To amend the Outer Continental Shelf Lands Act to require payment of royalty on all oil and gas saved, removed, sold, or discharged under a lease under that Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES
JUNE 10, 2010
Ms. Pingree of Maine introduced the following bill; which was referred to the Committee on Natural Resources

A BILL
To amend the Outer Continental Shelf Lands Act to require payment of royalty on all oil and gas saved, removed, sold, or discharged under a lease under that Act, and for other purposes.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,
3 SECTION 1. SHORT TITLE.
4 This Act may be cited as the “Spilled Oil Royalty
5 Collection Act”.

SEC. 2. APPLICATION OF ROYALTY TO OIL THAT IS SAVED, REMOVED, SOLD, OR DISCHARGED UNDER OFFSHORE OIL AND GAS LEASES.

(a) In General.—Section 8(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)) is amended by adding at the end the following new paragraph:

“(9)(A) Notwithstanding the terms of any bidding otherwise authorized by paragraph (1) and the authority of the Secretary to reduce or eliminate royalty or net profit share under paragraph (3), any royalty under a lease under this section, other than a deepwater lease, shall apply to all oil that is saved, removed, sold, or discharged, without regard to whether any of the oil is unavoidably lost or used on, or for the benefit of, the lease.

“(B) Notwithstanding paragraphs (1) and (3)—

“(i) royalty shall apply to all oil that is discharged under a deepwater lease, at a rate of not less than 12 1⁄2 percent fixed by the Secretary in amount or value of any oil that is discharged; and

“(ii) such royalty shall apply without regard to whether any of the oil is thereafter unavoidably lost.

“(C) In this paragraph—

“(i) the term ‘deepwater lease’ means a lease for a tract in water depths of 200 meters or greater; and
“(ii) the term ‘discharged’ means any emission (other than natural seepage), intentional or unintentional, and includes, but is not limited to, spilling, leaking, pumping, pouring, emitting, emptying, or dumping.”.

(b) EFFECTIVE DATE.—This section shall take effect April 15, 2010.