

113TH CONGRESS
2D SESSION

S. 2440

To expand and extend the program to improve permit coordination by the Bureau of Land Management, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 5, 2014

Mr. UDALL of New Mexico (for himself, Mr. BARRASSO, Mr. HEINRICH, Mr. HOEVEN, Mr. ENZI, Mr. UDALL of Colorado, Mr. HELLER, Mr. WALSH, Mr. INHOFE, and Ms. HEITKAMP) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To expand and extend the program to improve permit coordination by the Bureau of Land Management, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “BLM Permit Proc-
5 essing Improvement Act of 2014”.

1 **SEC. 2. PROGRAM TO IMPROVE FEDERAL PERMIT COORDI-**
2 **NATION.**

3 Section 365 of the Energy Policy Act of 2005 (42
4 U.S.C. 15924) is amended—

5 (1) in the section heading, by striking
6 “**PILOT**”;

7 (2) by striking “Pilot Project” each place it ap-
8 pears and inserting “Project”;

9 (3) in subsection (b)(2), by striking “Wyoming,
10 Montana, Colorado, Utah, and New Mexico” and in-
11 sserting “the States in which Project offices are lo-
12 cated”;

13 (4) in subsection (d)—

14 (A) in the subsection heading, by striking
15 “**PILOT**”; and

16 (B) by adding at the end the following:

17 “(8) Any other State, district, or field office of
18 the Bureau of Land Management determined by the
19 Secretary.”;

20 (5) by striking subsection (e) and inserting the
21 following:

22 “(e) **REPORT TO CONGRESS.**—Not later than Feb-
23 ruary 1 of the first fiscal year beginning after the date
24 of enactment of the BLM Permit Processing Improvement
25 Act of 2014 and each February 1 thereafter, the Secretary
26 shall report to the Chairman and ranking minority Mem-

1 ber of the Committee on Energy and Natural Resources
2 of the Senate and the Committee on Natural Resources
3 of the House of Representatives, which shall include—

4 “(1) the allocation of funds to each Project of-
5 fice for the previous fiscal year; and

6 “(2) the accomplishments of each Project office
7 relating to the coordination and processing of oil and
8 gas use authorizations during that fiscal year.”;

9 (6) in subsection (h), by striking paragraph (6)
10 and inserting the following:

11 “(6) the States in which Project offices are lo-
12 cated.”;

13 (7) by striking subsection (i); and

14 (8) by redesignating subsection (j) as sub-
15 section (i).

16 **SEC. 3. BLM OIL AND GAS PERMIT PROCESSING FEE.**

17 Section 35 of the Mineral Leasing Act (30 U.S.C.
18 191) is amended by adding at the end the following:

19 “(d) BLM OIL AND GAS PERMIT PROCESSING
20 FEE.—

21 “(1) IN GENERAL.—Notwithstanding any other
22 provision of law, for each of fiscal years 2016
23 through 2026, the Secretary, acting through the Di-
24 rector of the Bureau of Land Management, shall col-

1 lect a fee for each new application for a permit to
2 drill that is submitted to the Secretary.

3 “(2) AMOUNT.—The amount of the fee shall be
4 \$9,500 for each new application, as indexed for
5 United States dollar inflation from October 1, 2015
6 (as measured by the Consumer Price Index).

7 “(3) USE.—Of the fees collected under this
8 subsection for a fiscal year, the Secretary shall
9 transfer—

10 “(A) for each of fiscal years 2016 through
11 2019—

12 “(i) 15 percent to the field offices that
13 collected the fees and used to process pro-
14 tests, leases, and permits under this Act,
15 subject to appropriation; and

16 “(ii) 85 percent to the BLM Permit
17 Processing Improvement Fund established
18 under subsection (c)(2)(B) (referred to in
19 this subsection as the ‘Fund’); and

20 “(B) for each of fiscal years 2020 through
21 2026, all of the fees to the Fund.

