



HOUSE COMMITTEE ON
NATURAL RESOURCES
CHAIRMAN BRUCE WESTERMAN

To: House Committee on Natural Resources Republican Members
From: House Committee on Natural Resources Republican Staff
Date: Tuesday, April 16, 2024
Subject: Markup of 9 bills

The Committee on Natural Resources will hold a markup on **Tuesday, April 16, 2024, at 10:15 a.m.** in room 1324 Longworth House Office Building. The bills to be considered include H.R. 5015 (Rep. Leger Fernandez); H.R. 6482 (Rep. Fulcher); H.R. 7003 (Rep. DelBene); H.R. 7370 (Rep. Curtis); H.R. 7375 (Rep. Hageman); H.R. 7377 (Rep. Hunt); H.R. 7408 (Rep. Westerman); H.R. 7409 (Rep. Kim of CA); and H.R. 7422 (Rep. Ocasio-Cortez).

Member offices are requested to notify Madeline Kelley (Madeline.Kelley@mail.house.gov) by 4:30 p.m. on Monday, April 15, 2024, to confirm their Member's attendance at the mark-up.

I. KEY MESSAGES & TOPLINE ACTIONS

- Bills expected to move by regular order: H.R. 6482 (Rep. Fulcher), "*Enhancing Geothermal Production on Federal Lands Act*"; H.R. 7375 (Rep. Hageman), To amend the Mineral Leasing Act to improve the assessment of expression of interest fees, and for other purposes; H.R. 7408 (Rep. Westerman), "*America's Wildlife Habitat Conservation Act*"; and H.R. 7409 (Rep. Kim of CA), "*Harnessing Energy At Thermal Sources Act*" or the "*HEATS Act*".
- Please note that H.R. 7375 and H.R. 7408 each will have an amendment in the nature of a substitute (ANS). Members should ensure that amendments are drafted to the ANS.
- Bills expected to move by unanimous consent: H.R. 5015 (Rep. Leger Fernandez), "*Seedlings for Sustainable Habitat Restoration Act of 2023*"; H.R. 7003 (Rep. DelBene), "*National Landslide Preparedness Act Reauthorization Act of 2024*"; H.R. 7370 (Rep. Curtis), "*Geothermal Energy Opportunity Act*" or the "*GEO Act*"; H.R. 7377 (Rep. Hunt), "*Royalty Resiliency Act*"; and H.R. 7422 (Rep. Ocasio-Cortez), "*Geothermal Cost-Recovery Authority Act of 2024*".

II. EXPECTED LEGISLATION

H.R. 6482 (Rep. Fulcher), “*Enhancing Geothermal Production on Federal Lands Act*”

Geothermal power is considered a renewable energy resource and is derived by capturing heat from an underground water reservoir or naturally generated steam under high pressure.¹ The Department of Energy (DOE) projects that geothermal energy could provide 60 gigawatts (GW) of electricity by 2050 (8.5% of U.S. generation capacity).² However, the multiple environmental reviews and associated time and costs result in longer development timelines than those of many other power production projects.³

H.R. 6482 aims to streamline the permitting process for geothermal energy by exempting geothermal exploration wells (temperature gradient wells, monitoring wells, and calibration wells) from review under the National Environmental Policy Act (NEPA).⁴ To be eligible for the streamlining provisions, the exploration well itself must be under 13 inches in diameter, the surface disturbance must be less than 5 acres, activities must be completed in 120 days, and the site must be reclaimed within three years. The bill would also waive geotechnical investigations and road construction and maintenance (within existing rights-of-way) from NEPA.

Additionally, the bill would direct the Department of the Interior (DOI) to designate geothermal leasing priority areas on federal lands that are economically viable for geothermal energy production and are not excluded from geothermal energy production under a land use plan. DOI would be required to reevaluate the covered lands every five years.

Hearing information, including testimony, may be viewed [here](#), and the hearing memo may be viewed [here](#).

