

116TH CONGRESS  
2D SESSION

# H. R. 7781

To eliminate certain subsidies for fossil-fuel production.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 24, 2020

Ms. OMAR (for herself, Ms. BARRAGÁN, Ms. PRESSLEY, Mr. TAKANO, Mr. GARCÍA of Illinois, Mrs. NAPOLITANO, Mr. KENNEDY, Mr. BLUMENAUER, Ms. TLAIB, Ms. OCASIO-CORTEZ, and Mr. GOMEZ) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Natural Resources, Transportation and Infrastructure, Science, Space, and Technology, Energy and Commerce, Agriculture, Financial Services, the Judiciary, Appropriations, and Foreign Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To eliminate certain subsidies for fossil-fuel production.

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 “End Polluter Welfare  
5 Act of 2020”.

### 6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

## TITLE I—ELIMINATION OF SUBSIDIES FOR FOSSIL-FUEL PRODUCTION

- Sec. 101. Definition of fossil fuel.
- Sec. 102. Royalty relief.
- Sec. 103. Royalties under Mineral Leasing Act.
- Sec. 104. Elimination of interest payments for royalty overpayments.
- Sec. 105. Removal of limits on liability for offshore facilities and pipeline operators.
- Sec. 106. Restrictions on use of appropriated funds by international financial institutions for projects that support fossil fuel.
- Sec. 107. Fossil Energy Research and Development Program.
- Sec. 108. Advanced Research Projects Agency—Energy.
- Sec. 109. Incentives for innovative technologies.
- Sec. 110. Rural Utility Service loan guarantees.
- Sec. 111. Prohibition on use of funds by the United States International Development Finance Corporation or the Export-Import Bank of the United States for financing projects, transactions, or other activities that support fossil fuel.
- Sec. 112. Transportation funds for grants, loans, loan guarantees, and other direct assistance.
- Sec. 113. Elimination of exclusion of certain lenders as owners or operators under CERCLA.
- Sec. 114. Termination of various tax expenditures relating to fossil fuels.
- Sec. 115. Termination of certain deductions and credits related to fossil fuels.
- Sec. 116. Uniform seven-year amortization for geological and geophysical expenditures.
- Sec. 117. Natural gas gathering lines treated as 15-year property.
- Sec. 118. Termination of last-in, first-out method of inventory for oil, natural gas, and coal companies.
- Sec. 119. Repeal of percentage depletion for coal and hard mineral fossil fuels.
- Sec. 120. Termination of capital gains treatment for royalties from coal.
- Sec. 121. Modifications of foreign tax credit rules applicable to oil and gas industry taxpayers receiving specific economic benefits.
- Sec. 122. Increase in oil spill liability trust fund financing rate.
- Sec. 123. Application of certain environmental taxes to synthetic crude oil.
- Sec. 124. Denial of deduction for removal costs and damages for certain oil spills.
- Sec. 125. Tax on crude oil and natural gas produced from the outer Continental Shelf in the Gulf of Mexico.
- Sec. 126. Repeal of corporate income tax exemption for publicly traded partnerships with qualifying income and gains from activities relating to fossil fuels.
- Sec. 127. Amortization of qualified tertiary injectant expenses.
- Sec. 128. Amortization of development expenditures.
- Sec. 129. Amortization of certain mining exploration expenditures.
- Sec. 130. Amortization of intangible drilling and development costs in the case of oil and gas wells and geothermal wells.
- Sec. 131. Permanent excise tax rate for funding of Black Lung Disability Trust Fund.
- Sec. 132. Termination of renewable electricity production credit eligibility for refined coal.
- Sec. 133. Treatment of foreign oil related income as subpart F income.

- Sec. 134. Repeal of exclusion of foreign oil and gas extraction income from the determination of tested income.
- Sec. 135. Termination of credit for carbon oxide sequestration.
- Sec. 136. Powder River Basin.
- Sec. 137. Study and elimination of additional fossil fuel subsidies.

## TITLE II—ADDITIONAL LIMITATIONS ON CERTAIN FOSSIL-FUEL PRODUCTION SUBSIDIES

- Sec. 201. Limitation on certain forms of assistance under the CARES Act.
- Sec. 202. Limitations on banks operating fossil fuel companies.
- Sec. 203. Moratorium on oil and natural gas lease sales, noncompetitive leases for oil or natural gas, the issuance of coal leases, and modifications to certain regulations.
- Sec. 204. Strategic Petroleum Reserve.
- Sec. 205. Limitation on availability of funds under the Defense Production Act of 1950.
- Sec. 206. Repeal of royalty relief provisions.
- Sec. 207. Extension of public comment periods and suspension of rulemaking.

# 1 **TITLE I—ELIMINATION OF SUB-** 2 **SIDIES FOR FOSSIL-FUEL** 3 **PRODUCTION**

## 4 **SEC. 101. DEFINITION OF FOSSIL FUEL.**

5 In this Act, the term “fossil fuel” means coal, petro-  
6 leum, natural gas, or any derivative of coal, petroleum,  
7 or natural gas that is used for fuel.

## 8 **SEC. 102. ROYALTY RELIEF.**

9 (a) IN GENERAL.—

10 (1) OUTER CONTINENTAL SHELF LANDS ACT.—

11 Section 8(a)(3) of the Outer Continental Shelf  
12 Lands Act (43 U.S.C. 1337(a)(3)) is amended—

13 (A) by striking subparagraph (B); and

14 (B) by redesignating subparagraph (C) as  
15 subparagraph (B).

16 (2) ENERGY POLICY ACT OF 2005.—

1 (A) INCENTIVES FOR NATURAL GAS PRO-  
2 Duction FROM DEEP WELLS IN THE SHALLOW  
3 WATERS OF THE GULF OF MEXICO.—Section  
4 344 of the Energy Policy Act of 2005 (42  
5 U.S.C. 15904) is repealed.

6 (B) DEEP WATER PRODUCTION.—Section  
7 345 of the Energy Policy Act of 2005 (42  
8 U.S.C. 15905) is repealed.

9 (b) FUTURE PROVISIONS.—Notwithstanding any  
10 other provision of law, royalty relief shall not be permitted  
11 under a lease issued under section 8 of the Outer Conti-  
12 nental Shelf Lands Act (43 U.S.C. 1337).

13 **SEC. 103. ROYALTIES UNDER MINERAL LEASING ACT.**

14 (a) COAL LEASES.—Section 7(a) of the Mineral  
15 Leasing Act (30 U.S.C. 207(a)) is amended in the fourth  
16 sentence by striking “12½ per centum” and inserting  
17 “18¾ percent”.

18 (b) LEASES ON LAND ON WHICH OIL OR NATURAL  
19 GAS IS DISCOVERED.—Section 14 of the Mineral Leasing  
20 Act (30 U.S.C. 223) is amended in the fourth sentence  
21 by striking “12½ per centum” and inserting “18¾ per-  
22 cent”.

23 (c) LEASES ON LAND KNOWN OR BELIEVED TO  
24 CONTAIN OIL OR NATURAL GAS.—Section 17 of the Min-  
25 eral Leasing Act (30 U.S.C. 226) is amended—

1 (1) in subsection (b)—

2 (A) in paragraph (1)(A), in the fifth sen-  
 3 tence, by striking “12.5 percent” and inserting  
 4 “18<sup>3</sup>/<sub>4</sub> percent”; and

5 (B) in paragraph (2)(A)(ii), by striking  
 6 “12<sup>1</sup>/<sub>2</sub> per centum” and inserting “18<sup>3</sup>/<sub>4</sub> per-  
 7 cent”;

8 (2) in subsection (c)(1), in the second sentence,  
 9 by striking “12.5 percent” and inserting “18<sup>3</sup>/<sub>4</sub> per-  
 10 cent”;

11 (3) in subsection (l), by striking “12<sup>1</sup>/<sub>2</sub> per cen-  
 12 tum” each place it appears and inserting “18<sup>3</sup>/<sub>4</sub> per-  
 13 cent”; and

14 (4) in subsection (n)(1)(C), by striking “12<sup>1</sup>/<sub>2</sub>  
 15 per centum” and inserting “18<sup>3</sup>/<sub>4</sub> percent”.

