with regard to biomass, means—

(A) creating from raw materials those products and those biomass uses that will achieve the highest market value; and

(B) yielding a wide range of existing and innovative products and biomass uses that create new markets, stimulate existing ones, and improve rural economies, maintains or improves ecosystem integrity, while also supporting traditional biomass energy generation.

(2) PILOT PROGRAM.—The term "pilot program" means the Biomass Utilization Pilot Program established pursuant to this section.

(3) SECRETARY CONCERNED.—The term "Secretary concerned" means the Secretary of Agriculture, with respect to National Forest System lands, and the Secretary of the Interior, with respect to public lands administered by the Secretary of the Interior.

(4) COMMUNITY WILDFIRE PROTECTION PLAN.—The term "community wildfire protection plan" has the meaning given that term in section 101(3) of the Healthy Forest Restoration Act of 2003 (16 U.S.C. 6511(3)), which is further described by the Western Governors Association in the document entitled "Preparing a Community Wildfire Protection Plan: A Handbook for Wildland-Interface Communities" and dated March 2004.

(5) FEDERAL LAND.—The term "Federal land" means—

(A) land of the National Forest System (as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)) administered by the Secretary of Agriculture, acting through the Chief of the Forest Service; and

(B) public lands (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702)), the surface of which is administered by the Secretary of the Interior, acting through the Director of the Bureau of Land Management.

(6) INVENTORIED ROADLESS AREA.—The term "Inventoried roadless area" means one of the areas identified in the set of inventoried roadless areas maps contained in the Forest Service Roadless Areas Conservation, Final Environmental Impact Statement, Volume 2, dated November 2000.

(j) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out the pilot program.

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TITLE III—OIL AND GAS

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Subtitle E—Production Incentives

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SEC. 342. PROGRAM ON OIL AND GAS ROYALTIES IN-KIND.

(a) * * *

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(d) **[**BENEFIT**]** *FILLING OF STRATEGIC PETROLEUM RESERVE AND BENEFIT* TO THE UNITED STATES REQUIRED.—The Secretary may receive oil or gas royalties in-kind **[**only if**]** *only if receiving such royalties in-kind is for the purpose of filling the Strategic Petroleum Reserve and* the Secretary determines that receiving royalties in-kind provides benefits to the United States that are greater than or equal to the benefits that are likely to have been received had royalties been taken in-value.

* * * * * * *

(k) LIMITATION.—

(1) IN GENERAL.—No amount of the total amount of royalties collected by the Secretary in a fiscal year may be collected as royalties in-kind.

(2) EXCEPTION.—Paragraph (1) shall not apply with respect to royalties in-kind collected for the purpose of filling the Strategic Petroleum Reserve.

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SEC. 354. ENHANCED OIL AND NATURAL GAS PRODUCTION THROUGH CARBON DIOXIDE INJECTION.

(a) * * *

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(d) RECORDS AND INVENTORY.—The Secretary of the Interior, acting through the Bureau of Land Management, shall maintain records on and an inventory of the amount of carbon dioxide stored from Federal energy leases.

[(d)**]** *(e)* AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

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Subtitle F—Access to Federal Lands

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SEC. 365. PILOT PROJECT TO IMPROVE FEDERAL PERMIT COORDINATION.

(a) * * *

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[(i) FEES.—During the period in which the Pilot Project is authorized, the Secretary shall not implement a rulemaking that would enable an increase in fees to recover additional costs related to processing drilling-related permit applications and use authorizations.**]**

(i) FEE FOR APPLICATIONS FOR PERMITS TO DRILL.—

(1) REQUIREMENT TO ESTABLISH COST RECOVERY FEE.—The Secretary of the Interior shall promulgate regulations to establish a cost recovery fee for applications for a permit to drill for oil and gas on Federal lands administered by the Secretary.

(2) TEMPORARY FEE.—Until such time as a fee is established by such regulations, the Secretary shall charge a cost recovery fee of $1,700 for each such application received on or after October 1, 2007.

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SEC. 368. ENERGY RIGHT-OF-WAY CORRIDORS ON FEDERAL LAND.

(a) WESTERN STATES.—**[**Not later than 2 years after the date of enactment of this Act, the**]** *The* Secretary of Agriculture, the Secretary of Commerce, the Secretary of Defense, the Secretary of Energy, and the Secretary of the Interior (in this section referred to collectively as "the Secretaries"), in consultation with the Federal Energy Regulatory Commission, States, tribal or local units of gov-

ernments as appropriate, affected utility industries, and other interested persons, shall consult with each other and shall—

(1) * * *

* * * * * * *

(b) OTHER STATES.—[Not later than 4 years after the date of enactment of this Act, the] *The* Secretaries, in consultation with the Federal Energy Regulatory Commission, affected utility industries, and other interested persons, shall jointly—

(1) * * *

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SEC. 369. OIL SHALE, TAR SANDS, AND OTHER STRATEGIC UNCONVENTIONAL FUELS.

(a) * * *

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(c) LEASING PROGRAM FOR RESEARCH AND DEVELOPMENT OF OIL SHALE AND TAR SANDS.—In accordance with section 21 of the Mineral Leasing Act (30 U.S.C. 241) and any other applicable law, except as provided in this section, [not later than 180 days after the date of enactment of this Act,] from land otherwise available for leasing, the Secretary of the Interior (referred to in this section as the "Secretary") [shall make] *may make* available for leasing such land as the Secretary considers to be necessary to conduct research and development activities with respect to technologies for the recovery of liquid fuels from oil shale and tar sands resources on public lands. Prospective public lands within each of the States of Colorado, Utah, and Wyoming shall be made available for such research and development leasing.

(d) PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT AND COMMERCIAL LEASING PROGRAM FOR OIL SHALE AND TAR SANDS.—

(1) PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT.—[Not later than 18 months after the date of enactment of this Act, in] *In* accordance with section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)), the Secretary shall complete a programmatic environmental impact statement for a commercial leasing program for oil shale and tar sands resources on public lands, with an emphasis on the most geologically prospective lands within each of the States of Colorado, Utah, and Wyoming.

(2) [FINAL] *PROPOSED* REGULATION.—Not later than [6] *12* months after the completion of the programmatic environmental impact statement under this subsection, the Secretary shall publish a [final] *proposed* regulation establishing such program. *The proposed regulations developed under this paragraph are to be open for public comment for no less than 180 days.*

(e) OIL SHALE AND TAR SANDS LEASING AND DEVELOPMENT STRATEGY.—

(1) GENERAL.—Not later than 6 months after the completion of the programmatic environmental impact statement under subsection (d), the Secretary shall prepare an oil shale and tar sands leasing and development strategy, in cooperation with the Secretary of Energy and the Administrator of the Environmental Protection Agency.

(2) PURPOSE.—The purpose of the strategy developed under this subsection is to allow for the sustainable and publicly acceptable large-scale development of oil shale within the Green River Formation.

(3) CONTENTS.—The strategy shall include plans and programs for obtaining information required for determining the optimal methods, locations, amount, and timeframe for potential development on federal lands within the Green River Formation. The strategy shall also include plans for conducting critical environmental and ecological research, high-payoff process improvement research, an assessment of carbon management options, and a large-scale demonstration of carbon dioxide sequestration in the general vicinity of the Piceance Basin.

(f) ALTERNATIVE APPROACHES.—Not later than nine months after the completion of the programmatic environmental impact statement under subsection (d), the Secretary shall, in cooperation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, prepare and publish a report on alternative approaches to providing access to Federal lands for early first-of-a-kind commercial facilities for extracting and processing oil shale and tar sands.

[(e)] *(g)* COMMENCEMENT OF COMMERCIAL LEASING OF OIL SHALE AND TAR SANDS.—Not later than 180 days after publication [of the final regulation required by subsection (d)] *of final regulations issued under this section*, the Secretary shall consult with the Governors of States with significant oil shale and tar sands resources on public lands, representatives of local governments in such States, interested Indian tribes, and other interested persons, to determine the level of support and interest in the States in the development of tar sands and oil shale resources. If the Secretary finds sufficient support and interest exists in a State, the Secretary may conduct a lease sale in that State under the commercial leasing program regulations. Evidence of interest in a lease sale under this subsection shall include, but not be limited to, appropriate areas nominated for leasing by potential lessees and other interested parties. *Compliance with the National Environmental Policy Act of 1969 is required on a site-by-site basis for all lands proposed to be leased under the commercial leasing program established in this subsection.*

[(f)] *(h)* DILIGENT DEVELOPMENT REQUIREMENTS.—The Secretary shall, by regulation, designate work requirements and milestones to ensure the diligent development of the lease.