Staff Contact: Ashley McManus (Ashley.McManus@mail.house.gov) and Rob MacGregor (Robert.MacGregor@mail.house.gov)

H.R. 7375 (Rep. Hageman), *To amend the Mineral Leasing Act to improve the assessment of expression of interest fees, and for other purposes.*

The Bureau of Land Management (BLM) requires oil and gas operators to submit expressions of interest (EOI) for federal acreage that operators would like BLM to include in oil and gas lease sales.⁵ The Inflation Reduction Act (IRA)⁶ created a nonrefundable \$5 per acre fee for EOIs. Under current law, different operators could end up paying to submit the same acreage. Further, a separate operator who did not submit the acreage could win the acreage in a lease sale, creating

¹ Congressional Research Service, *Enhanced Geothermal Systems: Introduction and Issues for Congress*, Sept. 29, 2022, <https://crsreports.congress.gov/product/pdf/R/R47256>.

² U.S. Department of Energy, Geothermal Technologies Office, *GeoVision: Harnessing the Heat Beneath Our Feet*, May 2019, <https://www.energy.gov/sites/default/files/2019/06/f63/GeoVision-full-report-opt.pdf>.

³ Congressional Research Service, *Enhanced Geothermal Systems: Introduction and Issues for Congress*, Sept. 29, 2022, <https://crsreports.congress.gov/product/pdf/R/R47256>.

⁴ 42 U.S.C. § 4321.

⁵ Bureau of Land Management, *Expression of Interest (EOI)*, <https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/leasing/parcel-nominations>

⁶ Pub. L. No. 117-169.

an inequitable situation where one party pays for property that another party receives. Additionally, there is no guarantee the acreage will even be offered by the BLM.

H.R. 7375 aims to ensure fairness by directing BLM to charge the EOI fee to the winning bidder at the conclusion of a lease sale. In the case that EOI acreage is submitted and not bid on during a lease sale, the person or entity that first submitted the acreage would be required to pay the fee. The bill would also ensure that EOIs remain active for a period of at least five years.

Hearing information, including testimony, may be viewed [here](#), and the hearing memo may be viewed [here](#).

Staff Contact: Ashley McManus (Ashley.McManus@mail.house.gov) and Rob MacGregor (Robert.MacGregor@mail.house.gov)

H.R. 7408 (Rep. Westerman), “*America’s Wildlife Habitat Conservation Act*”

The America’s Wildlife Habitat Conservation Act (AWHCA) provides states and tribes with the resources necessary to carry out habitat restoration projects vital to preventing the listing of species and accelerating the delisting of species under the Endangered Species Act (ESA).

The AWHCA empowers states and private landowners in the ESA decision-making process by providing regulatory certainty and incentives to recover and restore habitat for listed species. H.R. 7408 also codifies into statute the requirement to consider net conservation benefits of Candidate Conservation Agreements with Assurance (CCAA’s) or any programmatic CCAA’s for a species when making a listing decision on that species under the ESA.

Additionally, the bill gives the U.S. Fish and Wildlife Service tools such as the Good Neighbor Authority to ensure that the National Wildlife Refuge System, the crown jewel of American wildlife conservation, is healthy for decades to come.

Hearing information, including testimony, may be viewed [here](#), and the hearing memo may be viewed [here](#).

Staff contacts: Doug Levine (Doug.Levine@mail.house.gov) and Annick Miller (Annick.Miller@mail.house.gov)

H.R. 7409 (Rep. Kim of CA), “*HEATS Act*”

H.R. 7409 would expedite the development of geothermal energy on non-federal lands that involve federal minerals. Currently, geothermal operators on non-federal land producing any amount of federal resources must abide by all federal laws and permitting processes, including NEPA, even if the share of federal minerals is minuscule. H.R. 7409 would address this issue by clarifying that geothermal exploration or production wells on non-federal lands are not subject to NEPA,⁷ Section 7 of the Endangered Species Act (ESA),⁸ or Section 106 of the National Historic

⁷ 42 U.S.C. § 4321.

⁸ 16 U.S.C. § 1536(a)–(d).