16 **SEC. 104. ELIMINATION OF INTEREST PAYMENTS FOR ROY-**  
 17 **ALTY OVERPAYMENTS.**

18 Section 111 of the Federal Oil and Gas Royalty Man-  
 19 agement Act of 1982 (30 U.S.C. 1721) is amended by  
 20 adding at the end the following:

21 “(k) PAYMENT OF INTEREST.—Interest shall not be  
 22 paid on any overpayment.”.

1 **SEC. 105. REMOVAL OF LIMITS ON LIABILITY FOR OFF-**  
 2 **SHORE FACILITIES AND PIPELINE OPERA-**  
 3 **TORS.**

4 Section 1004(a) of the Oil Pollution Act of 1990 (33  
 5 U.S.C. 2704(a)) is amended—

6 (1) in paragraph (3), by striking “plus  
 7 \$75,000,000; and” and inserting “and the liability  
 8 of the responsible party under section 1002;”;

9 (2) in paragraph (4)—

10 (A) by inserting “(except an onshore pipe-  
 11 line transporting diluted bitumen, bituminous  
 12 mixtures, or any oil manufactured from bitu-  
 13 men)” after “for any onshore facility”; and

14 (B) by striking the period at the end and  
 15 inserting “; and”; and

16 (3) by adding at the end the following:

17 “(5) for any onshore facility transporting di-  
 18 luted bitumen, bituminous mixtures, or any oil man-  
 19 ufactured from bitumen, the liability of the respon-  
 20 sible party under section 1002.”.

21 **SEC. 106. RESTRICTIONS ON USE OF APPROPRIATED**  
 22 **FUNDS BY INTERNATIONAL FINANCIAL INSTI-**  
 23 **TUTIONS FOR PROJECTS THAT SUPPORT**  
 24 **FOSSIL FUEL.**

25 (a) RESCISSION OF UNOBLIGATED FUNDS.—

1           (1) IN GENERAL.—Of the unobligated balance  
2           of amounts appropriated or otherwise made available  
3           for a contribution of the United States to an inter-  
4           national financial institution, an amount specified in  
5           paragraph (2) shall be rescinded if the institution  
6           provides support for a project that supports the pro-  
7           duction or use of fossil fuels.

8           (2) AMOUNT SPECIFIED.—The amount specified  
9           in this paragraph is an amount the Secretary of the  
10          Treasury determines to be equivalent to the amount  
11          of support provided by an international financial in-  
12          stitution described in paragraph (1) for a project  
13          that supports the production or use of fossil fuels.

14          (b) PROHIBITION ON USE OF FUTURE FUNDS.—No  
15          amounts appropriated or otherwise made available for a  
16          contribution of the United States to an international fi-  
17          nancial institution may be provided to the institution un-  
18          less the institution agrees to not use the amount to provide  
19          support for any project that supports the production or  
20          use of fossil fuels.

21          (c) INTERNATIONAL FINANCIAL INSTITUTION DE-  
22          FINED.—In this section, the term “international financial  
23          institution” has the meaning given that term in section  
24          1701(c) of the International Financial Institutions Act  
25          (22 U.S.C. 262r(c)).

1 **SEC. 107. FOSSIL ENERGY RESEARCH AND DEVELOPMENT**  
2 **PROGRAM.**

3 (a) **TERMINATION OF AUTHORITY.**—Notwithstanding  
4 any other provision of law, the authority of the Secretary  
5 of Energy to carry out the Fossil Energy Research and  
6 Development Program of the Department of Energy is  
7 terminated.

8 (b) **RESCISSION.**—Notwithstanding any other provi-  
9 sion of law—

10 (1) all amounts made available for the Fossil  
11 Energy Research and Development Program that re-  
12 main unobligated as of the date of enactment of this  
13 Act are rescinded; and

14 (2) no amounts made available after the date of  
15 enactment of this Act for the Fossil Energy Re-  
16 search and Development Program shall be expended,  
17 other than such amounts as are necessary to cover  
18 costs incurred in terminating ongoing research of  
19 the Fossil Energy Research and Development Pro-  
20 gram, as determined by the Secretary of Energy, in  
21 consultation with other appropriate Federal agen-  
22 cies.



1 **SEC. 108. ADVANCED RESEARCH PROJECTS AGENCY—EN-**  
2 **ERGY.**

3 None of the funds made available to the Advanced  
4 Research Projects Agency—Energy shall be used to carry  
5 out any project that supports fossil fuel.

6 **SEC. 109. INCENTIVES FOR INNOVATIVE TECHNOLOGIES.**

7 (a) IN GENERAL.—Section 1703 of the Energy Policy  
8 Act of 2005 (42 U.S.C. 16513) is amended—

9 (1) in subsection (b)—

10 (A) by striking paragraph (2);

11 (B) by redesignating paragraphs (3)  
12 through (9) as paragraphs (2) through (8), re-  
13 spectively; and

14 (C) by striking paragraph (10);

15 (2) by striking subsection (c); and

16 (3) by redesignating subsections (d) and (e) as  
17 subsections (c) and (d), respectively.

18 (b) CONFORMING AMENDMENT.—Section 1704 of the  
19 Energy Policy Act of 2005 (42 U.S.C. 16514) is amend-  
20 ed—

21 (1) by striking the section designation and  
22 heading and all that follows through “There are” in  
23 subsection (a) and inserting the following:

24 **“SEC. 1704. AUTHORIZATION OF APPROPRIATIONS.**

25 “There are”; and

26 (2) by striking subsection (b).

1 **SEC. 110. RURAL UTILITY SERVICE LOAN GUARANTEES.**

2       Notwithstanding any other provision of law, the Sec-  
3 retary of Agriculture may not make a loan under title III  
4 of the Rural Electrification Act of 1936 (7 U.S.C. 931  
5 et seq.) to an applicant for the purpose of carrying out  
6 any project that will use fossil fuel.

7 **SEC. 111. PROHIBITION ON USE OF FUNDS BY THE UNITED**  
8 **STATES INTERNATIONAL DEVELOPMENT FI-**  
9 **NANCE CORPORATION OR THE EXPORT-IM-**  
10 **PORT BANK OF THE UNITED STATES FOR FI-**  
11 **NANCING PROJECTS, TRANSACTIONS, OR**  
12 **OTHER ACTIVITIES THAT SUPPORT FOSSIL**  
13 **FUEL.**

14       Notwithstanding any other provision of law, no  
15 amounts appropriated or otherwise made available for the  
16 United States International Development Finance Cor-  
17 poration or the Export-Import Bank of the United States  
18 that are available for obligation on or after the date of  
19 the enactment of this Act may be obligated or expended  
20 to support any project, transaction, or other activity that  
21 supports the production or use of fossil fuels.

22 **SEC. 112. TRANSPORTATION FUNDS FOR GRANTS, LOANS,**  
23 **LOAN GUARANTEES, AND OTHER DIRECT AS-**  
24 **SISTANCE.**

25       Notwithstanding any other provision of law, any  
26 amounts made available to the Department of Transpor-

1 tation (including the Federal Railroad Administration)  
 2 may not be used to award any grant, loan, loan guarantee,  
 3 or provide any other direct assistance to any rail facility  
 4 or port project that transports fossil fuel.

5 **SEC. 113. ELIMINATION OF EXCLUSION OF CERTAIN LEND-**  
 6 **ERS AS OWNERS OR OPERATORS UNDER**  
 7 **CERCLA.**

8 Section 101(20)(F) of the Comprehensive Environ-  
 9 mental Response, Compensation, and Liability Act of  
 10 1980 (42 U.S.C. 9601(20)(F)) is amended by adding at  
 11 the end the following:

12 “(iii) INELIGIBLE LENDERS.—The ex-  
 13 clusions under clauses (i) and (ii) shall not  
 14 apply to a person that is a lender that is—  
 15 “(I) an investment company reg-  
 16 istered under the Investment Com-  
 17 pany Act of 1940 (15 U.S.C. 80a–1 et  
 18 seq.), investment adviser (as defined  
 19 in section 202(a) of the Investment  
 20 Advisers Act of 1940 (15 U.S.C. 80b–  
 21 2(a))), or broker or dealer (as those  
 22 terms are defined in section 3(a) of  
 23 the Securities Exchange Act of 1934  
 24 (15 U.S.C. 78c(a))) with

1                   \$250,000,000,000 or more in assets  
 2                   under management; or  
 3                   “(II) a bank holding company (as  
 4                   defined in section 2 of the Bank Hold-  
 5                   ing Company Act of 1956 (12 U.S.C.  
 6                   1841)) with \$10,000,000,000 or more  
 7                   in total consolidated assets.”.