[(g)] *(i)* INITIAL REPORT BY THE SECRETARY OF THE INTERIOR.—Within 90 days after the date of enactment of this Act, the Secretary of the Interior shall report to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate on—

(1) the interim actions necessary to—

(A) * * *

(B) conduct the first lease sales under the program as required by [subsection (e)] *subsection (g)*; and

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[(h)] *(j)* TASK FORCE.—

(1) * * *

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[(i)] *(k)* OFFICE OF PETROLEUM RESERVES.—
(1) * * *

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[(j)] *(l)* MINERAL LEASING ACT AMENDMENTS.—
(1) * * *

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[(k)] *(m)* INTERAGENCY COORDINATION AND EXPEDITIOUS REVIEW OF PERMITTING PROCESS.—
(1) * * *

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[(l)] *(n)* COST-SHARED DEMONSTRATION TECHNOLOGIES.—
(1) * * *

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[(m)] *(o)* NATIONAL OIL SHALE AND TAR SANDS ASSESSMENT.—
(1) * * *

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[(n)] *(p)* LAND EXCHANGES.—
(1) * * *

* * * * * * *

[(o)] *(q)* ROYALTY RATES FOR LEASES.—The Secretary shall establish royalties, fees, rentals, bonus, or other payments for leases under this section that shall—
(1) * * *

* * * * * * *

[(p)] *(r)* HEAVY OIL TECHNICAL AND ECONOMIC ASSESSMENT.—The Secretary of Energy shall update the 1987 technical and economic assessment of domestic heavy oil resources that was prepared by the Interstate Oil and Gas Compact Commission. Such an update should include all of North America and cover all unconventional oil, including heavy oil, tar sands (oil sands), and oil shale.

[(q)] *(s)* PROCUREMENT OF UNCONVENTIONAL FUELS BY THE DEPARTMENT OF DEFENSE.—
(1) * * *

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[(r)] *(t)* STATE WATER RIGHTS.—Nothing in this section preempts or affects any State water law or interstate compact relating to water.

[(s)] *(u)* AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

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Subtitle G—Miscellaneous

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SEC. 390. NEPA REVIEW.

(a) * * *

(b) ACTIVITIES DESCRIBED.—The activities referred to in subsection (a) are the following:

(1) * * *

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(3) Drilling an oil or gas well within a developed field for which an approved land use plan or any environmental document prepared pursuant to NEPA analyzed such drilling as a reasonably foreseeable activity*, other than at such a location or site in an area that is crucial wildlife habitat or a significant wildlife corridor*, so long as such plan or document was approved within 5 years prior to the date of spudding the well.

* * * * * * *

(c) ADHERENCE TO CEQ REGULATIONS.—In administering this section, the Secretary of the Interior in managing the public lands, and the Secretary of Agriculture in managing National Forest System lands, shall adhere to the regulations issued by the Council on Environmental Quality relating to categorical exclusions (40 C.F.R. 1507.3 and 1508.4), as in effect on the date of enactment of this Act.

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MINERAL LEASING ACT

* * * * * * *

SEC. 17. (a) * * *

* * * * * * *

(p) DEADLINES FOR CONSIDERATION OF APPLICATIONS FOR PERMITS.—

(1) * * * .—

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(2) ISSUANCE OR DEFERRAL.—Not later than [30] *90* days after the applicant for a permit has submitted a complete application, the Secretary shall—

(A) * * *

* * * * * * *

(q) RECLAMATION REQUIREMENTS.—An operator producing oil or gas (including coalbed methane) under a lease issued pursuant to this Act shall—

(1) at a minimum restore the land affected to a condition capable of supporting the uses that it was capable of supporting prior to any drilling, or higher or better uses of which there is reasonable likelihood, so long as such use or uses do not present any actual or probable hazard to public health or safety or pose any actual or probable threat of water diminution or pollution, and the permit applicants' declared proposed land use following reclamation is not impractical or unreasonable, inconsistent with applicable land use policies and plans, or involve unreasonable delay in implementation, or is violative of Federal or State law;

(2) ensure that all reclamation efforts proceed in an environmentally sound manner and as contemporaneously as practicable with the oil and gas drilling operations; and

(3) submit with the plan of operations a reclamation plan that describes in detail the methods and practices that will be used to ensure complete and timely restoration of all lands affected by oil and gas operations.

(r) RECLAMATION BOND OR OTHER FINANCIAL ASSURANCES.—An operator producing oil or gas (including coalbed methane) under a lease issued under this Act shall post a bond or other financial assurances that cover the reclamation of that area of land within the permit area upon which the operator will initiate and conduct oil and gas drilling and reclamation operations within the initial term of the permit. As succeeding increments of oil and gas drilling and reclamation operations are to be initiated and conducted within the permit area, the lessee shall file with the regulatory authority an additional bond or bonds or other financial assurances to cover such increments in accordance with this section. The amount of the bond or other financial assurances required for each bonded area shall depend upon the reclamation requirements of the approved permit; shall reflect the probable difficulty of reclamation giving consideration to such factors as topography, geology of the site, hydrology, and revegetation potential; and shall be determined by the Secretary. The amount of the bond or other financial assurances shall be sufficient to assure the completion of the reclamation plan if the work had to be performed by the Secretary in the event of forfeiture.

(s) REGULATIONS.—No later than one year after the date of the enactment of this subsection, the Secretary shall promulgate regulations to implement the requirements, including for the release of bonds or other financial assurances, of subsections (q) and (r).

(t) WATER REQUIREMENTS.—

(1) IN GENERAL.—An operator producing oil or gas (including coalbed methane) under a lease issued under this Act shall—

(A) remediate or replace the water supply of a water user who obtains all or part of such user's supply of water for domestic, agricultural, or other purposes from an underground or surface source that has been affected by contamination, diminution, or interruption proximately resulting from drilling operations for such production; and

(B) comply with all applicable requirements of Federal and State law for discharge of any water produced under the lease.

(2) WATER MANAGEMENT PLAN.—An application for a permit to drill submitted pursuant to a lease issued under this Act shall be accompanied by a proposed water management plan including provisions to—

(A) protect the quantity and quality of surface and ground water systems, both on-site and off-site, from adverse effects of the exploration, development, and reclamation processes or to provide alternative sources of water if such protection cannot be assured;

(B) protect the rights of present users of water that would be affected by operations under the lease, including the discharge of any water produced in connection with such operations that is not reinjected; and

(C) identify any agreements with other parties for the beneficial use of produced waters and the steps that will be

taken to comply with State and Federal laws related to such use.

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SEC. 35. (a) * * *

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[(c)(1) Notwithstanding the first sentence of subsection (a), any rentals received from leases in any State (other than the State of Alaska) on or after the date of enactment of this subsection shall be deposited in the Treasury, to be allocated in accordance with paragraph (2).

[(2) Of the amounts deposited in the Treasury under paragraph (1)—

[(A) 50 percent shall be paid by the Secretary of the Treasury to the State within the boundaries of which the leased land is located or the deposits were derived; and

[(B) 50 percent shall be deposited in a special fund in the Treasury, to be known as the "BLM Permit Processing Improvement Fund" (referred to in this subsection as the "Fund").

[(3) For each of fiscal years 2006 through 2015, the Fund shall be available to the Secretary of the Interior for expenditure, without further appropriation and without fiscal year limitation, for the coordination and processing of oil and gas use authorizations on onshore Federal land under the jurisdiction of the Pilot Project offices identified in section 365(d) of the Energy Policy Act of 2005.]

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COASTAL ZONE MANAGEMENT ACT OF 1972

TITLE III—MANAGEMENT OF THE COASTAL ZONE

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OCEAN AND COASTAL ALTERNATIVE ENERGY STATE SURVEYS; ALTERNATIVE ENERGY SITE IDENTIFICATION AND PLANNING

SEC. 306B. (a) GRANTS TO STATES.—The Secretary may make grants to eligible coastal States to support voluntary State efforts to initiate and complete surveys of portions of coastal State waters and Federal waters adjacent to a State's coastal zone, in consultation with the Minerals Management Service, to identify potential areas suitable or unsuitable for the exploration, development, and production of alternative energy that are consistent with the enforceable policies of coastal management plans approved pursuant to section 306A.

