

AMENDMENT TO H.R. 4382

OFFERED BY MR. HOLT

Page 3, line 21, strike the closing quotation marks and the following period, and after line 21 insert the following:

1 “(3) ELIGIBILITY FOR NEW LEASES AND THE
2 TRANSFER OF LEASES.—
3 “(A) ISSUANCE OF NEW LEASES.—
4 “(i) ISSUANCE OF NEW LEASES.—The
5 Secretary of the Interior shall not offer
6 new leases pursuant to this section to a
7 person described in clause (ii) unless the
8 person has renegotiated each covered lease
9 with respect to which the person is a les-
10 see, to modify the payment responsibilities
11 of the person to require the payment of
12 royalties if the price of oil and natural gas
13 is greater than or equal to the price
14 thresholds described in clauses (v) through
15 (vii) of section 8(a)(3)(C) of the Outer
16 Continental Shelf Lands Act (43 U.S.C.
17 1337(a)(3)(C)).

1 “(ii) PERSONS DESCRIBED.—A person
2 referred to in clause (i) is a person that—

3 “(I) is a lessee that—

4 “(aa) holds a covered lease
5 on the date on which the Sec-
6 retary considers the issuance of
7 the new lease; or

8 “(bb) was issued a covered
9 lease before the date of enact-
10 ment of this Act, but transferred
11 the covered lease to another per-
12 son or entity (including a sub-
13 sidiary or affiliate of the lessee)
14 after the date of enactment of
15 this Act; or

16 “(II) any other person that has
17 any direct or indirect interest in, or
18 that derives any benefit from, a cov-
19 ered lease.

20 “(B) DEFINITIONS.—In this paragraph—

21 “(i) COVERED LEASE.—The term
22 ‘covered lease’ means a lease for oil or gas
23 production in the Gulf of Mexico that is—

24 “(I) in existence on the date of
25 enactment of this Act;

1 “(II) issued by the Department
2 of the Interior under section 304 of
3 the Outer Continental Shelf Deep
4 Water Royalty Relief Act (43 U.S.C.
5 1337 note; Public Law 104–58); and

6 “(III) not subject to limitations
7 on royalty relief based on market
8 price that are equal to or less than
9 the price thresholds described in
10 clauses (v) through (vii) of section
11 8(a)(3)(C) of the Outer Continental
12 Shelf Lands Act (43 U.S.C.
13 1337(a)(3)(C)).

14 “(ii) LESSEE.—The term ‘lessee’ in-
15 cludes any person or other entity that con-
16 trols, is controlled by, or is in or under
17 common control with, a lessee.

18 “(iii) NEW LEASE.—The term ‘new
19 lease’ means a lease issued in a lease sale
20 under this Act.”.