Preservation Act (NHPA)⁹ if the United States holds an ownership interest of less than 50 percent of the subsurface geothermal estate and the operator receives a state drilling permit. H.R. 7409 would not impact royalties paid to the federal government. Therefore, the bill would not reduce the amount of federal revenues created by geothermal production but would lighten the administrative responsibilities of federal agencies while streamlining the permitting process for geothermal development.

Hearing information, including testimony, may be viewed [here](#), and the hearing memo may be viewed [here](#).

Staff Contact: Ashley McManus (Ashley.McManus@mail.house.gov) and Rob Macgregor (Robert.MacGregor@mail.house.gov)

H.R. 7370 (Rep. Curtis), “*Geothermal Energy Opportunity Act*”

H.R. 7370 would address instances where the DOI voluntarily holds up projects that already have a Record of Decision (ROD) due to possible litigation. H.R. 7370 would require DOI to continue processing drilling permits and other authorizations within 30 days after the National Environmental Policy Act (NEPA) review is complete unless a United States Federal court vacates the underlying lease.

An Amendment in the Nature of a Substitute (ANS) is expected for this bill. Hearing information, including testimony, may be viewed [here](#), and the hearing memo may be viewed [here](#).

Staff Contact: Ashley McManus (Ashley.McManus@mail.house.gov) and Rob Macgregor (Robert.MacGregor@mail.house.gov)

H.R. 7377 (Rep. Hunt), “*Royalty Resiliency Act*”

DOI’s Office of Natural Resources Revenue (ONRR) is responsible for accounting for, verifying, and collecting mineral leasing revenues from all federal onshore areas, including oil and gas royalties. When an oil and gas project involving a federal lease cannot be independently developed because of other state or private assets, the Bureau of Land Management (BLM) may approve a communitization agreement (CA) upon a determination that it is in the public interest. CAs are essentially revenue-sharing agreements for oil and gas projects that involve federal, state, and private property. Under current law, BLM is responsible for approving CAs within 120 days and determining allocations of production for royalty payments between lessees.¹⁰ Despite the statutory timeline, operators have experienced wait times of up to three years for CAs.

ONRR currently requires operators to pay a 100% royalty to the federal government until the BLM approves the CA, meaning operators are forced to pay excess royalties for years while they wait for BLM approval. For example, if the mineral ownership for a project is 50% state, 25% private, and 25% federal, the operator would be required to pay a royalty of 175% until the BLM

⁹ 54 U.S.C. § 306108.

¹⁰ 30 U.S.C. § 1721(j).

approves the CA (50% state, 25% private, and 100% federal). H.R. 7377 would solve this issue by allowing lessees to pay a royalty to ONRR that is based on the apportionment in their proposed CA rather than a blanket 100%. If the apportionment is found to be incorrect when the CA is approved (which is rare), the lessee must pay the government back within three months.

An Amendment in the Nature of a Substitute (ANS) is expected for this bill. Hearing information, including testimony, may be viewed [here](#), and the hearing memo may be viewed [here](#).

Staff Contact: Ashley McManus (Ashley.McManus@mail.house.gov) and Rob Macgregor (Robert.MacGregor@mail.house.gov)

H.R. 5015 (Rep. Leger Fernandez), “Seedlings for Sustainable Habitat Restoration Act of 2023”

Over the past two decades, the U.S. has lost an average of 7 million acres per year to fire, equivalent to losing an area larger than the Commonwealth of Massachusetts annually. This number is more than double the average seen during the 1990’s.¹¹ One consequence of these devastating wildfires is an increasingly large demand for tree seedlings to reforest landscapes post-fire. Recent studies have shown that in order to meet domestic reforestation needs, American seedling supplies will need to more than double.¹² Federal land management agencies alone have a backlog of over 6.08 million acres that need replanting.¹³ Current capacity would only allow the agencies to reforest a little more than 2.3 million acres by 2030, less than half of the total current backlog.¹⁴ Across the contiguous U.S., there are over 133 million acres of “reforestation opportunity,” equivalent to approximately 68 billion trees.¹⁵ Without artificial regeneration, many of these forests will experience stand conversion and will cease to be forested areas in the future.¹⁶