(b) SURVEY ELEMENTS.—Surveys developed with grants under this section may include, but not be limited to—

(1) hydrographic and bathymetric surveys;

(2) oceanographic observations and measurements of the physical ocean environment, especially seismically active areas;

(3) identification and characterization of significant or sensitive marine ecosystems or other areas possessing important conservation, recreational, ecological, historic, or aesthetic values;

(4) surveys of existing marine uses in the outer Continental Shelf and identification of potential conflicts;

(5) inventories and surveys of shore locations and infrastructure capable of supporting alternative energy development;

(6) inventories and surveys of offshore locations and infrastructure capable of supporting alternative energy development; and

(7) other actions as may be necessary.

(c) PARTICIPATION AND COOPERATION.—To the extent practicable, coastal States shall provide opportunity for the participation in surveys under this section by relevant Federal agencies, State agencies, local governments, regional organizations, port authorities, and other interested parties and stakeholders, public and private, that is adequate to develop a comprehensive survey.

(d) GUIDELINES.—The Secretary shall, within 180 days after the date of enactment of this section and after consultation with the coastal States, publish guidelines for the application for and use of grants under this section.

(e) ANNUAL GRANTS.—For each of fiscal years 2008 through 2011, the Secretary may make a grant to a coastal State under this section if the coastal State demonstrates to the satisfaction of the Secretary that the grant will be used to develop an alternative energy survey consistent with the requirements set forth in section 306A and this section.

(f) GRANT AMOUNTS.—The amount of any grant under this section shall not exceed $750,000 for any fiscal year.

(g) STATE MATCH.—

(1) BEFORE FISCAL YEAR 2010.—The Secretary shall not require any State matching fund contribution for grants awarded under this section for any fiscal year before fiscal year 2010.

(2) AFTER FISCAL YEAR 2010.—The Secretary shall require a coastal State to provide a matching fund contribution for a grant under this section for surveys of a State's coastal waters, according to—

(A) a 2-to-1 ratio of Federal-to-State contributions for fiscal year 2010; and

(B) a 1-to-1 ratio of Federal-to-State contributions for fiscal year 2011.

(3) LIMITATION.—The Secretary shall not require any matching funds for surveys of Federal waters adjacent to a State's coastal zone.

(h) SECRETARIAL REVIEW.—After an initial grant is made to a coastal State under this section, no subsequent grant may be made to that coastal State under this section unless the Secretary finds that the coastal State is satisfactorily developing its survey.

(i) LIMITATION ON ELIGIBILITY.—No coastal State is eligible to receive grants under this section for more than 4 fiscal years.

(j) APPLICABILITY.—This section and the surveys conducted with assistance under this section shall not be construed to convey any new authority to any coastal State, or repeal or supersede any existing authority of any Federal agency, to regulate the siting, licensing, leasing, or permitting of alternative energy facilities in areas of the outer Continental Shelf under the administration of the Federal Government. Nothing in this section repeals or supersedes any existing coastal State authority pursuant to State or Federal law.

(k) PRIORITY.—Any area that is identified as suitable for potential alternative energy development under surveys developed with assistance under this section shall be given priority consideration by Federal agencies for the siting, licensing, leasing, or permitting of alternative energy facilities. Any area that is identified as unsuitable under surveys developed with assistance under this section shall be avoided by Federal agencies to the maximum extent practicable.

(l) ASSISTANCE BY THE SECRETARY.—The Secretary shall—

(1) under section 307(a) and to the extent practicable, make available to coastal States the resources and capabilities of the National Oceanic and Atmospheric Administration to provide technical assistance to the coastal States to develop surveys under this section; and

(2) encourage other Federal agencies with relevant expertise to participate in providing technical assistance under this subsection.

* * * * * * *

AUTHORIZATION OF APPROPRIATIONS

SEC. 318. (a) There are authorized to be appropriated to the Secretary, to remain available until expended—

(1) for grants under sections 306, 306A, and 309—

(A) * * *

* * * * * * *

(C) $50,500,000 for fiscal year 1999; **[**and**]**

(2) for grants under section 315—

(A) * * *

* * * * * * *

(C) $4,600,000 for fiscal year 1999**[**.**]***;*

(3) for grants under section 306B such sums as are necessary; and

(4) for grants under section 320(c) and (d), such sums as are necessary.

* * * * * * *

APPEALS TO THE SECRETARY

SEC. 319. (a) * * *

(b) CLOSURE OF RECORD.—

(1) IN GENERAL.—Not later than the end of the **[**160-day**]** *320-day* period beginning on the date of publication of an initial notice under subsection (a), except as provided in paragraph (3), the Secretary shall immediately close the decision record and receive no more filings on the appeal.

* * * * * * *

(3) EXCEPTION.—

(A) IN GENERAL.—Subject to subparagraph (B), during the **[**160-day**]** *320-day* period described in paragraph (1), the Secretary may stay the closing of the decision record—

(i) * * *

[(ii) as the Secretary determines necessary to receive, on an expedited basis—

[(I) any supplemental information specifically requested by the Secretary to complete a consistency review under this Act; or

[(II) any clarifying information submitted by a party to the proceeding related to information in the consolidated record compiled by the lead Federal permitting agency.]

(ii) as the Secretary determines necessary to receive, on an expedited basis, any supplemental or clarifying information relevant to the consolidated record compiled by the lead Federal permitting agency to complete a consistency review under this title.

(B) APPLICABILITY.—The Secretary may only stay the [160-day] *320-day* period described in paragraph (1) [for a period not to exceed 60 days.] *once.*

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CLIMATE CHANGE RESILIENCY PLANNING

SEC. 320. (a) IN GENERAL.—The Secretary shall establish consistent with the national policies set forth in section 303 a coastal climate change resiliency planning and response program to—

(1) provide assistance to coastal states to voluntarily develop coastal climate change resiliency plans pursuant to approved management programs approved under section 306, to minimize contributions to climate change and to prepare for and reduce the negative consequences that may result from climate change in the coastal zone; and

(2) provide financial and technical assistance and training to enable coastal states to implement plans developed pursuant to this section through coastal states' enforceable policies.

(b) GUIDELINES.—Within 180 days after the date of enactment of this section, the Secretary, in consultation with the coastal states, shall issue guidelines for the implementation of the grant program established under subsection (c).

(c) CLIMATE CHANGE RESILIENCY PLANNING GRANTS.—

(1) IN GENERAL.—The Secretary, subject to the availability of appropriations, may make a grant to any coastal state for the purpose of developing climate change resiliency plans pursuant to guidelines issued by the Secretary under subsection (b).

(2) PLAN CONTENT.—A plan developed with a grant under this section shall include the following:

(A) Identification of public facilities and public services, coastal resources of national significance, coastal waters, energy facilities, or other water uses located in the coastal zone that are likely to be impacted by climate change.

(B) Adaptive management strategies for land use to respond or adapt to changing environmental conditions, including strategies to protect biodiversity and establish habitat buffer zones, migration corridors, and climate refugia.

(C) Requirements to initiate and maintain long-term monitoring of environmental change to assess coastal zone resiliency and to adjust when necessary adaptive management strategies and new planning guidelines to attain the policies under section 303.

(3) STATE HAZARD MITIGATION PLANS.—Plans developed with a grant under this section shall be consistent with State hazard mitigation plans developed under State or Federal law.

(4) ALLOCATION.—Grants under this section shall be available only to coastal states with management programs approved by the Secretary under section 306 and shall be allocated among such coastal states in a manner consistent with regulations promulgated pursuant to section 306(c).

(5) PRIORITY.—In the awarding of grants under this subsection the Secretary may give priority to any coastal state that has received grant funding to develop program changes pursuant to paragraphs (1), (2), (3), (5), (6), (7), and (8) of section 309(a).

(6) TECHNICAL ASSISTANCE.—The Secretary may provide technical assistance to a coastal state consistent with section 310 to ensure the timely development of plans supported by grants awarded under this subsection.

(7) FEDERAL APPROVAL.—In order to be eligible for a grant under subsection (d), a coastal state must have its plan developed under this section approved by the Secretary under regulations adopted pursuant to section 306(e).

(d) COASTAL RESILIENCY PROJECT GRANTS.—

(1) IN GENERAL.—The Secretary, subject to the availability of appropriations, may make grants to any coastal state that has a climate change resiliency plan approved under subsection (c)(7), in order to support projects that implement strategies contained within such plans.

(2) PROGRAM REQUIREMENTS.—The Secretary within 90 days after approval of the first plan approved under subsection (c)(7), shall publish in the Federal Register requirements regarding applications, allocations, eligible activities, and all terms and conditions for grants awarded under this subsection. No less than 30 percent of the funds appropriated in any fiscal year for grants under this subsection shall be awarded through a merit-based competitive process.

