

PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 6) TO PROVIDE FOR EXPEDITED APPROVAL OF EXPORTATION OF NATURAL GAS TO WORLD TRADE ORGANIZATION COUNTRIES, AND FOR OTHER PURPOSES; AND PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 3301) TO REQUIRE APPROVAL FOR THE CONSTRUCTION, CONNECTION, OPERATION, OR MAINTENANCE OF OIL OR NATURAL GAS PIPELINES OR ELECTRIC TRANSMISSION FACILITIES AT THE NATIONAL BOUNDARY OF THE UNITED STATES FOR THE IMPORT OR EXPORT OF OIL, NATURAL GAS, OR ELECTRICITY TO OR FROM CANADA OR MEXICO, AND FOR OTHER PURPOSES

JUNE 23, 2014.—Referred to the House Calendar and ordered to be printed

Mr. BURGESS, from the Committee on Rules,
submitted the following

R E P O R T

[To accompany H. Res. 636]

The Committee on Rules, having had under consideration House Resolution 636, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 6, the Domestic Prosperity and Global Freedom Act, under a structured rule. The resolution provides one hour of general debate equally divided and controlled by the chair and ranking minority member of the Committee on Energy and Commerce. The resolution waives all points of order against consideration of the bill. The resolution makes in order as original text for the purpose of amendment an amendment in the nature of a substitute consisting of the text of Rules Committee Print 113-48 and provides that it shall be considered as read. The resolution waives all points of order against that amendment in the nature of a substitute. The resolution makes in order only those further amendments printed in part A of this report. Each such amendment may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The resolution waives all

points of order against the amendments printed in part A of this report. The rule provides one motion to recommit with or without instructions.

Section 2 of the resolution provides for consideration of H.R. 3301, North American Energy Infrastructure Act, under a structured rule. The resolution provides one hour of general debate equally divided and controlled by the chair and ranking minority member of the Committee on Energy and Commerce. The resolution waives all points of order against consideration of the bill. The resolution makes in order as original text for the purpose of amendment an amendment in the nature of a substitute consisting of the text of Rules Committee Print 113-49 and provides that it shall be considered as read. The resolution waives all points of order against that amendment in the nature of a substitute. The resolution makes in order only those further amendments printed in part B of this report. Each such amendment may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The resolution waives all points of order against the amendments printed in part B of this report. The resolution provides one motion to recommit with or without instructions.

EXPLANATION OF WAIVERS

Although the resolution waives all points of order against consideration of H.R. 6, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

The waiver all points of order against the amendment in the nature of a substitute to H.R. 6 made in order as original text includes a waiver of clause 7 of rule XVI, which provides that no motion or proposition on a subject different from that under consideration shall be admitted under color of amendment. While the waiver is necessary under the rule, it is important to note that Rules Committee Print 113-48, contains the text of the bill as reported by the Committee on Energy and Commerce.

Although the resolution waives all points of order against the amendments printed in part A of this report, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

Although the resolution waives all points of order against consideration of H.R. 3301, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

Although the resolution waives all points of order against the amendment in the nature of a substitute to H.R. 3301 made in order as original text, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

Although the resolution waives all points of order against the amendments printed in part B of this report, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

COMMITTEE VOTES

The results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee record vote No. 145

Motion by Mr. McGovern to amend the rule to H.R. 6 to make in order and provide the appropriate waivers for amendment #4, offered Rep. Garamendi (CA), which clarifies that a viable merchant marine is in the public interest and should be taken into consideration when processing applications under section 3 of the Natural Gas Act. Defeated: 2-7

Majority Members	Vote	Minority Members	Vote
Ms. Foxx	Nay	Ms. Slaughter .....	.....
Mr. Bishop of Utah	Nay	Mr. McGovern	Yea
Mr. Cole .....	.....	Mr. Hastings of Florida	Yea
Mr. Woodall	Nay	Mr. Polis .....	.....
Mr. Nugent	Nay		
Mr. Webster	Nay		
Ms. Ros-Lehtinen	Nay		
Mr. Burgess .....	.....	
Mr. Sessions, Chairman	Nay		

Rules Committee record vote No. 146

Motion by Mr. McGovern to report open rules for H.R. 6 and H.R. 3301. Defeated: 2-7

Majority Members	Vote	Minority Members	Vote
Ms. Foxx	Nay	Ms. Slaughter .....	.....
Mr. Bishop of Utah	Nay	Mr. McGovern	Yea
Mr. Cole .....	.....	Mr. Hastings of Florida	Yea
Mr. Woodall	Nay	Mr. Polis .....	.....
Mr. Nugent	Nay		
Mr. Webster	Nay		
Ms. Ros-Lehtinen	Nay		
Mr. Burgess .....	.....	
Mr. Sessions, Chairman	Nay		