According to recent estimates, tree seedling production in the U.S. is less than 2 percent of the current “reforestation opportunity.”¹⁷ Since the mid-1990s, 28 tree nurseries have closed in the southern U.S., reducing production by 650 million seedlings annually (46 percent of current production).¹⁸ Investments in seedlings and nursery capacity can help ensure healthy forests in addition to creating economic opportunities in rural areas. H.R. 5015 would help address this problem by amending current law to allow existing funding for seedling nurseries to go to state

¹¹ Wildfires and Acres, National Interagency Fire Center, Accessed Mar. 7, 2024, <https://www.nifc.gov/fire-information/statistics/wildfires>.

¹² Challenges to the Reforestation Pipeline in the United States, *Frontiers in Forests and Global Change*, Feb. 2, 2021, <https://www.frontiersin.org/articles/10.3389/ffgc.2021.629198/full>.

¹³ U.S. Department of the Interior and U.S. Department of Agriculture: Reforestation Goals and Assessments, and a Climate-Informed Plan to Increase Federal Seed and Nursery Capacity, Apr. 2023, <https://www.usda.gov/sites/default/files/documents/joint-reforestation-report.pdf>.

¹⁴ *Id.*

¹⁵ Ramping up Reforestation in the United States: A Guide for Policymakers, *American Forests*, March 2021, https://d3f9k0n15ckvhe.cloudfront.net/wp-content/uploads/2021/02/Ramping-Up-Reforestation_FINAL.pdf.

¹⁶ Coop et al., “Wildfire-Driven Forest Conversion in Western North American Landscapes,” *Bioscience*. 2020 Aug. 1; 70(8): 659–673, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7429175/>.

¹⁷ Challenges to the Reforestation Pipeline in the United States, *Frontiers in Forests and Global Change*, Feb. 2, 2021, <https://www.frontiersin.org/articles/10.3389/ffgc.2021.629198/full>.

¹⁸ *Id.*

forestry agencies, private or non-profit entities, and institutions of higher education. This funding was originally made available for tree planting but did not include seedling development. The funding will be available through contracts, grants, or agreements for the collection, maintenance, and production of seeds and seedlings. An identical bill has been introduced in the Senate, S. 1164, with bipartisan support.¹⁹

Hearing information, including testimony, may be viewed [here](#), and the hearing memo may be viewed [here](#).

Staff Contact: Aniela Butler (Aniela@mail.house.gov) and Colen Morrow (Colen.Morrow@mail.house.gov)

H.R. 7003 (Rep. DelBene), “National Landslide Preparedness Act Reauthorization Act of 2024”

H.R. 7003 reauthorizes the National Landslide Preparedness Act (NLPA) for Fiscal Years 2024-2029 at the current authorization of appropriations level of \$40 million per year.²⁰ Landslides are a major geologic hazard in every state, causing between \$1-2 billion in damages and more than 25 casualties each year.²¹ The NLPA, signed into law on January 5, 2021, established the National Landslide Hazards Reduction Program (NLHRP) and the 3D Elevation Program (3DEP), authorizing both programs from FY 2021-2024. The programs seek to gather data which will enable states and communities to reduce loss during the event of a landslide. The Landslide Hazards Reduction Program conducts research on the geologic structure of the earth and draws scientific conclusions about landslides and ground failures.²² The states utilize this research to prepare for and properly respond to these disasters. The goal of 3DEP is to establish high-quality topographic elevation data of the entire U.S., which will enable a better understanding of landslides and why they occur.²³ While mapping the U.S. and having this topography data on file is an important first step, the terrain can change significantly over time. Reauthorizing 3DEP will allow the USGS to continue mapping to gather new topography data and study how landslides shift the landscape from one year to the next.

An Amendment in the Nature of a Substitute (ANS) is expected for this bill to incorporate feedback provided by the USGS.

Hearing information, including testimony, may be viewed [here](#), and the hearing memo may be viewed [here](#).