8   **SEC. 114. TERMINATION OF VARIOUS TAX EXPENDITURES**  
 9                   **RELATING TO FOSSIL FUELS.**

10       (a) IN GENERAL.—Subchapter C of chapter 80 of the  
 11 Internal Revenue Code of 1986 is amended by adding at  
 12 the end the following new section:

13   **“SEC. 7875. TERMINATION OF CERTAIN PROVISIONS RELAT-**  
 14                   **ING TO FOSSIL-FUEL INCENTIVES.**

15       “(a) IN GENERAL.—The following provisions shall  
 16 not apply to taxable years beginning after the date of the  
 17 enactment of the End Polluter Welfare Act of 2020:

18               “(1) Section 43 (relating to enhanced oil recov-  
 19       ery credit).

20               “(2) Section 45I (relating to credit for pro-  
 21       ducing oil and natural gas from marginal wells).

22               “(3) Section 461(i)(2) (relating to special rule  
 23       for spudding of oil or natural gas wells).

24               “(4) Section 469(c)(3)(A) (relating to working  
 25       interests in oil and natural gas property).

1           “(5) Section 613A (relating to limitations on  
2       percentage depletion in case of oil and natural gas  
3       wells).

4       “(b) PROVISIONS RELATING TO PROPERTY.—The  
5       following provisions shall not apply to property placed in  
6       service after the date of the enactment of the End Polluter  
7       Welfare Act of 2020:

8           “(1) Section 168(e)(3)(C)(iii) (relating to clas-  
9       sification of certain property).

10          “(2) Section 169 (relating to amortization of  
11       pollution control facilities) with respect to any at-  
12       mospheric pollution control facility.

13       “(c) PROVISIONS RELATING TO COSTS AND EX-  
14       PENSES.—The following provisions shall not apply to costs  
15       or expenses paid or incurred after the date of the enact-  
16       ment of the End Polluter Welfare Act of 2020:

17          “(1) Section 179B (relating to deduction for  
18       capital costs incurred in complying with Environ-  
19       mental Protection Agency sulfur regulations).

20          “(2) Section 468 (relating to special rules for  
21       mining and solid waste reclamation and closing  
22       costs).

23       “(d) ALLOCATED CREDITS.—No new credits shall be  
24       certified under section 48A (relating to qualifying ad-  
25       vanced coal project credit) or section 48B (relating to

1 qualifying gasification project credit) after the date of the  
2 enactment of the End Polluter Welfare Act of 2020.

3 “(e) ARBITRAGE BONDS.—Section 148(b)(4) (relat-  
4 ing to safe harbor for prepaid natural gas) shall not apply  
5 to obligations issued after the date of the enactment of  
6 the End Polluter Welfare Act of 2020.”.

7 (b) CONFORMING AMENDMENTS.—

8 (1) Section 613(d) of the Internal Revenue  
9 Code of 1986 is amended by striking “Except as  
10 provided in section 613A, in the case” and inserting  
11 “In the case”.

12 (2) The table of sections for subchapter C of  
13 chapter 90 of such Code is amended by adding at  
14 the end the following new item:

“Sec. 7875. Termination of certain provisions.”.

15 **SEC. 115. TERMINATION OF CERTAIN DEDUCTIONS AND**  
16 **CREDITS RELATED TO FOSSIL FUELS.**

17 (a) SPECIAL ALLOWANCE FOR CERTAIN PROP-  
18 erty.—Section 168(k) of the Internal Revenue Code of  
19 1986 is amended by adding at the end the following:

20 “(11) FOSSIL FUEL PROPERTY.—

21 “(A) IN GENERAL.—This subsection shall  
22 not apply with respect to any property which is  
23 primarily used for fossil fuel activities and is  
24 placed in service during any taxable year begin-

ning after the date of the enactment of the End  
Polluter Welfare Act of 2020.

“(B) FOSSIL FUEL ACTIVITIES.—For purposes of this paragraph, the term ‘fossil fuel activities’ means the exploration, development, mining or production, processing, refining, transportation (including pipelines transporting gas, oil, or products thereof), distribution, or marketing of coal, petroleum, natural gas, or any derivative of coal, petroleum, or natural gas that is used for fuel.

“(C) EXCEPTION.—The property described in subparagraph (A) shall not include any motor vehicle service station or convenience store which does not qualify as a retail motor fuels outlet under subsection (e)(3)(E)(iii).”.

(b) QUALIFIED BUSINESS INCOME.—Section 199A(c)(3)(B) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

“(viii) Any item of gain or loss derived from fossil fuel activities (as defined in section 168(k)(11)(B)) during any taxable year beginning after the date of the enactment of the End Polluter Welfare Act of 2020.”.

1       (c) CREDIT FOR INCREASING RESEARCH ACTIVI-  
 2 TIES.—Section 41(d)(4) of the Internal Revenue Code of  
 3 1986 is amended by adding at the end the following:

4               “(I) FOSSIL FUEL ACTIVITIES.—Any re-  
 5 search related to fossil fuel activities (as defined  
 6 in section 168(k)(11)(B)) which is conducted  
 7 after the date of the enactment of the End Pol-  
 8 luter Welfare Act of 2020.”.

9       (d) FOREIGN-DERIVED INTANGIBLE INCOME.—Sub-  
 10 clause (V) of section 250(b)(3)(A)(i) of the Internal Rev-  
 11 enue Code of 1986 is amended to read as follows:

12               “(V) any income derived from  
 13 fossil fuel activities (as defined in sec-  
 14 tion 168(k)(11)(B)) during any tax-  
 15 able year beginning after the date of  
 16 the enactment of the End Polluter  
 17 Welfare Act of 2020, and”.

18       (e) EXCHANGE OF REAL PROPERTY HELD FOR PRO-  
 19 DUCTIVE USE OR INVESTMENT.—Section 1031(a)(2) of  
 20 the Internal Revenue Code of 1986 is amended to read  
 21 as follows:

22               “(2) EXCEPTIONS.—This subsection shall not  
 23 apply to—

24               “(A) any exchange of real property held  
 25 primarily for sale, or



1 “(B) any exchange of real property  
2 which—

3 “(i) is used for fossil fuel activities (as  
4 defined in section 168(k)(11)(B)), and

5 “(ii) occurs after the date of the en-  
6 actment of the End Polluter Welfare Act  
7 of 2020.”.

8 **SEC. 116. UNIFORM SEVEN-YEAR AMORTIZATION FOR GEO-**  
9 **LOGICAL AND GEOPHYSICAL EXPENDITURES.**

10 (a) IN GENERAL.—Section 167(h) of the Internal  
11 Revenue Code of 1986 is amended—

12 (1) by striking “24-month period” each place it  
13 appears in paragraphs (1) and (4) and inserting  
14 “84-month period”,

15 (2) by striking paragraph (2) and inserting the  
16 following:

17 “(2) MID-MONTH CONVENTION.—For purposes  
18 of paragraph (1), any payment paid or incurred dur-  
19 ing any month shall be treated as paid or incurred  
20 on the mid-point of such month.”, and

21 (3) by striking paragraph (5).

22 (b) EFFECTIVE DATE.—The amendments made by  
23 this section shall apply to amounts paid or incurred after  
24 the date of the enactment of this Act.

