

Legislative Bulletin.....November 20, 2013

Contents:

H.R. 1965 - Federal Lands Jobs and Energy Security Act
S. 1545 – PEPFAR Stewardship and Oversight Act of 2013
H.R. 2728 – Protecting States' Rights to Promote Americans Energy Security Act
H.R. 1900 – Natural Gas Pipeline Permitting Reform Act

H.R. 1965 – Federal Lands Jobs and Energy Security Act (Lamborn, R-CO)

Order of Business: The legislation is scheduled to be considered on November 20, 2013, under a combined rule, H.Res. 419, for both H.R. 1965 and H.R. 2728. The rule provides for the consideration of H.R. 1965 in the Committee of the Whole House on the state of the Union. The rule waives all points of order against the legislation and provides for one hour of general debate. After general debate, the legislation shall be considered for amendment under the five-minute rule. The rule makes in order those amendment summarized below in this document. After amendment debate the Committee shall rise and report the legislation to the House. The rule allows for one motion to recommit with or without instructions. The rule can be viewed here.

Summary: The text of H.R. 1965 contains text similar to the following bills: H.R. 1965, H.R. 1394, H.R. 1964, H.R. 555, and H.R. 1548.

Title I – Federal Lands Jobs and Energy Security The text of this title is similar to that of H.R. 1965, as introduced by Rep. Lamborn.

The legislation requires the Secretary to determine whether to issue a drilling permit within 30 days after receiving the application. The Secretary may extend this period for up an additional 30 days, if the Secretary provides written notice of the delay to the applicant. In cases where the permit is denied, the Secretary shall provide the applicant, in writing, with a clear and comprehensive explanation why the application was not accepted. The Secretary shall also provide the applicant an opportunity to remedy any deficiencies. If the Secretary has not made a decision on the application by the end of the 60 day period, the application is deemed approved, except in cases in which existing review under the National Environmental Policy Act or Endangered Species Act are incomplete.

The legislation establishes a single permit processing fee of \$6,500 per application from each applicant. The legislation also establishes a \$5,000 documentation fee to accompany each protest for a leases, right of way, or application for permit to drill.

The legislation establishes a Federal Permit Streamlining Project in every Bureau of Land Management field office with responsibility for permitting energy projects on federal land. The legislation directs the Secretary of Interior to enter into a memorandum of understanding with the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the Chief of the Army Corps of Engineers. All signatories of the memorandum shall, if appropriate, assign to each BLM field office an employee with expertise in the regulatory issues relating to the particular office. This is meant to streamline the permitting process.

For any covered civil action, the legislation requires that it be filed no later than the end of the 90-day period after the final federal agency action to which it relates.

The legislation directs the Secretary of the Interior to provide matching funding for join projects with states to conduct oil and gas resource assessments on federal lands with significant oil and gas potential. The federal share of the cost of activities shall not exceed 50-percent. The legislation authorizes for appropriation \$50,000,000 for fiscal years 2014 through 2017.

The legislation requires the Secretary of the Interior to offer for lease minimum acreage amounts for onshore lease sales. The Secretary shall offer for sale no less than 25-percent of the annual nominated acreage not previously made available for lease. The legislation prohibits leases from being offered to any person that is in violation of U.S. sanctions against Iran.

Title II – Planning for American Energy The text of this title is similar to that of H.R. 1394, as introduced by Rep. Tipton.

The legislation directs the Secretary of Interior to develop and publish every four years a Quadrennial Federal Onshore Energy Production Strategy. This strategy shall direct federal land energy development and department resource allocation in order to promote the energy and national security of the U.S. in accordance with BLM's mission of promoting the multiple use of federal lands. When developing this strategy, the Secretary is shall consult with the Energy Information Administration on the projected energy demands of the U.S. for the next 30-year period, and how energy derived from federal onshore lands can put the U.S. on a trajectory to meet that demand during the next four year period. The Secretary is further directed to determine a domestic strategic production objective for the development of energy resources from federal onshore lands. The first Quadrennial Federal Onshore Energy Production Strategy shall be submitted to Congress within 18 months of enactment.