SUMMARY OF THE AMENDMENTS TO H.R. 6 IN PART A MADE IN ORDER

1. MANAGER'S AMENDMENT Gardner (CO), Green, Gene (TX): Strikes the subsection requiring a 90 day decision deadline and replace it with a 30 day decision deadline requiring DOE to issue a final decision on applications to export LNG following the conclusion of the NEPA environmental review of the LNG facilities. For the purposes of the 30 day decision deadline, the NEPA review would be considered concluded: for a project requiring an Environmental Impact Statement, 30 days after publication of a Final Environmental Impact Statement; for a project for which an Environmental Assessment has been prepared, 30 days after publication by DOE of a Finding of No Significant Impact; and upon determination by the lead agency that an application is eligible for a Categorical Exclusion pursuant to NEPA. (10 minutes)

2. Holt (NJ), Quigley (IL): Requires the Secretary of Energy, before approving any natural gas exports, to make a public interest determination in consideration of how exports will affect domestic

natural gas prices, jobs and manufacturing, and other factors. (10 minutes)

3. DeFazio (OR): Requires an applicant to disclose any intention to use eminent domain for any construction necessary for LNG exports. (10 minutes)

4. Turner (OH), Ryan, Tim (OH): Expresses the sense of Congress that it is in the public interest of the United States to approve the export of U.S. natural gas under section 3 of the Natural Gas Act. (10 minutes)

SUMMARY OF THE AMENDMENTS TO H.R. 3301 IN PART B MADE IN ORDER

1. Pallone (NJ): Ensures that the complete length of cross-border projects would be subject to full environmental review under the National Environmental Policy Act (NEPA). (10 minutes)

2. Waxman (CA): Excludes any project with a pending permit application from the new approval requirements in the bill. (10 minutes)

3. Welch (VT), Pingree (ME), Kuster, Ann (NH), Shea-Porter (NH): Ensures pipeline modifications receive a thorough environmental review process. (10 minutes)

PART A—TEXT OF AMENDMENTS TO H.R. 6 MADE IN ORDER

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE GARDNER OF COLORADO OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Redesignate subsection (b) of section 2 as subsection (c).

Strike subsection (a) of section 2 and insert the following:

(a) DECISION DEADLINE.—For proposals that must also obtain authorization from the Federal Energy Regulatory Commission or the United States Maritime Administration to site, construct, expand, or operate LNG export facilities, the Department of Energy shall issue a final decision on any application for the authorization to export natural gas under section 3 of the Natural Gas Act (15 U.S.C. 717b) not later than 30 days after the later of—

(1) the conclusion of the review to site, construct, expand, or operate the LNG facilities required by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); or

(2) the date of enactment of this Act.

(b) CONCLUSION OF REVIEW.—For purposes of subsection (a), review required by the National Environmental Policy Act of 1969 shall be considered concluded—

(1) for a project requiring an Environmental Impact Statement, 30 days after publication of a Final Environmental Impact Statement;

(2) for a project for which an Environmental Assessment has been prepared, 30 days after publication by the Department of Energy of a Finding of No Significant Impact; and

(3) upon a determination by the lead agency that an application is eligible for a categorical exclusion pursuant National Environmental Policy Act of 1969 implementing regulations.

In subsection (c) of section 2, as so redesignated, by inserting “final” before “decision” each place it appears.

2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE HOLT OF NEW JERSEY OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 1, line 5, strike “The Department” and insert “Except as provided in section 3(a)(2)(C) of the Natural Gas Act, as added by section 4 of this Act), the Department”.

At the end of the bill, add the following new section:

SEC. 4. AUTHORIZATION FOR THE EXPORTATION OF NATURAL GAS.

Section 3(a) of the Natural Gas Act (15 U.S.C. 717b(a)) is amended—

(1) by inserting before “After six months from the date on which” the following: “(1) AUTHORIZATION FOR THE IMPORTATION OF NATURAL GAS.—”;

(2) by striking “export any natural gas from the United States to a foreign country or”;

(3) by striking “exportation or”; and

(4) by adding at the end the following new paragraphs:

“(2) AUTHORIZATION FOR THE EXPORTATION OF NATURAL GAS.—

“(A) PROHIBITION.—No person may export any natural gas from the United States to a foreign country without first having secured an order of the Secretary of Energy authorizing such person to do so.

“(B) ISSUANCE OF ORDERS.—The Secretary of Energy may issue an order authorizing a person to export natural gas from the United States to a foreign country, upon application, if the Secretary determines that the proposed exportation will be consistent with the public interest, in accordance with the regulations issued under paragraph (3)(B). The Secretary may by order grant such application, in whole or in part, with such modification and upon such terms and conditions as the Secretary may find necessary or appropriate.

“(C) TIMING.—No order may be issued by the Secretary of Energy under this paragraph prior to the date on which the Secretary issues final regulations under paragraph (3)(B).

“(3) PUBLIC INTEREST DETERMINATION.—

“(A) NEPA REVIEW.—The Secretary of Energy shall issue a detailed statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) of the environmental impact of the issuance of orders under paragraph (2), including by conducting an analysis of the impacts of extraction of exported natural gas on the environment in communities where the natural gas is extracted.

“(B) REGULATIONS.—

“(i) DEADLINE.—Not later than 2 years after the date of enactment of this paragraph, the Secretary of Energy shall issue final regulations, after notice and public comment, for determining whether an export of natural gas from the United States to a foreign country is in the public interest for purposes of issuing an order under paragraph (2).