1 **SEC. 117. NATURAL GAS GATHERING LINES TREATED AS 15-**  
 2 **YEAR PROPERTY.**

3 (a) IN GENERAL.—Section 168(e)(3)(E) of the Inter-  
 4 nal Revenue Code of 1986 is amended by striking “and”  
 5 at the end of clause (v), by striking the period at the end  
 6 of clause (vi) and inserting “, and”, and by adding at the  
 7 end the following new clause:

8 “(vii) any natural gas gathering line  
 9 the original use of which commences with  
 10 the taxpayer after the date of the enact-  
 11 ment of this clause.”.

12 (b) ALTERNATIVE SYSTEM.—The table contained in  
 13 section 168(g)(3)(B) of the Internal Revenue Code of  
 14 1986 is amended by inserting after the item relating to  
 15 subparagraph (E)(vi) the following new item:

“(E)(vii) ..... 22”.

16 (c) CONFORMING AMENDMENT.—Clause (iv) of sec-  
 17 tion 168(e)(3)(C) of the Internal Revenue Code of 1986  
 18 is amended by inserting “and on or before the date of the  
 19 enactment of the End Polluter Welfare Act of 2020” after  
 20 “April 11, 2005”.

21 (d) EFFECTIVE DATE.—

22 (1) IN GENERAL.—The amendments made by  
 23 this section shall apply to property placed in service  
 24 on and after the date of the enactment of this Act.

1           (2) EXCEPTION.—The amendments made by  
 2           this section shall not apply to any property with re-  
 3           spect to which the taxpayer or a related party has  
 4           entered into a binding contract for the construction  
 5           thereof on or before the date of the introduction of  
 6           this Act, or, in the case of self-constructed property,  
 7           has started construction on or before such date.

8   **SEC. 118. TERMINATION OF LAST-IN, FIRST-OUT METHOD**  
 9                           **OF INVENTORY FOR OIL, NATURAL GAS, AND**  
 10                          **COAL COMPANIES.**

11       (a) IN GENERAL.—Section 472 of the Internal Rev-  
 12       enue Code of 1986 is amended by adding at the end the  
 13       following new subsection:

14       “(h) TERMINATION FOR OIL, NATURAL GAS, AND  
 15       COAL COMPANIES.—Subsection (a) shall not apply to any  
 16       taxpayer that is in the trade or business of the production,  
 17       refining, processing, transportation, or distribution of oil,  
 18       natural gas, or coal for any taxable year beginning after  
 19       the date of enactment of the End Polluter Welfare Act  
 20       of 2020.”.

21       (b) ADDITIONAL TERMINATION.—Section 473 of the  
 22       Internal Revenue Code of 1986 is amended by adding at  
 23       the end the following new subsection:

24       “(h) TERMINATION FOR OIL, NATURAL GAS, AND  
 25       COAL COMPANIES.—This section shall not apply to any

1 taxpayer that is in the trade or business of the production,  
 2 refining, processing, transportation, or distribution of oil,  
 3 natural gas, or coal for any taxable year beginning after  
 4 the date of enactment of the End Polluter Welfare Act  
 5 of 2020.”.

6 (c) CHANGE IN METHOD OF ACCOUNTING.—In the  
 7 case of any taxpayer required by the amendments made  
 8 by this section to change its method of accounting for its  
 9 first taxable year beginning after the date of enactment  
 10 of this Act—

11 (1) such change shall be treated as initiated by  
 12 the taxpayer, and

13 (2) such change shall be treated as made with  
 14 the consent of the Secretary of the Treasury.

15 (d) EFFECTIVE DATE.—The amendments made by  
 16 this section shall apply to taxable years beginning after  
 17 the date of enactment of this Act.

18 **SEC. 119. REPEAL OF PERCENTAGE DEPLETION FOR COAL**  
 19 **AND HARD MINERAL FOSSIL FUELS.**

20 (a) IN GENERAL.—Section 613 of the Internal Rev-  
 21 enue Code of 1986 is amended by adding at the end the  
 22 following new subsection:

23 “(f) TERMINATION WITH RESPECT TO COAL AND  
 24 HARD MINERAL FOSSIL FUELS.—In the case of coal, lig-  
 25 nite, and oil shale (other than oil shale described in sub-

1 section (b)(5)), the allowance for depletion shall be com-  
 2 puted without reference to this section for any taxable  
 3 year beginning after the date of the enactment of the End  
 4 Polluter Welfare Act of 2020.”.

5 (b) CONFORMING AMENDMENTS.—

6 (1) COAL AND LIGNITE.—Section 613(b)(4) of  
 7 the Internal Revenue Code of 1986 is amended by  
 8 striking “coal, lignite,”.

9 (2) OIL SHALE.—Section 613(b)(2) of such  
 10 Code is amended to read as follows:

11 “(2) 15 PERCENT.—If, from deposits in the  
 12 United States, gold, silver, copper, and iron ore.”.

13 (c) EFFECTIVE DATE.—The amendments made by  
 14 this section shall apply to taxable years beginning after  
 15 the date of the enactment of this Act.

16 **SEC. 120. TERMINATION OF CAPITAL GAINS TREATMENT**  
 17 **FOR ROYALTIES FROM COAL.**

18 (a) IN GENERAL.—Subsection (c) of section 631 of  
 19 the Internal Revenue Code of 1986 is amended—

20 (1) by striking “coal (including lignite), or iron  
 21 ore” and inserting “iron ore”,

22 (2) by striking “coal or iron ore” each place it  
 23 appears and inserting “iron ore”,

24 (3) by striking “iron ore or coal” each place it  
 25 appears and inserting “iron ore”, and

1 (4) by striking “COAL OR” in the heading.

2 (b) CONFORMING AMENDMENTS.—

3 (1) The heading of section 631 of the Internal  
4 Revenue Code of 1986 is amended by striking “,  
5 **COAL,**”.

6 (2) Section 1231(b)(2) of such Code is amend-  
7 ed by striking “, coal,”.

8 (c) EFFECTIVE DATE.—The amendments made by  
9 this section shall apply to dispositions after the date of  
10 the enactment of this Act.

11 **SEC. 121. MODIFICATIONS OF FOREIGN TAX CREDIT RULES**

12 **APPLICABLE TO OIL AND GAS INDUSTRY TAX-**  
13 **PAYERS RECEIVING SPECIFIC ECONOMIC**  
14 **BENEFITS.**

15 (a) IN GENERAL.—Section 901 of the Internal Rev-  
16 enue Code of 1986 is amended by redesignating subsection  
17 (n) as subsection (o) and by inserting after subsection (m)  
18 the following new subsection:

19 “(n) SPECIAL RULES RELATING TO DUAL CAPACITY  
20 TAXPAYERS.—

21 “(1) GENERAL RULE.—Notwithstanding any  
22 other provision of this chapter, any amount paid or  
23 accrued to a foreign country or possession of the  
24 United States for any period by a dual capacity tax-  
25 payer which is in the trade or business of the pro-

1       duction, refining, processing, transportation, or dis-  
2       tribution of fossil fuel shall not be considered a  
3       tax—

4               “(A) if, for such period, the foreign coun-  
5       try or possession does not impose a generally  
6       applicable income tax, or

7               “(B) to the extent such amount exceeds  
8       the amount (determined in accordance with reg-  
9       ulations) which—

10              “(i) is paid by such dual capacity tax-  
11       payer pursuant to the generally applicable  
12       income tax imposed by the country or pos-  
13       session, or

14              “(ii) would be paid if no amount other  
15       than the amount required to be paid by  
16       such taxpayer under the generally applica-  
17       ble income tax imposed by the country or  
18       possession were paid or accrued by such  
19       dual capacity taxpayer.

20       Nothing in this paragraph shall be construed to  
21       imply the proper treatment of any such amount  
22       not in excess of the amount determined under  
23       subparagraph (B).

24              “(2) DUAL CAPACITY TAXPAYER.—For pur-  
25       poses of this subsection, the term ‘dual capacity tax-

1       payer’ means, with respect to any foreign country or  
2       possession of the United States, a person who—

3               “(A) is subject to a levy of such country or  
4       possession, and

5               “(B) receives (or will receive) directly or  
6       indirectly a specific economic benefit (as deter-  
7       mined in accordance with regulations) from  
8       such country or possession.