The legislation contains a sense of Congress that "federally recognized Indian tribes may elect to set their own production objectives as part of the Strategy under this section. The Secretary shall work in cooperation with any federally recognized Indian tribe that elects to participate in achieving its own strategic energy objectives designated under this subsection."

Title III – National Petroleum Reserve in Alaska Access The text of this title is similar to that of H.R. 1964, as introduced by Rep. Hastings.

The legislation directs the Secretary to conduct oil and gas lease sales in the National Petroleum Reserve in Alaska. The Secretary shall conduct at least one lease sale annually in those areas of the reserve most likely to produce commercial quantities of oil and natural gas each year in the period 2013 through 2023. The legislation directs the Secretary to consult with other appropriate federal agencies to facilitate and ensure permits in a timely and environmentally responsible manner, for all surface development activities, including for the construction or pipelines and roads.

Permits for the construction for transportation of oil and natural gas produced under existing leases shall be approved within 60 days after the date of enactment of this act. Permits for construction and transportation of oil and natural gas produced under new leases shall be approved within six months after the drilling permit application is submitted to the Secretary.

Within 270 days after enactment, the Secretary shall submit to Congress a plan for approved rights-of-way for a plan for pipeline, road, and any other surface infrastructure that may be necessary infrastructure that all ensure that all leasable tracts in the Reserve are within 25 miles of an approved road and pipeline right-of-way.

Within 190 days of enactment, the Secretary shall issue a new proposed integrated activity plan from among the non-adopted alternatives in the National Petroleum Reserve Alaska Integrated Activity Plan Record of Decision issued by the Secretary on February 21, 2013.

Title IV – BLM Live Internet Auctions The text of this title is similar to that of H.R. 555, as introduced by Rep. Johnson (R-OH).

The legislation allows the Secretary to conduct onshore lease sales through Internet-based bidding methods. Each individual Internet-based lease sale shall conclude within seven days. Within 90 days after the tenth Internet-based lease sale, the Secretary of the Interior shall analyze the first 10 lease sales and report to Congress the findings of the analysis. The report shall include estimates on increases or decreases in such lease sales, compared to sale conducted by oral bidding. It will also include an estimate on the total cost or savings to the Department of Interior as a result of such sales, as well as an evaluation of the demonstrated or expected effectiveness of different structure for lease sales which may provide an opportunity to better maximize bidder participation and ensure the higher return to the federal taxpayers.

Title V – Native American Energy The text of this title is similar to that of H.R. 1548, as introduced by Rep. Young.

The legislation addresses regulations that impede energy exploration on tribal land.

The legislation sets a 30 day time limit by which the Secretary must review and provide a decision regarding an appraisal conducted by or for an Indian tribe regarding the trust assets of the tribe. The appraisal is deemed approved if, after 60 days, the Secretary has failed to approve or disapprove the appraisal. The legislation also sets a process by which Indian tribes may waive the appraisal requirements.

The legislation directs the Secretary of the Interior to implement procedures to ensure that each agency within the Department that is involved with the review, approval, and oversight of oil and gas activities on Indian lands shall use a uniform system of reference numbers and tracking systems for oil and gas wells.

The legislation requires that any judicial complaint be filed within the 60 day period beginning on the date of the final agency action. The legislation requires that all energy related actions under this section be brought in the U.S. District Court for the District of Columbia and shall be resolved within 180 days after the action is filed.

For each fiscal year 2014 through 2018, the Secretary is directed to enter into stewardship contracts or other agreements with Indian tribes to carry out Tribal Biomass Demonstration Projects on Indian forest land.

<u>**Committee Action:**</u> H.R. 1965 was introduced on May 14, 2013, and was referred to the House Judiciary Subcommittee on Regulatory Reform, Commercial and Antitrust Law, as well as the House Natural Resources Subcommittee on Energy and Mineral Resources. The Natural Resources Committee held a <u>markup on July 24, 2013</u>, and reported the legislation by a <u>vote of 27 – 14</u>.

<u>Administration Position</u>: According to a Statement of Administration Policy, the Administration strongly opposes H.R. 1965. If the President were presented with the legislation, his senior advisors would recommend that he veto the bill.