(3) ELIGIBLE ACTIVITIES.—The Secretary may award grants to coastal states to implement projects in the coastal zone to address stress factors in order to improve coastal climate change resiliency, including the following:

(A) Activities to address physical disturbances within the coastal zone, especially activities related to public facilities and public services, tourism, sedimentation, and other factors negatively impacting coastal waters, and fisheries-associated habitat destruction or alteration.

(B) Monitoring, control, or eradication of disease organisms and invasive species.

(C) Activities to address the loss, degradation or fragmentation of wildlife habitat through projects to establish marine and terrestrial habitat buffers, wildlife refugia or networks thereof, and preservation of migratory wildlife corridors and other transition zones.

(D) Implementation of projects to reduce, mitigate, or otherwise address likely impacts caused by natural hazards in the coastal zone, including sea level rise, coastal inundation, coastal erosion and subsidence, severe weather events

such as cyclonic storms, tsunamis and other seismic threats, and fluctuating Great Lakes water levels.

(E) Provide technical training and assistance to local coastal policy makers to increase awareness of science, management, and technology information related to climate change and adaptation strategies.

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FEDERAL OIL AND GAS ROYALTY MANAGEMENT ACT OF 1982

* * * * * * *

DEFINITIONS

SEC. 3. For the purposes of this Act, the term—

(1) * * *

* * * * * * *

(20) "commence" means—

(A) with respect to a judicial proceeding, the service of a complaint, petition, counterclaim, cross claim, or other pleading seeking affirmative relief or seeking credit or recoupment**[**: *Provided,* That if the Secretary commences a judicial proceeding against a designee, the Secretary shall give notice of that commencement to the lessee who designated the designee, but the Secretary is not required to give notice to other lessees who may be liable pursuant to section 102(a) of this Act, for the obligation that is the subject of the judicial proceeding**]**; or

(B) with respect to a demand, the receipt by the Secretary or a delegated State or a lessee or its designee **[**(with written notice to the lessee who designated the designee)**]** of the demand;

* * * * * * *

(23) "demand" means—

(A) an order to pay issued by the Secretary or the applicable delegated State to a lessee or its designee **[**(with written notice to the lessee who designated the designee)**]** that has a reasonable basis to conclude that the obligation in the amount of the demand is due and owing; or

* * * * * * *

[(24) "designee" means the person designated by a lessee pursuant to section 102(a) of this Act, with such written designation effective on the date such designation is received by the Secretary and remaining in effect until the Secretary receives notice in writing that the designation is modified or terminated;**]**

(24) "designee" means any person who pays, offsets, or credits monies, makes adjustments, requests and receives refunds, or submits reports with respect to payments a lessee must make pursuant to section 102(a);

(25) "obligation" means—

(A) * * *

(B) any duty of a lessee or its designee [(subject to the provisions of section 102(a) of this Act)]—

(i) * * *

* * * * * * *

(26) "order to pay" means a written order issued by the Secretary or the applicable delegated State to a lessee or its designee [(with notice to the lessee who designated the designee)] which—

(A) * * *

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TITLE I—FEDERAL ROYALTY MANAGEMENT AND ENFORCEMENT

* * * * * * *

DUTIES OF LESSEES, OPERATORS, AND MOTOR VEHICLE TRANSPORTERS

SEC. 102.

[(a) In order to increase receipts and achieve effective collections of royalty and other payments, a lessee who is required to make any royalty or other payment under a lease or under the mineral leasing laws, shall make such payments in the time and manner as may be specified by the Secretary or the applicable delegated State. A lessee may designate a person to make all or part of the payments due under a lease on the lessee's behalf and shall notify the Secretary or the applicable delegated State in writing of such designation, in which event said designated person may, in its own name, pay, offset or credit monies, make adjustments, request and receive refunds and submit reports with respect to payments required by the lessee. Notwithstanding any other provision of this Act to the contrary, a designee shall not be liable for any payment obligation under the lease. The person owning operating rights in a lease shall be primarily liable for its pro rata share of payment obligations under the lease. If the person owning the legal record title in a lease is other than the operating rights owner, the person owning the legal record title shall be secondarily liable for its pro rata share of such payment obligations under the lease.]

(a) In order to increase receipts and achieve effective collections of royalty and other payments, a lessee who is required to make any royalty or other payment under a lease or under the mineral leasing laws, shall make such payments in the time and manner as may be specified by the Secretary or the applicable delegated State. Any person who pays, offsets or credits monies, makes adjustments, requests and receives refunds, or submits reports with respect to payments the lessee must make is the lessee's designee under this Act. Notwithstanding any other provision of this Act to the contrary, a designee shall be liable for any payment obligation of any lessee on whose behalf the designee pays royalty under the lease. The person owning operating rights in a lease and a person owning legal record title in a lease shall be liable for that person's pro rata share of payment obligations under the lease.

* * * * * * *

[CIVIL PENALTIES

[SEC. 109. (a) Any person who—

[(1) after due notice of violation or after such violation has been reported under subparagraph (A), fails or refuses to comply with any requirements of this Act or any mineral leasing law, any rule or regulation thereunder, or the terms of any lease or permit issued thereunder; or

[(2) fails to permit inspection authorized in section 108 or fails to notify the Secretary of any assignment under section 102(a)(2)

shall be liable for a penalty of up to $500 per violation for each day such violation continues, dating from the date of such notice or report. A penalty under this subsection may not be applied to any person who is otherwise liable for a violation of paragraph (1) if:

[(A) the violation was discovered and reported to the Secretary or his authorized representative by the liable person and corrected within 20 days after such report or such longer time as the Secretary may agree to; or

[(B) after the due notice of violation required in paragraph (1) has been given to such person by the Secretary or his authorized representative, such person has corrected the violation within 20 days of such notification or such longer time as the Secretary may agree to.

[(b) If corrective action is not taken within 40 days or a longer period as the Secretary may agree to, after due notice or the report referred to in subsection (a)(1), such person shall be liable for a civil penalty of not more than $5,000 per violation for each day such violation continues, dating from the date of such notice or report.

[(c) Any person who—

[(1) knowingly or willfully fails to make any royalty payment by the date as specified by statute, regulation, order or terms of the lease;

[(2) fails or refuses to permit lawful entry, inspection, or audit; or

[(3) knowingly or willfully fails or refuses to comply with subsection 102(b)(3),

shall be liable for a penalty of up to $10,000 per violation for each day such violation continues.

[(d) Any person who—

[(1) knowingly or willfully prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information;

[(2) knowingly or willfully takes or removes, transports, uses or diverts any oil or gas from any lease site without having valid legal authority to do so; or

[(3) purchases, accepts, sells, transports, or conveys to another, any oil or gas knowing or having reason to know that such oil or gas was stolen or unlawfully removed or diverted.

shall be liable for a penalty of up to $25,000 per violation for each day such violation continues.

[(e) No penalty under this section shall be assessed until the person charged with a violation has been given the opportunity for a hearing on the record.

[(f) The amount of any penalty under this section, as finally determined may be deducted from any sums owing by the United States to the person charged.

[(g) On a case-by-case basis the Secretary may compromise or reduce civil penalties under this section.

[(h) Notice under this subsection (a) shall be by personal service by an authorized representative of the Secretary or by registered mail. Any person may, in the manner prescribed by the Secretary, designate a representative to receive any notice under this subsection.

[(i) In determining the amount of such penalty, or whether it should be remitted or reduced, and in what amount, the secretary shall state on the record the reasons for his determinations.

[(j) Any person who has requested a hearing in accordance with subsection (e) within the time the Secretary has prescribed for such a hearing and who is aggrieved by a final order of the Secretary under this section may seek review of such order in the United States district court for the judicial district in which the violation allegedly took place. Review by the district court shall be only on the administrative record and not de novo. Such an action shall be barred unless filed within 90 days after the Secretary's final order.

[(k) If any person fails to pay an assessment of a civil penalty under this Act—

[(1) after the order making the assessment has become a final order and if such person does not file a petition for judicial review of the order in accordance with subsection (j), or

[(2) after a court in an action brought under subsection (j) has entered a final judgment in favor of the Secretary.

the court shall have jurisdiction to award the amount assessed plus interest from the date of the expiration of the 90-day period referred to in subsection (j). Judgment by the court shall include an order to pay.

[(l) No person shall be liable for a civil penalty under subsection (a) or (b) for failure to pay any rental for any lease automatically terminated pursuant to section 31 of the Mineral Leasing Act of 1920.]

