



Committee on Natural Resources U.S. House of Representatives

Chairman Doc Hastings

FOR IMMEDIATE RELEASE
Tuesday, July 15, 2014
[Permalink](#)

CONTACT: [Press Office](#)
202-226-9019

Hearing Examines Ways to Better Implement The Helium Stewardship Act

Chairman Lamborn Announces Draft Bill to Secure Our Future Helium Needs

WASHINGTON, D.C. – Today, the House Natural Resources Subcommittee on Energy and Mineral Resources held an [oversight hearing](#) on the “*Implementation and Administration of the 2013 Helium Stewardship Act*.” This hearing examined what steps are being taken to comply with [H.R. 527](#), the *Helium Stewardship Act* that was signed into law, [Public Law 113-40](#), on October 2, 2013 as a result of bipartisan efforts in the House and the Senate.

Also at the hearing, Subcommittee Chairman Doug Lamborn (CO-05) announced that he and House Natural Resources Committee Chairman Doc Hastings (WA-05) are releasing a discussion draft of new legislation, [The American Helium Security Act of 2014](#). This draft legislation would help solve the need for a more secure and reliable domestic supply of helium to fulfill our Nation’s future needs.

“The goal of what we are calling ‘Helium II’ is to secure and encourage future production of domestic helium, ensure helium producers have the regulatory certainty they need to explore for and produce helium on federal lands and facilitate a private domestic market for U.S. helium. This proposed legislation will create a federal leasing program for helium on federal lands and ensure a secure supply of domestic helium for national defense, federal researchers and other industries that depend on helium for their business,” **said Subcommittee Chairman Lamborn.**

At the hearing, Members and witnesses examined how the *Helium Stewardship Act* is being implemented and areas for improvements.

“The goal of the Helium Stewardship Act is to ensure the taxpayers receive a fair value for this federal resource and to create a free-market for federal helium sales...BLM’s successful implementation of this law will be measured by the amount of competition in the helium sale, the helium price, and the ability by non-refiners to process and toll their purchased helium,” **said Subcommittee Chairman Lamborn.**

[Anne-Marie Fennell](#), Director of Natural Resources and Environment at the Government Accountability Office, identified specific areas where the Bureau of Land Management (BLM) can better implement the law.

With regards to excess refining capacity, Fennell stated in her testimony that the *“BLM does not know how the refiners calculated the amounts [of excess refining capacity] they reported and whether the refiners calculated the amounts in the same way.”* When helium is purchased from the Federal Helium Reserve, it is transferred via pipeline to refineries. In order to make sure nonrefiners have the opportunity to sell the helium, the nonrefiners rely on the excess refining capacity of the refiners. This excess refining capacity is vital to nonrefiners because it allows them to compete with refiners in the helium marketplace. Right now, there is no way to ensure the accuracy of the excess refining capacities reported by the refiners. In order to better implement this law, the BLM needs to make sure that excess refining capacities are better reported and verified. This will ensure that everyone involved in the process is benefiting from the demands of an open helium marketplace.

Fennell also testified on commercially reasonable rates, which are the rates that refiners charge nonrefiners to refine helium in the refiners’ excess capacity. Fennell stated that *“BLM is also challenged in determining whether refiners that reported having excess refining capacity are offering tolling [refining] services at ‘commercially reasonable rates,’ as required by the act.”* BLM must take steps to ensure that refiners are charging commercially reasonable rates to nonrefiners for refining services. This will ensure true competition in the helium marketplace by allowing the market to determine commercially reasonable rates for refining services.

To learn more about H.R. 527, click [here](#).

###

NaturalResources.house.gov