Staff Contact: Ashley McManus (Ashley.McManus@mail.house.gov)

¹⁹ S. 1164; <https://www.congress.gov/bill/118th-congress/senate-bill/1164>.

²⁰ 43 U.S.C. § 3104(e).

²¹ USGS. What We Do – Landslide Hazards Program. [https://www.usgs.gov/programs/landslide-hazards/what-we-do-landslide-hazards-](https://www.usgs.gov/programs/landslide-hazards/what-we-do-landslide-hazards-program#:~:text=On%20January%205%2C%202021%20the%20National%20Landslide%20Preparedness%20Act%20(P.L.)

[program#:~:text=On%20January%205%2C%202021%20the%20National%20Landslide%20Preparedness%20Act%20\(P.L.](https://www.usgs.gov/programs/landslide-hazards/what-we-do-landslide-hazards-program#:~:text=On%20January%205%2C%202021%20the%20National%20Landslide%20Preparedness%20Act%20(P.L.)

²² *Id.*

²³ USGS. 3D Elevation Program. <https://www.usgs.gov/3d-elevation-program>.

H.R. 7422 (Rep. Ocasio-Cortez), “*Geothermal Cost-Recovery Authority Act of 2024*”

Cost recovery authority allows federal agencies to charge fees for processing applications and other documents. The authority for federal agencies to charge fees for cost recovery lies in the Federal Land Policy Management Act (FLPMA),²⁴ the Mineral Leasing Act (MLA),²⁵ and the Independent Offices Appropriation Act of 1952 (IOAA).²⁶ Additionally, Section 3021(b) of the National Defense Authorization Act of 2015²⁷ directed the BLM to collect a fee for oil and gas applications for permit to drill (APDs) from Fiscal Year (FY) 2016 through FY 2026. Before FY 2016, fees for APDs and geothermal permits to drill (GPDs) were suspended by Section 365 of the Energy Policy Act of 2005 (EPA05)²⁸ from FY 2006 through FY 2015.

In 2022, BLM updated its regulations and created new geothermal fees²⁹ but still did not include a fee for GPDs. In a 2022 renewable energy report,³⁰ BLM argued that they are unable to charge cost recovery fees for inspection and monitoring of construction, operation, and termination of geothermal facilities like they can for wind and solar under FLPMA.³¹

H.R. 7422 would provide DOI with explicit authority to charge geothermal leaseholders fees to recover costs for geothermal lease applications, GPDs, utilization plans, site licenses, facility construction permits, commercial use permits, other approvals associated with a geothermal lease, and monitoring of exploration activities, drilling and plugging of wells, and construction, operation, and reclamation of wells sites.

An Amendment in the Nature of a Substitute (ANS) is expected for this bill to address concerns raised by Majority staff and industry. Hearing information, including testimony, may be viewed [here](#), and the hearing memo may be viewed [here](#).

Staff Contact: Ashley McManus (Ashley.McManus@mail.house.gov) and Rob MacGregor (Robert.MacGregor@mail.house.gov)

III. CBO SCORES

None available.

²⁴ 43 U.S.C. §§ 1734(b), 1764(g).

²⁵ 30 U.S.C. § 185(l).

²⁶ 31 U.S.C. § 9701.

²⁷ 30 U.S.C. § 191(d).

²⁸ Pub. L. No. 109–58.

²⁹ 87 Fed. Reg. 57637.

³⁰ Bureau of Land Management, Public Land Renewable Energy – Fiscal Year 2021: Report to Congress, Mar. 2022, https://www.blm.gov/sites/default/files/docs/2022-04/BLM%20Public%20Land%20Renewable%20Energy%20FY21%20Report%20to%20Congress%20v4%20508_0.pdf.

³¹ 43 U.S.C. § 1764(g).

IV. EFFECT ON CURRENT LAW (RAMSEYER)

[H.R. 5015](#)

[H.R. 7370](#)

[H.R. 7408](#)

[H.R. 6482](#)

[H.R. 7375](#)

[H.R. 7409](#)

[H.R. 7003](#)

[H.R. 7377](#)

[H.R. 7422](#)