CIVIL PENALTIES

SEC. 109. (a) ROYALTY VIOLATIONS.—(1) No person shall—

(A) after due notice of violation or after such violation has been reported under paragraph (3)(A), fail or refuse to comply with any requirement of any mineral leasing law or any regulation, order, lease, or permit under such a law;

(B) fail or refuse to make any royalty payment in the amount or value required by any mineral leasing law or any regulation, order, or lease under such a law;

(C) fail or refuse to make any royalty payment by the date required by any mineral leasing law or any regulation, order, or lease under such a law; or

(D) prepare, maintain, or submit any false, inaccurate, or misleading report, notice, affidavit, record, data, or other written information or filing related to royalty payments that is required under any mineral leasing law or regulation issued under any mineral leasing law.

(2) A person who violates paragraph (1) shall be liable—

(A) in the case of a violation of subparagraph (B) or (C) of paragraph (1) for an amount equal to 3 times the royalty the person fails or refuses to pay, plus interest on that trebled amount measured from the first date the royalty payment was due; and

(B) in the case of any violation, for a civil penalty of up to $25,000 per violation for each day the violation continues.

(3) Paragraph (2) shall not apply to a violation of paragraph (1) if the person who commits the violation, within 30 days of the violation—

(A) reports the violation to the Secretary or a representative designated by the Secretary; and

(B) corrects the violation.

(b) LEASE ADMINISTRATION VIOLATIONS.—Any person who—

(1) fails to notify the Secretary of—

(A) any designation by the person under section 102(a); or

(B) any other assignment of obligations or responsibilities of the person under a lease;

(2) fails or refuses to permit—

(A) lawful entry;

(B) inspection, including any inspection authorized by section 108; or

(C) audit, including any failure or refusal to promptly tender requested documents;

(3) fails or refuses to comply with subsection 102(b)(3) (relating to notification regarding beginning or resumption of production); or

(4) fails to correctly report and timely provide operations or financial records necessary for the Secretary or any authorized designee of the Secretary to accomplish lease management responsibilities,

shall be liable for a penalty of up to $10,000 per violation for each day such violation continues.

(c) THEFT.—Any person who—

(1) knowingly or willfully takes or removes, transports, uses or diverts any oil or gas from any lease site without having valid legal authority to do so; or

(2) purchases, accepts, sells, transports, or conveys to another, any oil or gas knowing or having reason to know that such oil or gas was stolen or unlawfully removed or diverted,

shall be liable for a penalty of up to $25,000 per violation for each day such violation continues without correction.

(d) REPEATED VIOLATIONS.—(1)(A) If the Secretary or an authorized designee of the Secretary determines that any person has repeatedly violated subsection (a), (b), or (c), the Secretary or designee shall notify the person of the violation and demand compliance.

(B) A person notified pursuant to subparagraph (A) shall correct the violations by not later than 30 calendar days after the date of the notification.

(C) Any person who fails to comply with a demand under subparagraph (A) shall be liable to the United States for a civil penalty equal to 3 times the amount of any civil penalty that otherwise applies under subsection (a), (b), or (c) to the violations to which the demand relates.

(2) In addition to the penalty provided in paragraph (1)(C), if the Secretary determines that any person has repeatedly violated subsection (a), (b), or (c) or any lease management order, the Secretary may—

(A) shut in and cease production of any oil or gas lease held by the person;

(B) prohibit the person—

(i) from acquiring any additional oil or gas lease, including by transfer or assignment; and

(ii) from being designated under section 102(a) to make payments due under any lease;

(C) cancel or transfer any interest in an oil or gas lease held by the person; and

(D) collect from the person reimbursement, including interest, of all costs of release, transfer, or reclamation of lease sites canceled or transferred, including costs of disposing of lease property, facilities, and equipment.

(e) ADMINISTRATIVE APPEAL.—(1) Any determination by the Secretary or a designee of the Secretary of the amount of any royalties or civil penalties owed under subsection (a), (b), (c), or (d) shall be final, unless within 15 days after notification by the Secretary or designee the person liable for such amount files an administrative appeal in accordance with regulations issued by the Secretary.

(2) If a person files an administrative appeal pursuant to paragraph (1), the Secretary or designee shall make a final determination in accordance with the regulations referred to in paragraph (1).

(f) DEDUCTION.—The amount of any penalty under this section, as finally determined may be deducted from any sums owing by the United States to the person charged.

(g) COMPROMISE AND REDUCTION.—On a case-by-case basis the Secretary may compromise or reduce civil penalties under this section.

(h) NOTICE.—Notice under this subsection (a) shall be by personal service by an authorized representative of the Secretary or by registered mail. Any person may, in the manner prescribed by the Secretary, designate a representative to receive any notice under this subsection.

(i) RECORD OF DETERMINATION.—In determining the amount of such penalty, or whether it should be remitted or reduced, and in what amount, the Secretary shall state on the record the reasons for his determinations.

(j) JUDICIAL REVIEW.—Any person who has requested a hearing in accordance with subsection (e) within the time the Secretary has prescribed for such a hearing and who is aggrieved by a final order of the Secretary under this section may seek review of such order in the United States district court for the judicial district in which the violation allegedly took place. Review by the district court shall be only on the administrative record and not de novo. Such an action shall be barred unless filed within 90 days after the Secretary's final order.

(k) FAILURE TO PAY.—If any person fails to pay an assessment of a civil penalty under this Act—

(1) after the order making the assessment has become a final order and if such person does not file a petition for judicial review of the order in accordance with subsection (j), or

(2) after a court in an action brought under subsection (j) has entered a final judgment in favor of the Secretary,

the court shall have jurisdiction to award the amount assessed plus interest from the date of the expiration of the 90-day period referred to in subsection (j). Judgment by the court shall include an order to pay.

(l) RELATIONSHIP TO MINERAL LEASING ACT.—No person shall be liable for a civil penalty under subsection (a) or (b) for failure to pay any rental for any lease automatically terminated pursuant to section 31 of the Mineral Leasing Act.

(m) TOLLING OF STATUTES OF LIMITATION.—(1) Any determination by the Secretary or a designee of the Secretary that a person has violated subsection (a), (b)(2), or (b)(4) shall toll any applicable statute of limitations for all oil and gas leases held or operated by such person, until the later of—

(A) the date on which the person corrects the violation and certifies that all violations of a like nature have been corrected for all of the oil and gas leases held or operated by such person; or

(B) the date a final, nonappealable order has been issued by the Secretary or a court of competent jurisdiction.

(2) A person determined by the Secretary or a designee of the Secretary to have violated subsection (a), (b)(2), or (b)(4) shall maintain all records with respect to the person's oil and gas leases until the later of—

(A) the date the Secretary releases the person from the obligation to maintain such records; and

(B) the expiration of the period during which the records must be maintained under section 103(b).

(n) STATE SHARING OF PENALTIES.—Amounts received by the United States in an action brought under section 3730 of title 31, United States Code, that arises from any underpayment of royalties owed to the United States under any lease shall be treated as royalties paid to the United States under that lease for purposes of the mineral leasing laws and the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l—4 et seq.).

* * * * * * *

ROYALTY TERMS AND CONDITIONS, INTEREST, AND PENALTIES

SEC. 111. (a) * * *

* * * * * * *

[(h) Interest shall be allowed and paid or credited on any overpayment, with such interest to accrue from the date such overpayment was made, at the rate obtained by applying the provisions of subparagraphs (A) and (B) of section 6621(a)(1) of the Internal Revenue Code of 1986, but determined without regard to the sentence following subparagraph (B) of section 6621(a)(1). Interest which has accrued on any overpayment may be applied to reduce an underpayment. This subsection applies to overpayments made later than six months after the date of enactment of this subsection or September 1, 1996, whichever is later. Such interest shall be paid from amounts received as current receipts from sales, bonuses, royalties (including interest charges collected under this section) and rentals of the public lands and the Outer Continental Shelf under

the provisions of the Mineral Leasing Act, and the Outer Continental Shelf Lands Act, which are not payable to a State or the Reclamation Fund. The portion of any such interest payment attributable to any amounts previously disbursed to a State, the Reclamation Fund, or any other recipient designated by law shall be deducted from the next disbursements to that recipient made under the applicable law. Such amounts deducted from subsequent disbursements shall be credited to miscellaneous receipts in the Treasury.