9               “(3) GENERALLY APPLICABLE INCOME TAX.—  
10      For purposes of this subsection—

11              “(A) IN GENERAL.—The term ‘generally  
12      applicable income tax’ means an income tax (or  
13      a series of income taxes) which is generally im-  
14      posed under the laws of a foreign country or  
15      possession on income derived from the conduct  
16      of a trade or business within such country or  
17      possession.

18              “(B) EXCEPTIONS.—Such term shall not  
19      include a tax unless it has substantial applica-  
20      tion, by its terms and in practice, to—

21                      “(i) persons who are not dual capacity  
22      taxpayers, and

23                      “(ii) persons who are—

24                              “(I) citizens or residents of the  
25      foreign country or possession, or



1 “(II) organized or incorporated  
2 under the laws of the foreign country  
3 or possession.

4 “(4) FOSSIL FUEL.—For purposes of this sub-  
5 section, the term ‘fossil fuel’ means coal, petroleum,  
6 natural gas, or any derivative of coal, petroleum, or  
7 natural gas that is used for fuel.”.

8 (b) EFFECTIVE DATE.—The amendments made by  
9 this section shall apply to taxes paid or accrued in taxable  
10 years beginning after the date of the enactment of this  
11 Act.

12 (c) SPECIAL RULE FOR TREATIES.—Notwith-  
13 standing section 894 or 7852(d) of the Internal Revenue  
14 Code of 1986, the amendments made by this section shall  
15 apply without regard to any treaty obligation of the  
16 United States.

17 **SEC. 122. INCREASE IN OIL SPILL LIABILITY TRUST FUND**  
18 **FINANCING RATE.**

19 (a) IN GENERAL.—Section 4611 of the Internal Rev-  
20 enue Code of 1986 is amended—

21 (1) in subsection (c)(2)(B)—

22 (A) in clause (i), by striking “and” at the  
23 end,

24 (B) in clause (ii), by striking the period at  
25 the end and inserting “, and”, and

1 (C) by adding at the end the following:

2 “(iii) in the case of crude oil received  
3 or petroleum products entered after De-  
4 cember 31, 2020, 10 cents a barrel.”, and

5 (2) by striking subsection (f) and inserting the  
6 following:

7 “(f) APPLICATION OF OIL SPILL LIABILITY TRUST  
8 FUND FINANCING RATE.—The Oil Spill Liability Trust  
9 Fund financing rate under subsection (c) shall apply on  
10 and after April 1, 2006, or if later, the date which is 30  
11 days after the last day of any calendar quarter for which  
12 the Secretary estimates that, as of the close of that quar-  
13 ter, the unobligated balance in the Oil Spill Liability Trust  
14 Fund is less than \$2,000,000,000.”.

15 (b) EFFECTIVE DATE.—The amendments made by  
16 this section shall apply to crude oil received and petroleum  
17 products entered after the date of the enactment of this  
18 Act.

19 **SEC. 123. APPLICATION OF CERTAIN ENVIRONMENTAL**  
20 **TAXES TO SYNTHETIC CRUDE OIL.**

21 (a) IN GENERAL.—Paragraph (1) of section 4612(a)  
22 of the Internal Revenue Code of 1986 is amended to read  
23 as follows:

24 “(1) CRUDE OIL.—

1                   “(A) IN GENERAL.—The term ‘crude oil’  
 2 includes crude oil condensates, natural gasoline,  
 3 and synthetic crude oil.

4                   “(B) SYNTHETIC CRUDE OIL.—For pur-  
 5 poses of subparagraph (A), the term ‘synthetic  
 6 crude oil’ means—

7                   “(i) any bitumen and bituminous mix-  
 8 tures,

9                   “(ii) any oil derived from bitumen and  
 10 bituminous mixtures (including oil derived  
 11 from tar sands),

12                   “(iii) any liquid fuel derived from  
 13 coal, and

14                   “(iv) any oil derived from kerogen-  
 15 bearing sources (including oil derived from  
 16 oil shale).”.

17           (b) REGULATORY AUTHORITY TO ADDRESS OTHER  
 18 TYPES OF CRUDE OIL AND PETROLEUM PRODUCTS.—  
 19 Subsection (a) of section 4612 of the Internal Revenue  
 20 Code of 1986 is amended by adding at the end the fol-  
 21 lowing:

22                   “(10) REGULATORY AUTHORITY TO ADDRESS  
 23 OTHER TYPES OF CRUDE OIL AND PETROLEUM  
 24 PRODUCTS.—Under such regulations as the Sec-  
 25 retary may prescribe, the Secretary may include as

1       crude oil or as a petroleum product subject to tax  
 2       under section 4611, any fuel feedstock or finished  
 3       fuel product customarily transported by pipeline,  
 4       vessel, railcar, or tanker truck if the Secretary deter-  
 5       mines that—

6               “(A) the classification of such fuel feed-  
 7               stock or finished fuel product is consistent with  
 8               the definition of oil under the Oil Pollution Act  
 9               of 1990, and

10              “(B) such fuel feedstock or finished fuel  
 11              product is produced in sufficient commercial  
 12              quantities as to pose a significant risk of haz-  
 13              ard in the event of a discharge.”.

14       (c) TECHNICAL AMENDMENT.—Paragraph (2) of sec-  
 15       tion 4612(a) of the Internal Revenue Code of 1986 is  
 16       amended by striking “from a well located”.

17       (d) EFFECTIVE DATE.—The amendments made by  
 18       this section shall apply to oil and petroleum products re-  
 19       ceived or entered during calendar quarters beginning more  
 20       than 60 days after the date of the enactment of this Act.

21       **SEC. 124. DENIAL OF DEDUCTION FOR REMOVAL COSTS**  
 22               **AND DAMAGES FOR CERTAIN OIL SPILLS.**

23       (a) IN GENERAL.—Section 162(f) of the Internal  
 24       Revenue Code of 1986 is amended—

1           (1) by redesignating paragraph (5) as para-  
2       graph (6), and

3           (2) by inserting after paragraph (4) the fol-  
4       lowing:

5           “(5) EXPENSES FOR REMOVAL COSTS AND  
6       DAMAGES RELATING TO CERTAIN OIL SPILL LIABIL-  
7       ITY.—Notwithstanding paragraphs (2) and (3), no  
8       deduction shall be allowed under this chapter for any  
9       costs or damages for which the taxpayer is liable  
10      under section 1002 of the Oil Pollution Act of 1990  
11      (33 U.S.C. 2702)”.

12      (b) EFFECTIVE DATE.—The amendments made by  
13      this section shall apply with respect to any liability arising  
14      in taxable years ending after the date of the enactment  
15      of this Act.

16      **SEC. 125. TAX ON CRUDE OIL AND NATURAL GAS PRO-**  
17                           **DUCED FROM THE OUTER CONTINENTAL**  
18                           **SHELF IN THE GULF OF MEXICO.**

19      (a) IN GENERAL.—Subtitle E of the Internal Rev-  
20      enue Code of 1986 is amended by adding at the end the  
21      following new chapter:

1 **“CHAPTER 56—TAX ON SEVERANCE OF**  
 2 **CRUDE OIL AND NATURAL GAS FROM**  
 3 **THE OUTER CONTINENTAL SHELF IN**  
 4 **THE GULF OF MEXICO**

“Sec. 5901. Imposition of tax.

“Sec. 5902. Taxable crude oil or natural gas and removal price.

“Sec. 5903. Special rules and definitions.

5 **“SEC. 5901. IMPOSITION OF TAX.**

6 “(a) IN GENERAL.—In addition to any other tax im-  
 7 posed under this title, there is hereby imposed a tax equal  
 8 to 13 percent of the removal price of any taxable crude  
 9 oil or natural gas removed from the premises during any  
 10 taxable period.

11 “(b) CREDIT FOR FEDERAL ROYALTIES PAID.—

12 “(1) IN GENERAL.—There shall be allowed as a  
 13 credit against the tax imposed by subsection (a) with  
 14 respect to the production of any taxable crude oil or  
 15 natural gas an amount equal to the aggregate  
 16 amount of royalties paid under Federal law with re-  
 17 spect to such production.

