

AMENDMENT TO RULES COMMITTEE PRINT 112-

29

OFFERED BY MR. HOLT OF NEW JERSEY

Add at the end the following:

1 **SEC. ____ . ELIGIBILITY FOR LEASES.**

2 (a) **LIMITATION ON ELIGIBILITY.**—

3 (1) **IN GENERAL.**—Beginning 1 year after the
4 date of enactment of this Act, the Secretary of the
5 Interior shall not offer any lease pursuant to this
6 Act to a person described in paragraph (2) unless
7 the person has renegotiated each covered lease with
8 respect to which the person is a lessee, to modify the
9 payment responsibilities of the person to require the
10 payment of royalties if the price of oil and natural
11 gas is greater than or equal to the price thresholds
12 described in clauses (v) through (vii) of section
13 8(a)(3)(C) of the Outer Continental Shelf Lands Act
14 (43 U.S.C. 1337(a)(3)(C)).

15 (2) **PERSONS DESCRIBED.**—A person referred
16 to in paragraph (1) is a person that—

17 (A) is a lessee that—

1 (i) holds a covered lease on the date
2 on which the Secretary considers the
3 issuance of the lease under this Act; or

4 (ii) was issued a covered lease before
5 the date of enactment of this Act, but
6 transferred the covered lease to another
7 person or entity (including a subsidiary or
8 affiliate of the lessee) after the date of en-
9 actment of this Act; or

10 (B) any other person that has any direct
11 or indirect interest in, or that derives any ben-
12 efit from, a covered lease.

13 (b) DEFINITIONS.—In this section:

14 (1) COVERED LEASE.—The term “covered
15 lease” means a lease for oil or gas production in the
16 Gulf of Mexico that is—

17 (A) in existence on the date of enactment
18 of this Act;

19 (B) issued by the Department of the Inte-
20 rior under section 304 of the Outer Continental
21 Shelf Deep Water Royalty Relief Act (43
22 U.S.C. 1337 note; Public Law 104–58); and

23 (C) not subject to limitations on royalty re-
24 lief based on market price that are equal to or
25 less than the price thresholds described in

1 clauses (v) through (vii) of section 8(a)(3)(C) of
2 the Outer Continental Shelf Lands Act (43
3 U.S.C. 1337(a)(3)(C)).

4 (2) LESSEE.—The term “lessee” includes any
5 person or other entity that controls, is controlled by,
6 or is in or under common control with, a lessee.