<u>Cost to Taxpayers</u>: A CBO report showing a score for H.R. 1965, as containing texts similar to H.R. 1965, H.R. 1394, H.R. 1964, and H.R. 555 is unavailable. However, individual scores for these bills are below.

H.R. 1965, as reported by the Committee: CBO estimates that enacting the legislation would increase offsetting receipts, which are treated as reductions in direct spending, by \$325 million over the 2014-2023 period; therefore, pay-as-you-go procedures apply. In addition, CBO estimates that implementing the legislation would cost \$186 million over the 2014-2018 period and \$329 million over the 2014-2023 period, assuming appropriation of the authorized and necessary amounts. CBO's report for H.R. 1965, as reported by the Committee, can be viewed here.

H.R. 1394, as reported by the Committee: CBO estimates that implementing the legislation would cost \$15 million over the 2014-2018 period. CBO's report for H.R. 1394, as reported by the Committee, can be <u>viewed here</u>.

H.R. 1964, as reported by the Committee: CBO estimates that implementing the legislation would cost \$2 million over the 2014-2015 period. CBO's report for H.R. 1964, as reported by the Committee, can be <u>viewed here</u>.

H.R. 555, as reported by the Committee: CBO estimates that, assuming availability of appropriated funds, implementing the legislation would cost \$2 million over the 2014-2018 period. CBO's report for H.R. 555, as reported by the Committee, can be <u>viewed here</u>.

H.R. 1548, as reported by the Committee: CBO estimates that implementing the bill would cost \$29 million over the 2014-2018 period, assuming appropriation action consistent with the bill. CBO's report for H.R. 1548, as reported by the Committee, can be <u>viewed here</u>.

Amendments Made In Order:

DeFazio (**D-OR**): The amendment establishes a new account within the Treasury where the first \$10,000,000 received under leases from this act will be deposited. These funds will be made available to the Commodity Futures Trading Commission to use "to limit excessive speculation in energy markets." The text of the amendment can be <u>viewed here</u>.

Lowenthal (D-CA): The amendment strikes a section in the underlying bill that prohibits the Secretary from requiring a finding of extraordinary circumstance in administering section 390 of the Energy Policy Act of 2005. The text of the amendment can be <u>viewed here</u>.

Hanabusa (*D-HI*): In the domestic strategic production objective for the development of energy resources (established by the underlying bill), the amendment directs the strategy to include:

"the best estimate, based upon commercial and scientific data, of the expected increase in domestic production of geothermal, solar, wind, or other renewable energy sources from 'available lands' (as such term is defined in section 203 of the Hawaiian Homes Commission Act, 1920 (42 Stat. 108 et seq.), and including any other lands deemed by the Territory or State of Hawaii, as the case may be, to be included within that definition) that the agency or department of the government of the State of Hawaii that is responsible for the administration of such lands selects to be used for such energy production."

The text of the amendment can be viewed here.

Jackson Lee (D-TX): Regarding the administrative protect documentation reform section in the underlying bill, the amendment states that it shall "not be construed to abridge the right of the people to petition for the redress of grievances, in violation for he first article of amendment to the Constitution of the United States." The text of the amendment can be <u>viewed here</u>.

Jackson Lee (D-TX): The amendment strikes a section in the underlying bill that places certain limits on attorneys' fees. The text of the amendment can be <u>viewed here</u>.

Polis (D-CO): The amendment adds a new section at the end of the bill. The section requires the Secretary of Interior to enter into an arrangement with the National Academy of Sciences under which the Academy shall study and report to Congress on the effect of flooding on oil and gas facilities, and the resulting instances of leaking and spills from tanks, wells, and pipelines. The text of the amendment can be <u>viewed here</u>.

Hastings (R-WA): The amendment reduces the limit for the amount of fees that are made available to BLM field offices to facilitate permitting from \$10,000,000, to \$5,000,000. The text of the amendment can be <u>viewed here</u>.

Marino (R-PA): When determining a domestic strategic project object for the development of energy resources from federal onshore lands, the amendment directs the Secretary to include "a plan for addressing new demands from transmission lines and pipelines for distribution of oil and gas across federal lands to ensure that energy produced can be distributed to areas of need." The text of the amendment can be <u>viewed here</u>.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: According to CBO: H.R. 1548 would impose an intergovernmental and privatesector mandate by requiring plaintiffs, including public and private entities, to post a bond when seeking a preliminary injunction to stop Native American energy projects.

