

EXCHANGE OF COAL PREFERENCE RIGHT LEASE
APPLICATIONS

DECEMBER 22, 2014.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. HASTINGS of Washington, from the Committee on Natural
Resources, submitted the following

R E P O R T

[To accompany H.R. 5176]

The Committee on Natural Resources, to whom was referred the bill (H.R. 5176) to authorize the Secretary of the Interior to retire coal preference right lease applications for which the Secretary has made an affirmative commercial quantities determination, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of H.R. 5176 is to authorize the Secretary of the Interior to retire coal preference right lease applications for which the Secretary has made an affirmative commercial quantities determination.

BACKGROUND AND NEED FOR LEGISLATION

H.R. 5176 helps resolve a decades-old Department of the Interior “statutory obligation” to the Navajo Nation stemming from provisions of the Navajo Hopi Settlement Act of 1974. This Act brought resolution to a boundary dispute between the Navajo Nation and the Hopi Tribe. In the settlement, the Navajo lost acreage from their reservation to the Hopi and many Navajo citizens were relocated. In return, the Navajo Nation was allowed to select comparable acreage on federal lands to be taken into trust for the Navajo.

By the early 1980s, the Navajo selected the federal lands they wanted to be taken into trust for them; however, some of the parcels selected were encumbered by “preference rights lease applica-

tions” (PRLAs). Until the PRLAs are addressed, the selected parcels of federal land cannot be taken into trust for the Navajo.

Further complicating the transfer of the selected parcels with PRLAs are subsequent conservation designations that prohibit development. These are the Fossil Forest and the Ah-shi-sle-pah Wilderness Study Area.

H.R. 5176 provides a general mechanism for the Secretary of the Interior to retire the PRLAs, provide the mineral owner a credit to be used in leasing minerals in another state, and make “state share” payments to the state where the new leases are issued. Preference right lease applications were included in the Mineral Leasing Act of 1920. The provision allowed mining companies to apply for an exclusive prospecting permit in areas not known to contain commercial quantities of coal. If commercial quantities of coal were found, the company had the right to obtain a “non-competitive” preference right lease. The Federal Coal Leasing Act Amendments of 1976 (FCLAA) eliminated those leasing mechanisms; PRLAs that were issued prior to the passage of the FCLAA continue to be processed.

COMMITTEE ACTION

H.R. 5176 was introduced on July 23, 2014, by Congressman Ben Ray Lujan (D–NM). The bill was referred to the Committee on Natural Resources, and within the Committee to the Subcommittee on Energy and Mineral Resources. On September 17, 2014, the Subcommittee held a hearing on the bill. On November 19, 2014, the Natural Resources Committee met to consider the bill. The Subcommittee on Energy and Mineral Resources was discharged by unanimous consent. No amendments were offered, and the bill, as amended, was adopted and ordered favorably reported to the House of Representatives by unanimous consent.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Regarding clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Natural Resources’ oversight findings and recommendations are reflected in the body of this report.

COMPLIANCE WITH HOUSE RULE XIII

1. Cost of Legislation. Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out this bill. However, clause 3(d)(2)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974. Under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has requested but not received a cost estimate for this bill from the Director of the Congressional Budget Office. The Committee believes that enactment of this bill may not have an effect on the federal budget.

2. Section 308(a) of Congressional Budget Act. As required by clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, this bill does not contain any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures.

3. General Performance Goals and Objectives. As required by clause 3(c)(4) of rule XIII, the general performance goal or objective of this bill is to authorize the Secretary of the Interior to retire coal preference right lease applications for which the Secretary has made an affirmative commercial quantities determination.

EARMARK STATEMENT

This bill does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined under clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives.

COMPLIANCE WITH PUBLIC LAW 104-4

This bill contains no unfunded mandates.

COMPLIANCE WITH H. RES. 5

Directed Rule Making. The Chairman does not believe that this bill directs any executive branch official to conduct any specific rule-making proceedings.

Duplication of Existing Programs. This bill does not establish or reauthorize a program of the federal government known to be duplicative of another program. Such program was not included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139 or identified in the most recent Catalog of Federal Domestic Assistance published pursuant to the Federal Program Information Act (Public Law 95-220, as amended by Public Law 98-169) as relating to other programs.

PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

This bill is not intended to preempt any State, local or tribal law.

CHANGES IN EXISTING LAW

If enacted, this bill would make no changes in existing law.