Union Calendar No. 457

108TH CONGRESS
2D SESSION

H. R. 4984

[Report No. 108–739]

To provide that the royalty rate on the output from Federal lands of potassium and potassium compounds from the mineral sylvite in the 5-year period beginning on the date of the enactment of this Act shall be reduced to 1.0 percent, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

JULY 22, 2004

Mr. PEARCE introduced the following bill; which was referred to the Committee on Resources

OCTOBER 6, 2004

Additional sponsor: Mr. STENHOLM

OCTOBER 6, 2004

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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A BILL

To provide that the royalty rate on the output from Federal lands of potassium and potassium compounds from the mineral sylvite in the 5-year period beginning on the date of the enactment of this Act shall be reduced to 1.0 percent, 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 "Potash Royalty Reduc-

5 tion Act of 2004".

6 **SEC. 2. POTASSIUM AND POTASSIUM COMPOUNDS FROM**

7   **SYLVITE.**

8   (a) ROYALTY RATE.—Notwithstanding section

9 102(a)(9) of the Federal Land Policy and Management

10 Act of 1976 (43 U.S.C. 1701(a)(9)), section 2 of the Act

11 of February 7, 1927 (30 U.S.C. 282) and the term of any

12 lease issued under such section 2, the royalty rate on the

13 quantity or gross value of the output from Federal lands

14 of potassium and potassium compounds from the mineral

15 sylvite at the point of shipment to market in the 5-year

16 period beginning on the date of the enactment of this Act

17 shall be 1.0 percent.

18   (b) RECLAMATION FUND.—Fifty percentum of any

19 royalties paid pursuant to this Act during the 5-year pe-

20 riod referred to in subsection (a), together with any inter-

21 est earned from the date of payment, shall be paid by the

22 Secretary of the Treasury to the payor of the royalties

23 to be used solely for land reclamation purposes in accord-

24 ance with a schedule to implement a reclamation plan for

25 the lands for which the royalties are paid. No payment

1 shall be made by the Secretary of the Treasury pursuant
2 to this subsection until the Secretary of the Interior re-
3 ceives from the payor of the royalties, and approves, the
4 reclamation plan and schedule, and submits the approved
5 schedule to the Secretary of the Treasury. The share of
6 royalties held by the Secretary of the Treasury pursuant
7 to this subsection, and interest earned thereon, shall be
8 available until paid pursuant to this subsection, without
9 further appropriation; shall not be considered as money
10 received under section 35 of the Mineral Leasing Act (30
11 U.S.C. 191) for the purpose of revenue allocation; and
12 shall not be reduced by any administrative or other costs
13 incurred by the United States.

14 (c) STUDY AND REPORT.—After the end of the 4-
15 year period beginning on the date of the enactment of this
16 Act, and before the end of the 5-year period beginning
17 on that date, the Secretary of the Interior shall report to
18 the Congress on the effects of the royalty reduction under
19 this Act, including a recommendation on whether the re-
20 duced royalty rate for potassium from sylvite should apply
21 after the end of the 5-year period.

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