22 “(4) ADDITIONAL COSTS.—During each of fis-
23 cal years of 2016 through 2026, the Secretary shall
24 not implement a rulemaking that would enable an

1 increase in fees to recover additional costs related to
2 processing applications for permits to drill.”.

3 **SEC. 4. BLM PERMIT PROCESSING IMPROVEMENT FUND.**

4 (a) IN GENERAL.—Section 35(c) of the Mineral
5 Leasing Act (30 U.S.C. 191(c)) is amended by striking
6 paragraph (3) and inserting the following:

7 “(3) USE OF FUND.—

8 “(A) IN GENERAL.—The Fund shall be
9 available to the Secretary of the Interior for ex-
10 penditure, without further appropriation and
11 without fiscal year limitation, for the coordina-
12 tion and processing of oil and gas use author-
13 izations on onshore Federal land.

14 “(B) ACCOUNTS.—The Secretary shall di-
15 vide the Fund into—

16 “(i) a Rental Account (referred to in
17 this subsection as the ‘Rental Account’)
18 comprised of rental receipts collected under
19 this section; and

20 “(ii) a Fee Account (referred to in
21 this subsection as the ‘Fee Account’) com-
22 prised of fees collected under subsection
23 (d).

24 “(4) RENTAL ACCOUNT.—

1 “(A) IN GENERAL.—The Secretary shall
2 use the Rental Account for—

3 “(i) the coordination and processing
4 of oil and gas use authorizations on on-
5 shore Federal land under the jurisdiction
6 of the Project offices identified under sec-
7 tion 365(d) of the Energy Policy Act of
8 2005 (42 U.S.C. 15924(d)); and

9 “(ii) training programs for develop-
10 ment of expertise related to coordinating
11 and processing oil and gas use authoriza-
12 tions.

13 “(B) ALLOCATION.—In determining the al-
14 location of the Rental Account among Project
15 offices for a fiscal year, the Secretary shall con-
16 sider—

17 “(i) the number of applications for
18 permit to drill received in a Project office
19 during the previous fiscal year;

20 “(ii) the backlog of applications de-
21 scribed in clause (i) in a Project office;

22 “(iii) publicly available industry fore-
23 casts for development of oil and gas re-
24 sources under the jurisdiction of a Project
25 office; and

1 “(iv) any opportunities for partner-
2 ship with local industry organizations and
3 educational institutions in developing train-
4 ing programs to facilitate the coordination
5 and processing of oil and gas use author-
6 izations.

7 “(5) FEE ACCOUNT.—

8 “(A) IN GENERAL.—The Secretary shall
9 use the Fee Account for the coordination and
10 processing of oil and gas use authorizations on
11 onshore Federal land.

12 “(B) ALLOCATION.—The Secretary shall
13 transfer not less than 75 percent of the reve-
14 nues collected by an office for the processing of
15 applications for permits to the State office of
16 the State in which the fees were collected.”.

17 (b) INTEREST ON OVERPAYMENT ADJUSTMENT.—
18 Section 111(h) of the Federal Oil and Gas Royalty Man-
19 agement Act of 1982 (30 U.S.C. 1721(h)) is amended in
20 the first sentence by striking “the rate” and all that fol-
21 lows through the period at the end of the sentence and
22 inserting “a rate equal to the sum of the Federal short-
23 term rate determined under section 6621(b) of the Inter-
24 nal Revenue Code of 1986 plus 1 percentage point.”.

1 **SEC. 5. BUDGETARY EFFECTS.**

2 The budgetary effects of this Act, for the purpose of
3 complying with the Statutory Pay-As-You-Go-Act of 2010,
4 shall be determined by reference to the latest statement
5 titled “Budgetary Effects of PAYGO Legislation” for this
6 Act, submitted for printing in the Congressional Record
7 by the Chairman of the Senate Budget Committee, pro-
8 vided that such statement has been submitted prior to the
9 vote on passage.

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