[(i) Upon a determination by the Secretary that an excessive overpayment (based upon all obligations of a lessee or its designee for a given reporting month) was made for the sole purpose of receiving interest, interest shall not be paid on the excessive amount of such overpayment. For purposes of this Act, an "excessive overpayment" shall be the amount that any overpayment a lessee or its designee pays for a given reporting month (excluding payments for demands for obligations determined to be due as a result of judicial or administrative proceedings or agreed to be paid pursuant to settlement agreements) for the aggregate of all of its Federal leases exceeds 10 percent of the total royalties paid that month for those leases.]

(j) A lessee or its designee may make a payment for the approximate amount of royalties (hereinafter in this subsection "estimated payment") that would otherwise be due for such lease by the date royalties are due for that lease. When an estimated payment is made, actual royalties are payable at the end of the month following the month in which the estimated payment is made. If the estimated payment was less than the amount of actual royalties due, interest is owed on the underpaid amount. [If the estimated payment exceeds the actual royalties due, interest is owed on the overpayment.] If the lessee or its designee makes a payment for such actual royalties, the lessee or its designee may apply the estimated payment to future royalties. Any estimated payment may be adjusted, recouped, or reinstated at any time by the lessee or its designee.

* * * * * * *

SEC. 115. SECRETARIAL AND DELEGATED STATES' ACTIONS AND LIMITATION PERIODS.

(a) * * *

* * * * * * *

(c) OBLIGATION BECOMES DUE.—

(1) * * *

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(3) ADJUSTMENTS.—In the case of an adjustment under section 111A(a) (30 U.S.C. 1721a(a)) in which a recoupment by the lessee results in an underpayment of an obligation, for purposes of this Act the obligation becomes due on the date the lessee or its designee makes the adjustment.

(d) TOLLING OF LIMITATION PERIOD.—The running of the limitation period under subsection (b) shall not be suspended, tolled, extended, or enlarged for any obligation for any reason by any action, including an action by the Secretary or a delegated State, other than the following:

(1) TOLLING AGREEMENT.—A written agreement executed during the limitation period between the Secretary or a delegated State and a lessee or its designee [(with notice to the lessee who designated the designee)] shall toll the limitation period for the amount of time during which the agreement is in effect.

(2) SUBPOENA.—

(A) The issuance of a subpoena to a lessee or its designee [(with notice to the lessee who designated the designee, which notice shall not constitute a subpoena to the lessee)] in accordance with the provisions of subparagraph (B)(i) shall toll the limitation period with respect to the obligation which is the subject of a subpoena only for the period beginning on the date the lessee or its designee receives the subpoena and ending on the date on which (i) the lessee or its designee has produced such subpoenaed records for the subject obligation, (ii) the Secretary or a delegated State receives written notice that the subpoenaed records for the subject obligation are not in existence or are not in the lessee's or its designee's possession or control, or (iii) a court has determined in a final decision that such records are not required to be produced, whichever occurs first.

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TITLE II—STATES AND INDIAN TRIBES

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SHARED CIVIL PENALTIES

SEC. 206. An amount equal to 50 per centum of any *trebled royalties or* civil penalty collected by the Federal Government under this Act resulting from activities conducted by a State or Indian tribe pursuant to a cooperative agreement under section 202 or a State under a delegation under section 205, shall be payable to such State or tribe. [Such amount shall be deducted from any compensation due such State or Indian tribe under section 202 or such State under section 205.]

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WATER DESALINATION ACT OF 1996

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SEC. 10. RESEARCH ON REVERSE OSMOSIS TECHNOLOGY FOR WATER DESALINATION AND WATER RECYCLING.

(a) RESEARCH PROGRAM.—The Secretary of the Interior, in consultation with the Secretary of Energy, shall implement a program to research methods for improving the energy efficiency of reverse osmosis technology for water desalination, water contamination, and water recycling.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of the Interior shall submit to Congress a report which shall include—

(1) a review of existing and emerging technologies, both domestic and international, that are likely to improve energy efficiency or utilize renewable energy sources at existing and future desalination and recycling facilities; and

(2) an analysis of the economic viability of energy efficiency technologies.

Dissenting Views on H.R. 2337 the "Energy Policy Reform and Revitalization Act"

We strongly oppose this legislation. The "Energy Policy Reform and Revitalization Act" is the antithesis of what its title implies, as all that will be revitalized will be the economies of China, Iran, and Venezuela. H.R. 2337 will result in increased dependence on foreign energy, higher prices for American consumers, and a loss of American jobs. Those most affected will be retirees on fixed incomes, single parents and low income households. Those rewarded will be foreign energy exporters hostile to US interests, our rapidly growing economic competitors in the world and those who are opposed to all forms of energy except those not yet in use.

Congress is often accused of being reactive rather then proactive; however, H.R. 2337 is not responsive to any signal except the ones from trial lawyers wanting more cases and extreme environmentalists. Indeed, H.R. 2337 is being reported out of this Committee on the heels of:

- an announcement by Dow Chemical Company that it is going to build a 22 billion dollar chemical facility in Saudi Arabia because natural gas supplies in this country are so tight and energy prices are too high;

- a report by the Federal Energy Regulatory Commission (FERC) projecting electricity prices 25-30% higher throughout most of the country this summer;

- emerging economies in China and India that have increased the world wide demand for fossil fuels with many oil exporting countries like Venezuela and Iran, that are hostile to the United States, partnering with China to develop their oil and gas resources and guaranteeing China access to those resources; and

- the loss of 3.2 million manufacturing jobs since 2000 due to higher energy prices.

At a time when we should be opening additional areas for oil and gas exploration and development, this legislation will restrict access to 82.5 billion barrels of domestic oil and 420 TCF (trillion cubic feet) of natural gas and delay the development of 2 trillion barrels of oil shale.

The United States has led the world in industrial production since immediately after the Civil War. No one is alive in the United States who has not saluted its flag flying over the lands of the predominant world power. Our Members believe that our Nation has used its enormous power in ways that has made the world better, and do not believe that other nations would use such powers in such benign and beneficial ways. Now, for the first time since the Civil War, that position is being tested by other nations, most notably China. The source of its tremendous economic growth has been the use and transformation of energy into amplifying its already enormous populations' strength. Their growth in energy use is triple that of the United States. Their economic growth is triple the rate of the United States. At a time when our Nation owes it to our future

generations to brace for a fight, this bill throws in the towel. It is a San Francisco energy policy. America is not San Francisco.

H.R. 2337 has raised tremendous concerns by domestic energy producers and consumer groups. Many groups refer to H.R. 2337 as the greatest legislative threat to the energy industry and consumer prices in many years. Indeed, H.R. 2337 would be a step backward for U.S. energy security.

Repeal of the Energy Policy Act of 2005

Among its more draconian elements, this legislation repeals several provisions of the Energy Policy Act of 2005 ("EPAct 2005"). EPAct 2005 was enacted on August 8, 2005. It enjoyed bipartisan support in both the House and Senate, with votes in favor of 275 - 156 and 74 - 26, respectively. All three Committee conferees, Chairman Richard Pombo, Ranking Member Nick Rahall (now, Chairman Nick Rahall), and Congresswoman Barbara Cubin were signatories to the conference report for the provisions within the Committee's jurisdiction. The changes in law were modest as regards to energy production on federal lands, and did not include any expansion of access to federal lands such as the Arctic National Wildlife Refuge or the Federal Outer Continental Shelf. Most of the EPAct's reforms were common-sense attempts to reduce unnecessary administrative delays without directly affecting environmental protections. Prior to its passage, many considered the government's program to be sorely underperforming and subject to uncertainty, delay and increased cost to all stakeholders.

Letters in Opposition

It is important to note that we are unaware of ***any*** consumer or energy production organization that wrote in support of this legislation. In other words, no one who makes energy for a living thinks this bill helps and no one who uses energy to make a living thinks this bill helps --- all of which begs the question, what is being revitalized? The litany of letters in opposition is extensive and includes the following organizations and groups:

- U.S. Chamber of Commerce;
- United Steelworkers;
- International Brotherhood of Electrical Workers;
- American Public Power Association;
- AES Corporation;
- Alliance for Energy and Economic Growth;
- American Public Gas Association;
- American Wind Energy Association;
- Agriculture Energy Alliance;
- Independent Petroleum Association of America;
- Clipper Windpower, Inc.;
- Airtricity;
- D.H. Blattner and Sons, Inc.;
- Invenergy;
- Mortenson Construction;

- DMI Industries;
- Natural Gas Supply Association;
- Interstate Natural Gas Association of America;
- American Exploration & Production Council;
- Industrial Energy Consumers of America;
- Edison Electric Institute;
- The Fertilizer Institute;
- Southern California Edison;
- PNM Resources;
- Lyondell Chemical Company;
- American Chemistry Council;
- National Association of Manufacturers;
- American Petroleum Institute;
- Environmentally Conscious Consumers of Oil Shale; and
- Western Business Roundtable

A copy of these letters are attached and incorporated with these dissenting views.