18 “(2) LIMITATION.—The aggregate amount of  
 19 credits allowed under paragraph (1) to any taxpayer  
 20 for any taxable period shall not exceed the amount  
 21 of tax imposed by subsection (a) for such taxable pe-  
 22 riod.

1       “(c) TAX PAID BY PRODUCER.—The tax imposed by  
 2 this section shall be paid by the producer of the taxable  
 3 crude oil or natural gas.

4       **“SEC. 5902. TAXABLE CRUDE OIL OR NATURAL GAS AND RE-**  
 5                               **MOVAL PRICE.**

6       “(a) TAXABLE CRUDE OIL OR NATURAL GAS.—For  
 7 purposes of this chapter, the term ‘taxable crude oil or  
 8 natural gas’ means crude oil or natural gas which is pro-  
 9 duced from Federal submerged lands on the outer Conti-  
 10 nental Shelf in the Gulf of Mexico pursuant to a lease  
 11 entered into with the United States which authorizes the  
 12 production.

13       “(b) REMOVAL PRICE.—For purposes of this chap-  
 14 ter—

15               “(1) IN GENERAL.—Except as otherwise pro-  
 16 vided in this subsection, the term ‘removal price’  
 17 means—

18                       “(A) in the case of taxable crude oil, the  
 19 amount for which a barrel of such crude oil is  
 20 sold, and

21                       “(B) in the case of taxable natural gas, the  
 22 amount per 1,000 cubic feet for which such  
 23 natural gas is sold.

24       “(2) SALES BETWEEN RELATED PERSONS.—In  
 25 the case of a sale between related persons, the re-

1 removal price shall not be less than the constructive  
2 sales price for purposes of determining gross income  
3 from the property under section 613.

4 “(3) OIL OR NATURAL GAS REMOVED FROM  
5 PROPERTY BEFORE SALE.—If crude oil or natural  
6 gas is removed from the property before it is sold,  
7 the removal price shall be the constructive sales  
8 price for purposes of determining gross income from  
9 the property under section 613.

10 “(4) REFINING BEGUN ON PROPERTY.—If the  
11 manufacture or conversion of crude oil into refined  
12 products begins before such oil is removed from the  
13 property—

14 “(A) such oil shall be treated as removed  
15 on the day such manufacture or conversion be-  
16 gins, and

17 “(B) the removal price shall be the con-  
18 structive sales price for purposes of determining  
19 gross income from the property under section  
20 613.

21 “(5) PROPERTY.—The term ‘property’ has the  
22 meaning given such term by section 614.

23 **“SEC. 5903. SPECIAL RULES AND DEFINITIONS.**

24 “(a) ADMINISTRATIVE REQUIREMENTS.—



1 “(1) WITHHOLDING AND DEPOSIT OF TAX.—

2 The Secretary shall provide for the withholding and  
3 deposit of the tax imposed under section 5901 on a  
4 quarterly basis.

5 “(2) RECORDS AND INFORMATION.—Each tax-

6 payer liable for tax under section 5901 shall keep  
7 such records, make such returns, and furnish such  
8 information (to the Secretary and to other persons  
9 having an interest in the taxable crude oil or natural  
10 gas) with respect to such oil as the Secretary may  
11 by regulations prescribe.

12 “(3) TAXABLE PERIODS; RETURN OF TAX.—

13 “(A) TAXABLE PERIOD.—Except as pro-  
14 vided by the Secretary, each calendar year shall  
15 constitute a taxable period.

16 “(B) RETURNS.—The Secretary shall pro-  
17 vide for the filing, and the time for filing, of the  
18 return of the tax imposed under section 5901.

19 “(b) DEFINITIONS.—For purposes of this chapter—

20 “(1) PRODUCER.—The term ‘producer’ means  
21 the holder of the economic interest with respect to  
22 the crude oil or natural gas.

23 “(2) CRUDE OIL.—The term ‘crude oil’ includes  
24 crude oil condensates and natural gasoline.

1           “(3) PREMISES AND CRUDE OIL PRODUCT.—

2           The terms ‘premises’ and ‘crude oil product’ have  
3           the same meanings as when used for purposes of de-  
4           termining gross income from the property under sec-  
5           tion 613.

6           “(c) ADJUSTMENT OF REMOVAL PRICE.—In deter-  
7           mining the removal price of oil or natural gas from a prop-  
8           erty in the case of any transaction, the Secretary may ad-  
9           just the removal price to reflect clearly the fair market  
10          value of oil or natural gas removed.

11          “(d) REGULATIONS.—The Secretary shall prescribe  
12          such regulations as may be necessary or appropriate to  
13          carry out the purposes of this chapter.”.

14          (b) DEDUCTIBILITY OF TAX.—The first sentence of  
15          section 164(a) of the Internal Revenue Code of 1986 is  
16          amended by inserting after paragraph (4) the following  
17          new paragraph:

18                 “(5) The tax imposed by section 5901(a) (after  
19                 application of section 5901(b)) on the severance of  
20                 crude oil or natural gas from the outer Continental  
21                 Shelf in the Gulf of Mexico.”.

22          (c) CLERICAL AMENDMENT.—The table of chapters  
23          for subtitle E is amended by adding at the end the fol-  
24          lowing new item:

                    “CHAPTER 56. Tax on severance of crude oil and natural gas  
                                    from the outer Continental Shelf in the Gulf of  
                                    Mexico.”.

1 (d) EFFECTIVE DATE.—The amendments made by  
 2 this section shall apply to crude oil or natural gas removed  
 3 after December 31, 2020.

4 **SEC. 126. REPEAL OF CORPORATE INCOME TAX EXEMP-**  
 5 **TION FOR PUBLICLY TRADED PARTNERSHIPS**  
 6 **WITH QUALIFYING INCOME AND GAINS FROM**  
 7 **ACTIVITIES RELATING TO FOSSIL FUELS.**

8 (a) IN GENERAL.—Section 7704(d)(1) of the Inter-  
 9 nal Revenue Code of 1986 is amended by inserting “or  
 10 any coal, petroleum, natural gas, or any derivative of coal,  
 11 petroleum, or natural gas that is used for fuel” after “sec-  
 12 tion 613(b)(7)”.

13 (b) EFFECTIVE DATE.—The amendment made by  
 14 this section shall apply to taxable years beginning after  
 15 the date of the enactment of this Act.

16 **SEC. 127. AMORTIZATION OF QUALIFIED TERTIARY**  
 17 **INJECTANT EXPENSES.**

18 (a) IN GENERAL.—Section 193 of the Internal Rev-  
 19 enue Code of 1986 is amended—

20 (1) by striking subsection (a) and inserting the  
 21 following:

22 “(a) AMORTIZATION OF QUALIFIED TERTIARY  
 23 INJECTANT EXPENSES.—

24 “(1) IN GENERAL.—Any qualified tertiary  
 25 injectant expenses paid or incurred by the taxpayer

1 shall be allowed as a deduction ratably over the 84-  
 2 month period beginning on the date that such ex-  
 3 pense was paid or incurred.

4 “(2) MID-MONTH CONVENTION.—For purposes  
 5 of paragraph (1), any expenses paid or incurred dur-  
 6 ing any month shall be treated as paid or incurred  
 7 on the mid-point of such month.”, and

8 (2) by striking subsection (c) and inserting the  
 9 following:

10 “(c) EXCLUSIVE METHOD.—Except as provided in  
 11 this section, no depreciation or amortization deduction  
 12 shall be allowed with respect to qualified tertiary injectant  
 13 expenses.”.

14 (b) EFFECTIVE DATE.—The amendments made by  
 15 this section shall apply to expenses paid or incurred in  
 16 taxable years beginning after the date of the enactment  
 17 of this Act.

18 **SEC. 128. AMORTIZATION OF DEVELOPMENT EXPENDI-**  
 19 **TURES.**

20 (a) IN GENERAL.—Section 616 of the Internal Rev-  
 21 enue Code of 1986 is amended to read as follows:

22 **“SEC. 616. AMORTIZATION OF DEVELOPMENT EXPENDI-**  
 23 **TURES.**

24 “(a) IN GENERAL.—Any expenditures paid or in-  
 25 curred for the development of a mine or other natural de-

1 posit (other than an oil or gas well) if paid or incurred  
2 after the existence of ores or minerals in commercially  
3 marketable quantities has been disclosed shall be allowed  
4 as a deduction ratably over the 84-month period beginning  
5 on the date that such expenditure was paid or incurred.