Does the Bill Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: No.

Constitutional Authority: Rep. Lamborn states: "Congress has the power to enact this legislation pursuant to the following: Article IV, Section 3 of the Constitution."

RSC Staff Contact: Curtis Rhyne, Curtis.Rhyne@mail.house.gov, (202) 226-8576.

S. 1545 - PEPFAR Stewardship and Oversight Act of 2013 (Sen .Menendez, D-NJ)

<u>Order of Business</u>: The legislation is scheduled to be considered on November 20, 2013, under a motion to suspend the rules and agree to the bill, which requires a two-thirds majority vote for passage.

Summary: The legislation authorizes, through fiscal year 2018, certain provisions of foreign assistance programs to combat HIV/AIDS, malaria, and tuberculosis (known as PEPFAR). These provisions expired after September 30, 2013, and are detailed below.

The legislation extends a requirement, through fiscal year 2018, that the Inspectors General (IGs) of the Department of State, the Department of Health and Human Services, and the U.S. Agency for International Development (USAID) coordinate their annual plans for oversight of PEPFAR programs. According to the Office of the U.S. Global AIDS Coordinator (OGAC)—the office within the Department of State that coordinates all PEPFAR activities—the IGs have spent roughly \$14 million on such oversight over the past five years. Similar to those recent costs, CBO expects each of the three IGs would require appropriations of roughly \$1 million a year to continue such oversight. Assuming appropriation of those amounts, CBO estimates that implementing that provision would cost \$14 million over the 2014-2018 period.

The legislation extends an annual treatment study requirement, thought fiscal year 2019. According to the Committee, this study captures per-patient costs for PEPFAR-supported treatment and care. The legislation adds additional criteria to the study, including that it contain a plan for conducting cost studies of U.S. assistance in partner countries, as well as a comprehensive and harmonized expenditure analysis by partner country, including:

- "an analysis of Global Fund and national partner spending and comparable data across United States, Global Fund, and national partner spending; or
- "where providing such comparable data is not currently practicable, an explanation of why it is not currently practicable, and when it will be practicable."

The legislation defines a partner county as one with a minimum U.S. investment of HIV/AIDS assistance of at least \$5,000,000 in the prior fiscal year.

The legislation extends, through fiscal year 2018, the limitation that no more than 33 percent of the Global Fund's total funds received come from the United States. Also extended is a requirement that 20 percent of funds to support the Global Fund are withheld, unless the Secretary of State is able to certify that the Global Fund has taken certain steps to ensure transparency and management reform.

The legislation replaces the annual reporting requirement. The President shall submit to Congress, by February 15, 2014, an implementation report. This report shall include the total global burden and need for HIV/AIDS prevention, treatment, and care, including estimates by partner country of the global burden and need, and HIV incidence, prevalence, and AIDS deaths for the reporting period. The report will also contain details regarding annual target levels for prevention, treatment, and care in partner countries. The legislation lays out several other reporting criteria, including a description of the goals, scope, and measurement of program efforts aimed at orphans, vulnerable children, and youth.

The legislation also extends, through fiscal year 2018, a requirement that not less than 10 percent of the amounts appropriated be expended for assistance for orphans and other children affect by, or vulnerable to, HIV/AIDS. Also extended, though fiscal year 2018, is a requirement that not less than 50 percent of the amounts appropriated for bilateral global HIV/AIDS assistance shall be expended for:

- antiretroviral treatment for HIV/AIDS;
- > clinical monitoring of HIV-seropositive people not in need of antiretroviral treatment;
- care for associated opportunistic infections;
- > nutrition and food support for people living with HIV/AIDS; and
- > other essential HIV/AIDS-related medical care for people living with HIV/AIDS.