“(ii) CONTENTS.—Regulations issued under this paragraph shall require the Secretary of Energy to determine, with respect to each application for export of natural gas from the United States to a foreign country, whether such export is in the public interest through—

“(I) use of the latest available data on current and projected United States natural gas demands, production, and price;

“(II) consideration of the effects of such natural gas exports on—

“(aa) household and business energy expenditures by electricity and natural gas consumers in the United States;

“(bb) the United States economy, jobs, and manufacturing, including such effects on wages, investment, and energy intensive and trade exposed industries, as determined by the Secretary;

“(cc) the energy security of the United States, including the ability of the United States to reduce its reliance on imported oil;

“(dd) the conservation of domestic natural gas supplies to meet the future energy needs of the United States;

“(ee) the potential for natural gas use in the transportation, industrial, and electricity sectors of the United States;

“(ff) the ability of the United States to reduce greenhouse gas emissions;

“(gg) the volume of natural gas produced on public lands in the United States, and where such natural gas is consumed;

“(hh) domestic natural gas supply and availability, including such effects on pipelines and other infrastructure;

“(ii) the balance of trade of the United States; and

“(jj) other issues determined relevant by the Secretary; and

“(III) consideration of the detailed statement issued under subparagraph (A).

“(4) EXEMPTIONS.—Paragraph (2) does not apply with respect to any order authorizing the exportation of natural gas if the natural gas that would be exported as a result of the order is exported solely to meet a requirement imposed pursuant to section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702), section 5(b) of the Trading with the Enemy Act (50 U.S.C. App. 5(b)), or part B of title II of the Energy Policy and Conservation Act (42 U.S.C. 6271 et seq.). In such cases, the Secretary of Energy may issue such order upon application without modification or delay.”.

3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE DEFazio OF OREGON OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 2, line 22, insert “and publically disclose the applicant’s intention to use eminent domain for any construction necessary for such authorized LNG exports” after “authorized LNG exports”.

4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE TURNER OF OHIO OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of the bill, add the following new section:

SEC. 4. SENSE OF CONGRESS ON PROMOTING ENERGY SECURITY WITH STRATEGIC ALLIES.

(a) FINDINGS.—The Congress finds that the approval of exports of United States natural gas under section 3 of the Natural Gas Act—

(1) will create American jobs, diversify world natural gas supplies, and increase competition in the global marketplace; and

(2) will help provide our strategic allies with access to alternative sources of energy and greater negotiation leverage, reducing their dependence upon one source or unstable regions for energy.

(b) SENSE OF CONGRESS.—It is the sense of Congress that it is in the public interest of the United States to approve the export of United States natural gas under section 3 of the Natural Gas Act, which will help boost American job creation, diversify world natural gas sources, increase global market competition, and enhance our strategic allies' energy security.

PART B—TEXT OF AMENDMENTS TO H.R. 3301 MADE IN ORDER

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE PALLONE JR. OF NEW JERSEY OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 1, line 18, strike “a cross-border segment of”.

Page 2, beginning on line 3, strike “a certificate of crossing for” and insert “approval of”.

Page 2, line 5, strike “the cross-border segment” and insert “the pipeline or facility”.

Page 2, line 6, strike “CERTIFICATE OF CROSSING” and insert “APPROVAL”.

Page 2, line 10, strike “cross-border segment” and insert “project”.

Page 2, beginning on line 14, strike “issue a certificate of crossing for the cross-border segment” and insert “approve such project”.

Page 2, line 17, strike “of the cross-border segment”.

Page 3, line 3, strike “a certificate of crossing for” and insert “approval of”.

Page 3, beginning on line 4, strike “a cross-border segment of”.

Page 3, line 7, strike “issuing the certificate of crossing for” and insert “approving”.

Page 3, beginning on line 8, strike “the cross-border segment of”.

Page 3, beginning on line 16, strike “the cross-border segment of”.

Page 3, beginning on line 20, strike “a cross-border segment of”.

Page 4, line 1, strike “cross-border segment” and insert “pipeline or facility”.

Page 4, line 7, strike “a certificate of crossing for” and insert “approval of”.

Page 4, line 21, strike “a certificate of crossing for” and insert “approval of”.

Page 4, beginning on line 22, strike “of a cross-border segment”.

Page 6, line 24, strike “, or any cross-border segment thereof”.

Page 7, line 2, strike “certificate of crossing” and insert “approval”.

Page 7, beginning on line 14, strike “a certificate of crossing for the cross-border segment” and insert “approval”.

Page 8, strike lines 7 through 11.

2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE WAXMAN OF CALIFORNIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Strike section 3(c)(4) and insert the following:

(4) if an application for a permit described in section 6 for such construction, connection, operation, or maintenance, or for a substantially similar project, is pending on the date of enactment of this Act.

3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE WELCH OF VERMONT OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 7, line 3, insert “minor” before “modification”.

Page 7, line 6, insert “, such as a change in ownership” after “facility”.

Page 8, strike lines 12 through 17.