

119TH CONGRESS
2D SESSION

S. 4605

To amend the Geothermal Steam Act of 1970 to provide cost-recovery
authority for the Department of the Interior.

IN THE SENATE OF THE UNITED STATES

MAY 20, 2026

Mr. GALLEGO introduced the following bill; which was read twice and referred
to the Committee on Energy and Natural Resources

A BILL

To amend the Geothermal Steam Act of 1970 to provide
cost-recovery authority for the Department of the Interior.

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 “Geothermal Cost-Re-
5 covery Authority Act of 2026”.

6 **SEC. 2. COST RECOVERY FROM GEOTHERMAL LEASING,**
7 **PERMITTING, AND INSPECTIONS.**

8 Section 6 of the Geothermal Steam Act of 1970 (30
9 U.S.C. 1005) is amended by adding at the end the fol-
10 lowing:

1 “(j) COST RECOVERY.—

2 “(1) IN GENERAL.—During the period that be-
3 gins on the date of enactment of this subsection and
4 ends September 30, 2032, the Secretary may require
5 an applicant for, or a holder of, a geothermal lease
6 to reimburse the United States for all reasonable ad-
7 ministrative and other costs incurred by the United
8 States from—

9 “(A) processing the application for the
10 geothermal lease, including any application for
11 an operations plan, geothermal drilling permit,
12 utilization plan, site license, facility construc-
13 tion permit, commercial use permit, and any
14 other approval associated with a geothermal
15 lease; and

16 “(B) inspecting and monitoring—

17 “(i) geophysical exploration activities;

18 “(ii) the drilling, plugging, and aban-
19 donment of wells; and

20 “(iii) the construction, operation, ter-
21 mination, and reclamation of any well site
22 or facility for the utilization of geothermal
23 resources pursuant to the geothermal
24 lease.

1 “(2) CONSIDERATIONS.—In determining wheth-
2 er to require reimbursement under paragraph (1),
3 the Secretary shall consider whether there is in ex-
4 istence a cooperative cost share agreement between
5 the United States and the holder of a geothermal
6 lease.

7 “(3) ADJUSTMENTS.—The Secretary may re-
8 duce the amount to be reimbursed under paragraph
9 (1) if the Secretary determines—

10 “(A) that full reimbursement would impose
11 an economic hardship on the applicant; or

12 “(B) that a less than full reimbursement is
13 necessary to promote the greatest use of geo-
14 thermal resources.

15 “(4) USE.—The amounts reimbursed under this
16 subsection shall be credited to the currently applica-
17 ble appropriation, account, or fund of the Depart-
18 ment of the Interior as discretionary offsetting col-
19 lections, and shall be available only to the extent
20 provided in advance in appropriations Acts for—

21 “(A) processing the application for geo-
22 thermal leases, including any application for op-
23 erations plans, geothermal drilling permits, uti-
24 lization plans, site licenses, facility construction

1 permits, commercial use permits, and any other
2 approval associated with geothermal leases; and
3 “(B) inspecting and monitoring—
4 “(i) geophysical exploration activities;
5 “(ii) the drilling, plugging, and abandon-
6 donment of wells; and
7 “(iii) the construction, operation, ter-
8 mination, and reclamation of any well site
9 or facility for the utilization of geothermal
10 resources pursuant to geothermal leases.”.

11 **SEC. 3. REPORT.**

12 (a) REPORT.—Not later than 5 years after the date
13 of enactment of this Act, the Secretary of the Interior,
14 in consultation with the geothermal industry and other
15 stakeholders, shall submit to the Committee on Natural
16 Resources of the House of Representatives and the Com-
17 mittee on Energy and Natural Resources of the Senate,
18 and make publicly available on the website of the Depart-
19 ment of the Interior, a report that includes—

- 20 (1) an assessment of how the amendments
21 made by section 2 of this Act affected the Bureau
22 of Land Management’s geothermal program;
23 (2) any recommendations for reauthorization of
24 section 6(j) of the Geothermal Steam Act of 1970,
25 as added by this Act; and

1 (3) any other recommendations for updates to
2 such section and the Bureau of Land Management's
3 geothermal program.

4 (b) CONSIDERATIONS.—In developing the report re-
5 quired in subsection (a), the Secretary of the Interior shall
6 solicit facts or information from the geothermal industry
7 and other stakeholders.

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