Background: The President's Emergency for AIDS Relief (PEPFAR), was authorized by H.R. 1298 which passed the House on May 1, 2003, by a <u>roll call vote of 374-41</u>, and became P.L. 108-25. PEPFAR was then reauthorized by H.R. 5501, which passed the House on April 2, 2008, by a <u>roll call vote of 308-116</u>, became P.L. 110-293, and expired on September 30, 2013. The RSC Legislative Bulletin for H.R. 5501 can be <u>found here</u>.

Committee Action: S. 1545 was introduced on September 24, 2013, and was referred to the Senate Foreign Relation Committee. The Committee met on September 30, 2013, and reported the legislation, with amendments, by voice vote. On November 18, 2013, the legislation passed the Senate, with amendments, by unanimous consent. The legislation was then held at the desk.

Cost to Taxpayers: CBO estimates that implementing the bill would have discretionary costs of \$15 million over the 2014-2018 period, assuming appropriation of the necessary amounts. CBO's full report can be <u>viewed here</u>.

Does the Bill Expand the Size and Scope of the Federal Government?: The legislation extends certain expired provisions of PEPFAR.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: According to CBO, S. 1545 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

Does the Bill Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: No.

<u>**Constitutional Authority:**</u> Senate rules do not require a statement of constitutional authority accompany legislation when introduced.

RSC Staff Contact: Curtis Rhyne, Curtis.Rhyne@mail.house.gov, (202) 226-8576.

H.R. 2728 - Protecting States' Rights to Promote Americans Energy Security Act (Flores, R-TX)

Order of Business: The legislation is scheduled to be considered on November 20, 2013, under a combined rule, H.Res. 419, for both H.R. 1965 and H.R. 2728. The rule provides for the consideration of H.R. 2728 in the Committee of the Whole House on the state of the Union. The rule waives all points of order against the legislation and provides for one hour of general debate, with 40 minutes equally divided and controlled by the chair and ranking member of the Committee on Natural Resources and 20 minutes equally divided and controlled by the chair and ranking minority member of the committee on Science, Space, and Technology. After general debate, the legislation shall be considered for amendment under the five-minute rule. The rule makes in order those amendment summarized below in this document. After amendment debate the Committee shall rise and report the legislation to the House. The rule allows for one motion to recommit with or without instructions. The rule can be <u>viewed here</u>.

Summary: H.R. 2728 prohibits the Department of Interior from enforcing any federal hydraulic fracturing regulations or guidance in any state that has already issued regulations, guidance or requirements for hydraulic fracturing.

The Department shall recognize and defer to state regulations, permitting, and guidance for all hydraulic fracturing activities, or any component of the process relating to oil, gas, or geothermal production activities on federal land. This shall be regardless of whether those state rules are duplicative, more or less restrictive, shall have different requirements, or do not meet Federal guidelines.

The legislation prohibits the Department from enforcing any federal regulation, guidance, or permit requirement regarding the underground injection of fluids or propping agents as part of the hydraulic fracturing process on any land held in trust, or restricted status, for the benefit of Indian tribes. This prohibition may be waived with the expressed consent of the individual tribe.

Amendments Made In Order:

DeFazio (**D-OR**): The amendment prohibits all gas produced under a lease issued from being exported from the United States. Some members may have concerns that this amendment would adversely affect export opportunities that would otherwise create U.S. jobs. Similar amendments to mandate that extracted minerals be consumed domestically (H.Amdt. 933, H.Amdt. 948, and H.Amdt 1442) were offered during the 112th Congress and failed by roll call votes of <u>173-254</u>, <u>168-254</u>, and <u>158-262</u>. The text of the amendment can be <u>viewed here</u>.

Jackson Lee (D-TX): The amendment directs the Secretary of Interior to annually review and report to Congress on all state activities relating to hydraulic fracturing. The text of the amendment can be <u>viewed here</u>.

Flores (R-TX): The amendment directs each state to submit a copy of their hydraulic fracturing regulations to the Bureau of Land Management (BLM). States will also be required to submit to BLM a copy of any state regulations that require disclosure of chemicals used in hydraulic fracturing operations on federal land. The Secretary shall make these regulations publically available. The text of the amendment can be <u>viewed here</u>.

Holt (D-NJ): The amendment would allow the Secretary of the Interior to issue regulations "to require the minimization of venting and flaring of methane from oil and gas drilling operations on public lands." The text of the amendment can be <u>viewed here</u>.