6 “(b) MID-MONTH CONVENTION.—For purposes of  
7 subsection (a), any expenditures paid or incurred during  
8 any month shall be treated as paid or incurred on the mid-  
9 point of such month.

10 “(c) EXCLUSIVE METHOD.—Except as provided in  
11 this section, no depreciation or amortization deduction  
12 shall be allowed with respect to expenditures described in  
13 subsection (a).

14 “(d) TREATMENT UPON ABANDONMENT.—If any  
15 property with respect to which expenditures described in  
16 subsection (a) are paid or incurred is retired or abandoned  
17 during the 84-month period described in such subsection,  
18 no deduction shall be allowed on account of such retire-  
19 ment or abandonment and the amortization deduction  
20 under this section shall continue with respect to such pay-  
21 ment.”.

22 (b) CONFORMING AMENDMENTS.—

23 (1) The item relating to section 616 in the table  
24 of sections for part I of subchapter I of chapter 1

1 of the Internal Revenue Code of 1986 is amended to  
2 read as follows:

“Sec. 616. Amortization of development expenditures.”.

3 (2) Section 56(a)(2)(A) of such Code is amend-  
4 ed by striking “616(a) or”.

5 (3) Section 59(e) of such Code is amended—

6 (A) in paragraph (2)—

7 (i) in subparagraph (C), by inserting

8 “or” at the end,

9 (ii) by striking subparagraph (D), and

10 (iii) by redesignating subparagraph

11 (E) as subparagraph (D), and

12 (B) in paragraph (5)(A), by striking “,

13 616(a),”.

14 (4) Section 263(a)(1) of such Code is amended

15 by striking subparagraph (A).

16 (5) Section 263A(c)(3) of such Code is amend-

17 ed by striking “616,”.

18 (6) Section 291(b) of such Code is amended—

19 (A) in paragraph (1)(B), by striking

20 “616(a) or”,

21 (B) in paragraph (2), by striking “,

22 616(a),”, and

23 (C) in paragraph (3), by striking “,

24 616(a),”.

1           (7) Section 312(n)(2)(B) of such Code is  
2       amended by striking “616(a) or”.

3           (8) Section 381(c) of such Code is amended by  
4       striking paragraph (10).

5           (9) Section 1016(a) of such Code is amended  
6       by striking paragraph (9).

7           (10) Section 1254(a)(1)(A)(i) of such Code is  
8       amended by striking “, 616,”.

9       (c) EFFECTIVE DATE.—The amendments made by  
10   this section shall apply to expenditures paid or incurred  
11   in taxable years beginning after the date of the enactment  
12   of this Act.

13   **SEC. 129. AMORTIZATION OF CERTAIN MINING EXPLO-**  
14                           **RATION EXPENDITURES.**

15       (a) IN GENERAL.—Section 617 of the Internal Rev-  
16   enue Code of 1986 is amended to read as follows:

17   **“SEC. 617. AMORTIZATION OF CERTAIN MINING EXPLO-**  
18                           **RATION EXPENDITURES.**

19       “(a) IN GENERAL.—Any expenditures paid or in-  
20   curred for the purpose of ascertaining the existence, loca-  
21   tion, extent, or quality of any deposit of ore or other min-  
22   eral, and paid or incurred before the beginning of the de-  
23   velopment stage of the mine, shall be allowed as a deduc-  
24   tion ratably over the 84-month period beginning on the  
25   date that such expense was paid or incurred.

1       “(b) MID-MONTH CONVENTION.—For purposes of  
2 subsection (a), any expenditures paid or incurred during  
3 any month shall be treated as paid or incurred on the mid-  
4 point of such month.

5       “(c) EXCLUSIVE METHOD.—Except as provided in  
6 this section, no depreciation or amortization deduction  
7 shall be allowed with respect to expenditures described in  
8 subsection (a).

9       “(d) TREATMENT UPON ABANDONMENT.—If any  
10 property with respect to which expenditures described in  
11 subsection (a) are paid or incurred is retired or abandoned  
12 during the 84-month period described in such subsection,  
13 no deduction shall be allowed on account of such retire-  
14 ment or abandonment and the amortization deduction  
15 under this section shall continue with respect to such pay-  
16 ment.”.

17       (b) CONFORMING AMENDMENTS.—

18               (1) The item relating to section 617 in the table  
19 of sections for part I of subchapter I of chapter 1  
20 of the Internal Revenue Code of 1986 is amended to  
21 read as follows:

“Sec. 617. Amortization of certain mining exploration expenditures.”.

22               (2) Section 56(a) of such Code, as amended by  
23 section 128(b)(2), is amended by striking paragraph  
24 (2).



1           (3) Section 59(e) of such Code, as amended by  
2       section 128(b)(3), is amended—

3           (A) in paragraph (2)—

4               (i) in subparagraph (B), by inserting  
5       “or” at the end,

6               (ii) in subparagraph (C), by striking  
7       the comma at the end and inserting a pe-  
8       riod, and

9               (iii) by striking subparagraph (D),  
10       and

11           (B) by striking paragraph (5) and insert-  
12       ing the following:

13           “(5) DISPOSITIONS.—In the case of any dis-  
14       position of property to which section 1254 applies  
15       (determined without regard to this section), any de-  
16       duction under paragraph (1) with respect to  
17       amounts which are allocable to such property shall,  
18       for purposes of section 1254, be treated as a deduc-  
19       tion allowable under section 263(c).”.

20           (4) Section 170(e) of such Code is amended—

21               (A) in paragraph (1), by striking  
22       “617(d)(1),” and

23               (B) in paragraph (3)(D), by striking  
24       “617,”.

1           (5) Section 263A(c)(3) of such Code, as amend-  
 2       ed by section 128(b)(5), is amended by striking  
 3       “291(b)(2), or 617” and inserting “or 291(b)(2)”.

4           (6) Section 291(b) of such Code, as amended by  
 5       section 128(b)(6), is amended—

6           (A) in the heading, by striking “AND MIN-  
 7       ERAL EXPLORATION AND DEVELOPMENT  
 8       COSTS”,

9           (B) by striking paragraph (1) and insert-  
 10      ing the following:

11          “(1) IN GENERAL.—In the case of an inte-  
 12      grated oil company, the amount allowable as a de-  
 13      duction for any taxable year (determined without re-  
 14      gard to this section) under section 263(c) shall be  
 15      reduced by 30 percent.”,

16          (C) in paragraph (2), by striking “or  
 17      617(a) (as the case may be)”, and

18          (D) in paragraph (3), by striking “or  
 19      617(a) (whichever is appropriate)”.

20          (7) Section 312(n), as amended by section  
 21      128(b)(7), is amended by striking paragraph (2) and  
 22      inserting the following:

23          “(2) INTANGIBLE DRILLING COSTS.—Any  
 24      amount allowable as a deduction under section  
 25      263(c) in determining taxable income (other than

1 costs incurred in connection with a nonproductive  
2 well)—

3 “(A) shall be capitalized, and

4 “(B) shall be allowed as a deduction rat-  
5 ably over the 60-month period beginning with  
6 the month in which such amount was paid or  
7 incurred.”.

8 (8) Section 703(b) of such Code is amended—

9 (A) in paragraph (1), by adding “or” at  
10 the end,

11 (B) by striking paragraph (2), and

12 (C) by redesignating paragraph (3) as  
13 paragraph (2).

14 (9) Section 751(c) of such Code is amended—

15 (A) by inserting “, as in effect on the day  
16 before the date of the enactment of the End  
17 Polluter Welfare Act of 2020” after “section  
18 617(f)(2)”, and

19 (B) by striking “617(d)(1),”.

20 (10) Section 1254(a)(1)(A)(i) of such Code, as  
21 amended by section 128(b)(10), is amended by strik-  
22 ing “or 617”.

