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113TH CONGRESS
1ST SESSION

S. 598

To prohibit royalty incentives for deepwater drilling, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 18, 2013

Mrs. FEINSTEIN (for herself and Mr. NELSON) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

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A BILL

To prohibit royalty incentives for deepwater drilling, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Deepwater Drilling Royalty Relief Prohibition Act''.

SEC. 2. PROHIBITION ON ROYALTY INCENTIVES FOR DEEPWATER DRILLING.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of the Interior shall not issue any oil or gas lease sale under the Outer Continental Shelf

Lands Act (43 U.S.C. 1331 et seq.) with royalty-based incentives in any tract located in water depths of 400 meters or more on the outer Continental Shelf.

(b) ROYALTY RELIEF FOR DEEPWATER PRODUCTION.—Section 345 of the Energy Policy Act of 2005 (42 U.S.C. 15905) is repealed.

(c) ROYALTY RELIEF.—Section 8(a)(3) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)) is amended by adding at the end the following:

"(D) PROHIBITION.—Notwithstanding subparagraphs (A) through (C) or any other provision of law, the Secretary shall not reduce or eliminate any royalty or net profit share for any lease or unit located in water depths of 400 meters or more on the outer Continental Shelf.".

(d) APPLICATION.—This section and the amendments made by this section—

(1) apply beginning with the first lease sale held on or after the date of enactment of this Act for which a final notice of sale has not been published as of that date; and

(2) do not apply to a lease in effect on the date of enactment of this Act.

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