

AMENDMENT TO H.R. 1904

OFFERED BY MR. DEFAZIO OF OREGON

(Page and Line Numbers Refer to the Introduced Bill)

Page 17, beginning line 24, strike section 6 (value adjustment payment to United States) and insert the following new section:

1 **SEC. 6. ROYALTY PAYMENT TO UNITED STATES FOR MIN-**
2 **ERALS PRODUCED FROM THE CONVEYED**
3 **FEDERAL LAND.**

4 (a) **ROYALTY PAYMENT REQUIRED.**—As a condition
5 of the land exchange under this Act, Resolution Copper
6 shall pay to the United States, by not later than March
7 15 of each calendar year, a royalty payment in an amount
8 equal to the product of the following:

9 (1) The value of the quantity of locatable min-
10 erals produced during the preceding calendar year,
11 as reported under subsection (b).

12 (2) The royalty percentage in effect for that
13 calendar year under subsection (c).

14 (b) **ANNUAL PRODUCTION REPORTING TO DETER-**
15 **MINE ROYALTY PAYMENT.**—

16 (1) **REPORT REQUIRED.**—Resolution Copper
17 shall submit to the Secretary of the Interior an an-

1 nual report indicating the quantity of locatable min-
2 erals produced during the preceding calendar year in
3 commercial quantities from the Federal land con-
4 veyed to Resolution Copper under section 4. The
5 first report is required to be submitted not later
6 than February 15 of the first calendar year begin-
7 ning after the date of commencement of production
8 of valuable locatable minerals in commercial quan-
9 tities from such Federal land. The reports shall be
10 submitted February 15 of each calendar year there-
11 after.

12 (2) SHARING REPORTS WITH STATE.—The Sec-
13 retary shall make each report received under para-
14 graph (1) available to the State.

15 (3) REPORT CONTENTS.—The reports under
16 paragraph (1) shall comply with any recordkeeping
17 and reporting requirements prescribed by the Sec-
18 retary or required by applicable Federal laws in ef-
19 fect at the time of production.

20 (c) ROYALTY PERCENTAGE.—For purposes of deter-
21 mining the amount to be paid by Resolution Copper under
22 subsection (a), the royalty percentage shall be 5 percent
23 for the calendar year in which the production of valuable
24 locatable minerals in commercial quantities commences
25 from the Federal land and each calendar year thereafter.

1 (d) DEPOSIT OF FUNDS.—All funds paid to the
2 United States under this section shall be deposited in the
3 general fund of the Treasury.

4 (e) STATE LAW UNAFFECTED.—Nothing in this sec-
5 tion modifies, expands, diminishes, amends, or otherwise
6 affects any State law relating to the imposition, applica-
7 tion, timing, or collection of a State excise or severance
8 tax.