H.R. 2337 Myths

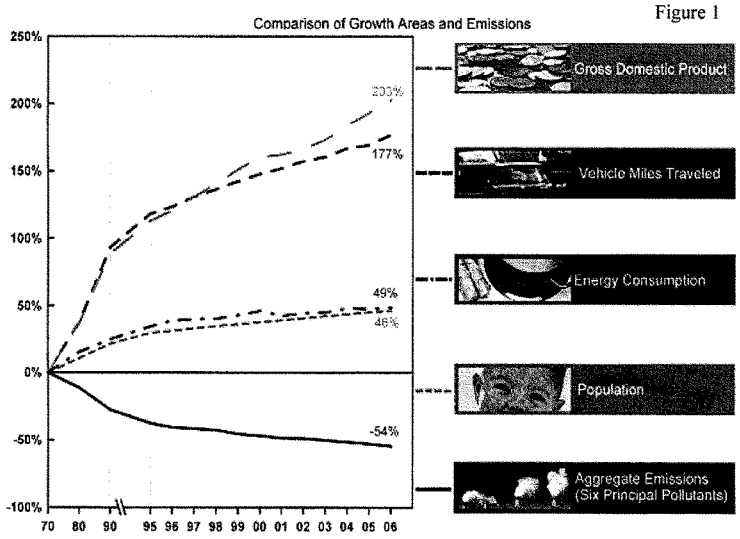
H.R. 2337 rests on several faulty premises, many proven untrue in committee hearings. The first myth is that federal lands are dominated by oil and gas production. In reality, of the 700 million acres of Federal mineral estate, 6% (42 million acres) are currently under lease for oil and gas development and 1.8% (12.4 million acres) have active oil and gas production. The actual surface area disturbed is less than 1%. For comparison, it is important to note that more than 40% of our federal lands have been set aside for conservation purposes such as Wilderness (more than 107 million acres), National Parks (more than 84 million acres), National Monuments and other special designations.

The second myth is that the current administration has a "rush to lease" policy. While a "rush to lease" policy would be good for consumer prices, this is far from the current state of play. In consecutive four year periods, the Clinton administration leased 75% more acreage than this administration and 61% more leases than this administration.

The myths regarding our Nation's energy needs continue. Proponents of this legislation state that we need to conserve our way out of the current energy crisis and that we should not focus on the Republican principle of increasing energy supply and economic growth. This is yet another myth. The Energy Information Agency (EIA) has projected that by 2030, our energy consumption will grow from 100 quadrillion Btu (British thermal units) to 127 quadrillion Btu and coal will play a pivotal role in meeting this demand for energy. This projected growth in demand is primarily the result of our projected growth in population, something that has not been discussed in the committee's oversight hearings.

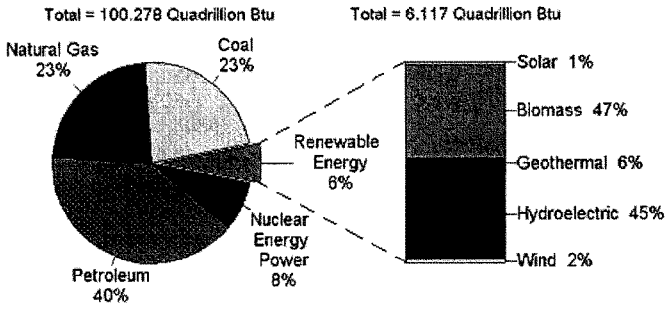
The Environmental Protection Agency's annual report on air quality includes a graph comparing growth areas, including population, and the composite decline in emissions of six criteria air quality pollutants. The graph shows that our increase in energy consumption has paralleled our population growth since 1970. Between 1970 and 2006, our population growth had increased by 46 percent while our energy consumption had increased by 49 percent; our GDP had increased by 203 percent; vehicle miles traveled had increased by 177 percent and the aggregate emissions for six principle pollutants (CO, Pb, NO_2, SO_2, NOx, & VOCs) had DECREASED by 54 percent (figure 1). These are staggering statistics – and the Nation could not have accomplished this without strong environmental standards and energy efficiencies.

Figure 1



Another myth relates to the viability of wind and solar to power our Nation's needs in the near future. Proponents of this legislation state that we must transition away from fossil fuels and produce our energy from renewable resources like wind and solar. While the Nation needs to rely on diverse sources of energy, wind and solar are more expensive than coal and hydropower, do not provide base load power and need a ready back up source of fuel, and do not address our transportation fuel needs. The following graph from the EIA illustrates the role that renewable energy currently plays in meeting the Nation's energy needs. We cannot support cutting off the energy source we know satisfies our Nation's energy needs for ones that are still in development.

The Role of Renewable Energy Consumption in the Nation's Energy Supply, 2004



This being said, if renewable energies such as wind and solar are to play a bigger role in energy portfolio, H.R. 2337 makes it even more difficult and expensive to site renewable energy projects on federal lands and will severely undermine the approval of energy rights-of-way corridors on federal lands which are needed to transmit renewable energy to the market place.

Republican Amendments Offered

Several Republican amendments were offered during the Mark-Up. Most amendments fell victim to party line votes. The following are some of the more salient amendments.

MR. PEARCE # 5: This amendment would have prohibited implementation of the legislation unless and until the Secretary of Interior certifies that H.R. 2337 will not:

1) Reduce the amount of domestic energy available from the public lands of the United States;
2) Result in the increased imports of any energy otherwise available from the public lands of the United States; and
3) Result in higher costs of gasoline, natural gas or home heating oil to consumers.

This was an opportunity for the proponents of the legislation to reaffirm their confidence in the legislation's ability to lower the price of energy for all Americans. The purpose is simple enough: let us not implement the bill until the Secretary of Interior can certify that it won't raise prices. Unfortunately, the amendment failed with 16 Aye votes and 23 No votes.

MR. PEARCE #4: H.R. 2337 was deafeningly silent on coal, one of the Nation's most abundant energy resources.

Coal plays an important role in the Nation's economy. Fifty two percent (52%) of our electrical power generation comes from coal-fired power plants. In 2005 the Secretary of Energy asked the National Coal Council to study the potential of coal conversion

technologies to meet the Nation's energy needs in the future through technologies like coal-to-liquids, coal gasification as a fuel source to produce ethanol, and as feed stock for hydrogen. The 2006 report lays out a framework for industry in partnership with government to improve the coal-to-liquids, coal gasification and clean coal technologies so that our Nation's abundant coal resources can be utilized to meet our energy needs now and in the future.

The EIA has projected that by 2030 our energy consumption will grow from 100 quadrillion Btu to 127 quadrillion Btu. Coal will play a pivotal role in meeting this demand for energy. Domestic coal resources contain 5,971 billion barrels of oil equivalent. If the Majority were serious about "revitalizing" our energy policy, coal must be included.

The Pearce #4 Amendment was divided into five parts, each of which was voted on separately; however, only three parts passed.

MR. BISHOP #14: This amendment would have required the Secretary to include the cost of processing "protests" filed with the BLM contesting approved Applications for Permit to Drill (APD) when developing the cost recovery regulations for oil and gas development on federal lands. The amendment set the temporary fee at the same rate as that established for an APD. The Amendment failed with 17 Aye votes and 27 No votes.

There were 4,251 protests filed with the BLM contesting approved APDs during the first four years of the Bush Administration compared with 666 protests filed during the second term of the Clinton Administration – a 638% increase (Table 1).

The number of acres deferred as a result of protests contesting approved APDs, during the first 4 years of the Bush Administration totaled 2,964,098 acres and 412,594 acres in the last 4 years of the Clinton Administration – a 718% increase (Table 2).

The oil and gas industry contributes over $10 Billion annually to the Federal treasury in the form of bonus bids, royalties and rents. This does not include what they pay in corporate income tax or the tax revenues received from their employees.

Protests are complicated legal documents, often over 100 pages in length, which require extensive review by attorneys and other professional staff. People and organizations filing 'protests' do not pay any fees to the Federal government; however their actions increase cost to the agencies and delay revenues to the Federal and State treasuries.