Reed (R-NY): The amendment requires the Comptroller General to study the economic benefits of domestic shale oil and gas production resulting from the process of hydraulic fracturing. This study shall identify:

- ➤ state and federal revenue generated as a result of shale gas production;
- > jobs created both directly and indirectly as a result of shale oil and gas production; and
- > an estimate of potential energy prices without domestic shale oil and gas production.

This study shall be submitted to Congress within 30 days after the study is completed. The text of the amendment can be <u>viewed here</u>.

Committee Action: H.R. 2728 was introduced on July 18, 2013, and was referred to the House Natural Resources Subcommittee on Energy and Mineral Resources. The Subcommittee held a hearing on July 25, 2013. A full committee markup was held on July 31, 2013, and the legislation was favorably reported, as amended, by a <u>roll call vote of 23-15</u>.

Outside Groups: According the Natural Resources Committee, the following outside groups are supporting passage of H.R. 2728:

- American Chemistry Council
- America's Energy Advantage
 - o Alcoa
 - American Public Gas Association
 - Celanese
 - o DOW
 - o Eastman
 - o Huntsman
 - Incitec Pivot
- <u>America's Natural Gas Alliance</u>
- American Exploration and Production Council
- > American Fuel and Petrochemical Manufacturers
- American Iron and Steel Institute
- American Petroleum Institute
- Americans for Tax Reform
- Coalbed methane Association of Alabama
- Domestic Energy Producer Alliance
- Heritage Action scoring as a key vote
- Independent Petroleum Association of America
- Industrial Energy Consumers of America
- National Association of Manufacturers
- National Federation of Independent Business
- Natural Gas Supply Association
- Nucor Steel
- Oklahoma Independent Petroleum Association
- Texas Energy Alliance
- Texas Oil and Gas Association
- <u>U.S. Chamber of Commerce</u> scoring as a key vote
- <u>U.S. Oil and Gas Association</u>
- Western Energy Alliance
- Alaska Senator Cathy Giessel

More information from the Committee can be found here.

<u>Administration Position</u>: According to the Statement of Administration Policy, the Administration strongly opposes H.R. 2728. If the President were presented with H.R. 2728, his senior advisors would recommend that he veto the bill.

<u>Cost to Taxpayers</u>: CBO estimates that implementing H.R. 2728 would have no significant impact on the federal budget. CBO's full report can be <u>viewed here</u>.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector <u>Mandates?</u>: According to CBO, H.R. 2728 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

Does the Bill Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: No.

Constitutional Authority: Rep. Flores states "Congress has the power to enact this legislation pursuant to the following: Article 4, Section 3, Clause 2." The full statement can be <u>viewed</u> <u>here</u>.

RSC Staff Contact: Curtis Rhyne, Curtis.Rhyne@mail.house.gov, (202) 226-8576.

H.R. 1900 – Natural Gas Pipeline Permitting Reform Act (Pompeo, R-KS)

Order of Business: The legislation is scheduled to be considered on November 20, 2013, under a rule, H.Res. 420. The rule provides for the consideration of H.R. 1900 in the Committee of the Whole House on the state of the Union. The rule waives all points of order against the legislation and provides for one hour of general debate equally divided and controlled by the chair and ranking member of the Committee on Energy and Commerce. After general debate, the legislation shall be considered for amendment under the five-minute rule. The rule makes in order those amendment summarized below in this document. After amendment debate the Committee shall rise and report the legislation to the House. At that point, any Member may demand a separate vote in the House on any amendment that was adopted in the Committee of the Whole House. The rule allows for one motion to recommit with or without instructions.

The rule also allows for the Journal of the proceedings of the previous day to be approved on any legislative day from November 22, 2013, through November 29, 2013. During this same time period, the Chair is allowed to declare the House adjourned to meet at a date and time, within the limits of clause 4, section 5, article I of the Constitution, to be announced by the Chair in declaring the adjournment. Additionally, the rule allows the Speaker the ability to appoint Member to perform the duties of the Chair during this same time period. The text of the rule can be viewed here.

Summary: H.R. 1900 directs the Federal Energy Regulatory Commission (FERC) to approve or deny the application for natural gas pipeline projects within 12 months after the application is submitted.

The legislation directs the agency responsible for issuing any license, permit, or approval required under law, in connection with a "prefiled project," to approve or deny the issuance of the license, permit, or approval within 90 days after FERC issues its final environmental

document relating to the project. FERC may extend this period by 30 days if an agency demonstrates that it cannot complete the process required to approve or deny the permit. In grants this extension, FERC may offer technical assistance to the agency as necessary to address conditions preventing the completion of the review of the application. If an agency does not approve or deny this permit, it shall be been deemed to be approved after the expiration of the 30 day period.

The legislation defines "prefiled projects" as those projects for the siting, construction, expansion, or operation of a natural gas pipeline.

Amendments Made In Order:

Tonko (D-NY): For purposes of FERC's approval of a pipeline application, the amendment prohibits the application from being approved until it "includes sufficient information to demonstrate he the pipeline project will utilize available designs, systems, and practices to minimize methane emissions to the extent practicable." The text of the amendment can be viewed here.

Dingell (D-MI): The amendment directs a GAO study, due by May 1, 2014, that:

- 1. "assesses the extent to which the Federal Energy Regulatory Commission is expected to experience delays in issuing certificates of public convenience and necessity for the siting, construction, expansion, or operation of any natural gas pipeline project;
- 2. "assesses the extent to which other federal, state, or local permitting authorities are expected to experience delays in issuing permits required under federal law in connection with the siting, construction, expansion, or operation of any natural gas pipeline project for which a certificate of public convenience and necessity is required; and
- 3. "examines the effect of anticipated Congressional appropriations or other resources on the ability of the Federal Energy Regulatory Commission and other Federal agencies to review applications for certificates and permits described in paragraphs (1) and (2) in a timely manner."

The text of the amendment can be viewed here.

Speier (D-CA): The amendment prohibits pipeline projects from being approved until FERC has "considered and responded to applicable state and location objections or concerns about approval of the project." The text of the amendment can be <u>viewed here</u>.

Castor (D-FL): The amendment strikes language in the underlying bill that deems the permit approved in the absence of approval, or denial, after the 30 day window (described above). The text of the amendment can be <u>viewed here</u>.

Jackson Lee (D-TX): The amendment prohibits the legislation from taking effect until the Presidential order issued under section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985. This section deals with sequestration. The text of the amendment can be viewed here.

<u>Committee Action</u>: H.R. 1900 was introduced on May 9, 2013, and was referred to the House Energy and Commerce Subcommittee on Energy and Power. A full committee markup was held on July 17, 2013, and the legislation approved, as amended, by a <u>vote of 28-14</u>.

Outside Groups: According to the Committee, the following outside groups have expressed support passage of H.R. 1900:

- ➢ 60 Plus Association
- American Gas Association
- American Public Power Association
- Americans for Prosperity
- Americans for Tax Reform
- Black Hills Energy
- Chamber of Commerce of the United States of America
- Commonwealth of Pennsylvania Public Utilities Commission
- Distribution Contractors Association
- Edison Electric Institute
- Electric Power Supply Association
- ➢ FreedomWorks
- Frontiers of Freedom
- Gas Producers Association
- Interstate Natural Gas Association of America
- National Association of Manufacturers
- National Association of Royalty Owners
- ➢ National Rural Electric Cooperative Association
- New England Ratepayers Association

More information from the Committee, including support letters, can be viewed here.

<u>Administration Position</u>: According to the Statement of Administration Policy, the Administration strongly opposes H.R. 2728. If the President were presented with H.R. 2728, his senior advisors would recommend that he veto the bill.

Cost to Taxpayers: CBO estimates that implementing H.R. 1900 would have no significant impact on the federal budget. CBO's full report can be <u>viewed here</u>.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector <u>Mandates?</u>: According to CBO, H.R. 1900 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

Does the Bill Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: No.

Constitutional Authority: Rep. Pompeo states "Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 3." The full statement can be <u>viewed</u> <u>here</u>.

RSC Staff Contact: Curtis Rhyne, Curtis.Rhyne@mail.house.gov, (202) 226-8576.