Protests delay lease sales and permits for drilling. These delays reduce revenues to the Federal and State treasuries and suspend access to domestic energy sources, increasing our dependence on foreign energy supplies.

Table 1

Clinton Administration	1997	1998	1999	2000	Total
Number of New Leases	4,182	4,105	3,075	2,900	14,262
Number of Protests	166	167	166	167	666
Number of Acres Deferred	16,812	181,536	60,099	154,237	412,594
Number of Acres Leased	3,468,020	3,602,131	3,602,550	2,650,493	13,323,194

Table 2

Bush Administration	2001	2002	2003	2004	Total
Number of New Leases	3,289	2,384	2,699	3,514	11,886
Number of Protests	778	856	544	2,073	4,251
Number of Acres Deferred	309,832	175,299	1,940,701	583,266	2,964,098
Number of Acres Leased	3,997,271	2,812,606	2,064,289	4,157,121	13,031,287

MR. PEARCE #6: This amendment would have authorized the Secretary of the Interior to reimburse the States for any lost revenue from bonus bids, rents, royalties and taxes (including corporate and personal income taxes) from reduced oil and gas production on Federal lands as a result of H.R. 2337. The money for the reimbursements would have come from the Federal share of receipts from onshore and offshore oil and gas activities prior to the Secretary forwarding the balance of the receipts to the Treasury. The amendment failed with 18 Ayes votes and 21 No votes.

States receive 50% of the revenue collected from oil and gas development on federal lands that occur within the State's boundaries. H.R. 2337 will reduce domestic production on federal lands and limit new areas for leasing adversely impacting the economies of the affected States. This amendment would have served to protect the financial wellbeing of the affected States.

MR. SALI #16: This amendment would have prohibited the implementation of Titles I and II of H.R. 2337 until a determination is made that the Titles will not increase costs of energy for the consumers. The amendment failed with 17 Aye votes and 25 No votes.

MR. SALI #15: This amendment would have deleted the "inventoried roadless areas" from Section 210, the Biomass Utilization Pilot Program. The amendment failed with 17 Aye votes and 28 No votes.

Section 210 excludes 'inventoried roadless areas' from being included in a biomass pilot project site. Under the current regulations each Governor can participate in developing a management plan for lands within the State that are included in an 'inventoried roadless area.'

'Inventoried roadless areas' are lands that did not meet wilderness criteria when the National Forest lands were inventoried for their wilderness characteristics. Many of these lands do have roads, cell phone towers and transition rights-of-way crossing them. The Roadless Rule was promulgated during the waning days of the Clinton Administration (January 12, 2001). The rule increased restrictions on activities that could

take place on these lands essentially locking up an additional 50 to 60 million acres of federal lands.

MR. FLAKE #65: This amendment would have struck Title IV, Subtitle D of the legislation. This section creates an unlimited federally funded global warming wildlife survival program and requires implementation by federal land managers. The Secretary of the Interior is required to promulgate a new national strategy for mitigating the impacts of global warming and a National Global Warming and Wildlife Center is established within the US Geological Survey. This section would require the Secretary to assist species in adapting to impacts of global warming, protect, acquire, and restore habitat, and restore and protect ecological processes that sustain wildlife populations vulnerable to global warming. The amendment failed with 20 Aye votes and 28 No votes.

We strongly oppose the enactment of Title IV, Subtitle D - Natural Resources and Wildlife Programs. This language was developed at the direction of a few radical environmental groups who continue to believe that all knowledge flows from the Federal government. The overwhelmingly majority of wildlife conservation organizations were denied any input into the process. In fact, instead of adopting meaningful improvements, the language in the Chairman's Amendment in the Nature of a Substitute is now even worse because it creates a new Interagency Council on Climate Change. An interagency Cabinet-level committee already exists and this requirement is, therefore, duplicative and will further divert valuable wildlife resources.

While the Subcommittee on Fisheries, Wildlife and Oceans conducted a single oversight hearing entitled "Wildlife and Oceans in a Changing Climate", there was no discussion on the need for spending millions of dollars to develop a national strategy or to create additional governmental agencies. Yet, Subtitle D proposes to spend the vast overwhelmingly majority of its unspecified authorized funds on the development of a "national strategy" and the establishment of a new National Global Warming and Wildlife Science Center.

While there is no scientific consensus on the long-term impacts of climate change on wildlife species, it does not take a climatologist to conclude that any impacts, either positive or negative, will not be solved by hiring hundreds of new federal employees or developing a strategy that may be obsolete the moment it is released to the public. If the proponents of this bill insist on redirecting income from energy consumers, then they would be better served by simply increasing the amount of money allocated to the States for the highly successful Pittman-Robertson Wildlife Restoration Program and the Dingell-Johnson/Wallop-Breaux Sportfishing Restoration Program. These programs have, for more than 50 years, provided money to effectively respond to both cooling and warming climate changes.

Since the founding of this Republic, States have retained primacy over all wildlife species. They have clearly demonstrated for more than 230 years that they have the experience, expertise and encyclopedic knowledge to manage and conserve wildlife populations. It is not simply a coincidence that it is the States, and not the Federal

government, who have effectively responded to the effects of natural disasters, like hurricanes, on wildlife.

It is regrettable that the proponents of this bill were not willing to obtain the input of mainstream wildlife conservation organizations. On May 22, 2007, some 25 organizations wrote to Chairman Rahall offering an alternative to Title IV, Subtitle D. Despite representing millions of hunters, anglers and other conservationists, their input was ignored. Instead of building on the decades of successful State wildlife management programs, H.R. 2337 proposes a new, untested solution that in the final analysis does little, if anything, to assist fish and wildlife species. Regardless of the impact of climate change, new strategies, new reports, new Federal agencies and legions of new Federal works will not help species survive in the future.

MR. JINDAL #50: This amendment would have allowed the Gulf States to share in the revenues from any Clinton administration leases issued in 1998 and 1999 that did not include a price threshold for royalties if the lease terms were extended. The amendment failed with 22 Aye votes and 26 No votes.

MR. PEARCE #1: This amendment would have struck Titles I and II. As discussed throughout these dissenting views, these titles will decrease domestic energy supplies, increase consumer costs and increase energy imports. The amendment failed with 21 Aye votes and 27 No votes.

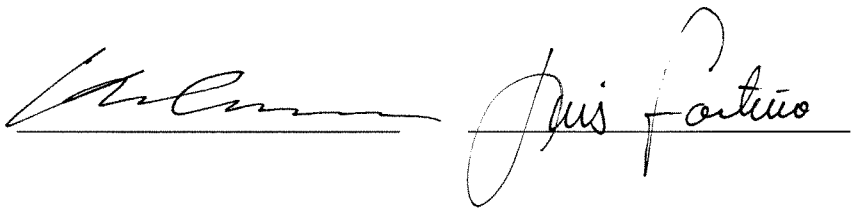
As an isolated example, Title II's Section 203 is legislation of the worst kind, and if enacted into law, will compel companies to forego leasing federal lands to protect themselves. The provision, taken in its entirety, creates the following real life example. If an oil and gas company discovers in April 2007 that it underpaid its royalties in April 2000 by 1 penny, then their obligation for that 1 penny underpayment is $63,150,000 under section 203. Who will be able to afford to produce oil and gas in this country under this regime? What other industry regulatory system has penalties of this nature? While the Majority may think they have the support of the American people to punish multinational companies like ExxonMobil, Shell and BP, by imposing such penalties, what they are really doing is bankrupting smaller domestic independent companies that are responsible for most of our onshore production.

MR. CANNON #15: This amendment would have struck H.R. 2337 Section 104 regarding oil shale and tar sands leasing. The amendment failed with 22 Aye votes and 26 No votes.

The United States has an estimated 2 trillion barrels of oil resource in the form of oil shale. This is double all of the world's known oil reserves. Repealing significant elements of EPAct 2005's oil shale section would unnecessarily delay development of an enormous emerging source of energy that could greatly change our country's energy security. Like coal, oil shale may prove to be our "ace in the hole" for energy supplies.

MR. GOHMERT #40: This amendment would have struck H.R. 2337 Section 307 regarding the Biomass Utilization Pilot Program. The amendment failed with 21 Aye votes and 27 No votes.

Section 307 repeals certain biomass provisions from EPAct 2005, disregarding nearly a decade worth of research and utilization of biomass. The Forest Service is already involved in a number of partnerships that are heating schools and governmental facilities with biomass. Rather then encourage the progression of biomass energy projects pursuant to EPAct 2005, Section 307 moves the issue back to square one.



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