23 (11) Paragraph (2) of section 1363(c) of such  
24 Code is amended to read as follows:

1           “(2) EXCEPTION.—In the case of an S corpora-  
2           tion, elections under section 901 (relating to taxes of  
3           foreign countries and possessions of the United  
4           States) shall be made by each shareholder sepa-  
5           rately.”.

6           (c) EFFECTIVE DATE.—The amendments made by  
7           this section shall apply to expenditures paid or incurred  
8           in taxable years beginning after the date of the enactment  
9           of this Act.

10   **SEC. 130. AMORTIZATION OF INTANGIBLE DRILLING AND**  
11                           **DEVELOPMENT COSTS IN THE CASE OF OIL**  
12                           **AND GAS WELLS AND GEOTHERMAL WELLS.**

13           (a) IN GENERAL.—Subsection (c) of section 263 of  
14           the Internal Revenue Code of 1986 is amended to read  
15           as follows:

16           “(c) INTANGIBLE DRILLING AND DEVELOPMENT  
17           COSTS IN THE CASE OF OIL AND GAS WELLS AND GEO-  
18           THERMAL WELLS.—Notwithstanding subsection (a), and  
19           except as provided in subsection (i), in the case of any  
20           expenses paid or incurred in connection with intangible  
21           drilling and development costs related to oil and gas wells  
22           and wells drilled for any geothermal deposit (as defined  
23           in section 613(e)(2))—

1 “(1) such expenses shall be allowed as a deduc-  
 2 tion ratably over the 84-month period beginning on  
 3 the date that such expense was paid or incurred,

4 “(2) any such expenses paid or incurred during  
 5 any month shall be treated as paid or incurred on  
 6 the mid-point of such month,

7 “(3) except as provided in this subsection, no  
 8 depreciation or amortization deduction shall be al-  
 9 lowed with respect to such expenses, and

10 “(4) if any property with respect to which such  
 11 intangible drilling and development costs are paid or  
 12 incurred is retired or abandoned during such 84-  
 13 month period, no deduction shall be allowed on ac-  
 14 count of such retirement or abandonment and the  
 15 amortization deduction under this subsection shall  
 16 continue with respect to such payment.”.

17 (b) CONFORMING AMENDMENTS.—

18 (1) Section 57(a)(2)(B)(i) of the Internal Rev-  
 19 enue Code of 1986 is amended by striking “263(c)  
 20 or”.

21 (2) Section 59(e) of such Code, as amended by  
 22 sections 128 and 129, is amended—

23 (A) in paragraph (2)—

24 (i) in subparagraph (A), by inserting  
 25 “or” at the end,

1 (ii) in subparagraph (B), by striking  
 2 the comma at the end and inserting a pe-  
 3 riod, and  
 4 (iii) by striking subparagraph (C),  
 5 and  
 6 (B) by striking paragraph (5).

7 (3) Section 263A(c)(3) of such Code, as amend-  
 8 ed by sections 128 and 129, is amended by striking  
 9 “263(c),”.

10 (4) Section 291 of such Code, as amended by  
 11 sections 128 and 129, is amended by striking sub-  
 12 section (b).

13 (5) Section 312(n) of such Code, as amended  
 14 by sections 128 and 129, is amended by striking  
 15 paragraph (2).

16 (c) EFFECTIVE DATE.—The amendments made by  
 17 this section shall apply to expenditures paid or incurred  
 18 in taxable years beginning after the date of the enactment  
 19 of this Act.

20 **SEC. 131. PERMANENT EXCISE TAX RATE FOR FUNDING OF**  
 21 **BLACK LUNG DISABILITY TRUST FUND.**

22 (a) IN GENERAL.—Section 4121 of the Internal Rev-  
 23 enue Code of 1986 is amended—

24 (1) in subsection (b)—

1 (A) in paragraph (1), by striking “\$1.10”  
 2 and inserting “\$1.38”, and  
 3 (B) in paragraph (2), by striking “\$0.55”  
 4 and inserting “\$0.69”, and  
 5 (2) by striking subsection (e).

6 (b) EFFECTIVE DATE.—The amendments made by  
 7 this section shall apply on and after the first day of the  
 8 first calendar month beginning after the date of the enact-  
 9 ment of this Act.

10 **SEC. 132. TERMINATION OF RENEWABLE ELECTRICITY**  
 11 **PRODUCTION CREDIT ELIGIBILITY FOR RE-**  
 12 **FINED COAL.**

13 Section 45(e)(8)(A)(ii)(II) of the Internal Revenue  
 14 Code of 1986 is amended by inserting “and before the  
 15 date of enactment of the End Polluter Welfare Act of  
 16 2020” after “such taxable year”.

17 **SEC. 133. TREATMENT OF FOREIGN OIL RELATED INCOME**  
 18 **AS SUBPART F INCOME.**

19 (a) IN GENERAL.—Section 954(a) of the Internal  
 20 Revenue Code of 1986 is amended by striking “and” at  
 21 the end of paragraph (2), by striking the period at the  
 22 end of paragraph (3) and inserting “, and”, and by adding  
 23 at the end the following new paragraph:

24 “(4) the foreign base company oil related in-  
 25 come for the taxable year (determined under sub-

1 section (g) and reduced as provided in subsection  
 2 (b)(5)).”.

3 (b) FOREIGN BASE COMPANY OIL RELATED IN-  
 4 COME.—Section 954 of the Internal Revenue Code of 1986  
 5 is amended by inserting after subsection (e) the following  
 6 new subsection:

7 “(g) FOREIGN BASE COMPANY OIL RELATED IN-  
 8 COME.—For purposes of this section—

9 “(1) IN GENERAL.—Except as otherwise pro-  
 10 vided in this subsection, the term ‘foreign base com-  
 11 pany oil related income’ means foreign oil related in-  
 12 come (within the meaning of paragraphs (2) and (3)  
 13 of section 907(c)) other than income derived from a  
 14 source within a foreign country in connection with—

15 “(A) oil or gas which was extracted from  
 16 an oil or gas well located in such foreign coun-  
 17 try, or

18 “(B) oil, gas, or a primary product of oil  
 19 or gas which is sold by the foreign corporation  
 20 or a related person for use or consumption  
 21 within such country or is loaded in such coun-  
 22 try on a vessel or aircraft as fuel for such vessel  
 23 or aircraft.



1       Such term shall not include any foreign personal  
 2       holding company income (as defined in subsection  
 3       (c)).

4               “(2) PARAGRAPH (1) APPLIES ONLY WHERE  
 5       CORPORATION HAS PRODUCED 1,000 BARRELS PER  
 6       DAY OR MORE.—

7               “(A) IN GENERAL.—The term ‘foreign  
 8       base company oil related income’ shall not in-  
 9       clude any income of a foreign corporation if  
 10       such corporation is not a large oil producer for  
 11       the taxable year.

12              “(B) LARGE OIL PRODUCER.—For pur-  
 13       poses of subparagraph (A), the term ‘large oil  
 14       producer’ means any corporation if, for the tax-  
 15       able year or for the preceding taxable year, the  
 16       average daily production of foreign crude oil  
 17       and natural gas of the related group which in-  
 18       cludes such corporation equaled or exceeded  
 19       1,000 barrels.

20              “(C) RELATED GROUP.—The term ‘related  
 21       group’ means a group consisting of the foreign  
 22       corporation and any other person who is a re-  
 23       lated person with respect to such corporation.

24              “(D) AVERAGE DAILY PRODUCTION OF  
 25       FOREIGN CRUDE OIL AND NATURAL GAS.—For

1 purposes of this paragraph, the average daily  
 2 production of foreign crude oil or natural gas of  
 3 any related group for any taxable year (and the  
 4 conversion of cubic feet of natural gas into bar-  
 5 rels) shall be determined under rules similar to  
 6 the rules of section 613A (as in effect on the  
 7 day before the date of enactment of the End  
 8 Polluter Welfare Act of 2020) except that only  
 9 crude oil or natural gas from a well located out-  
 10 side the United States shall be taken into ac-  
 11 count.”.

12 (c) CONFORMING AMENDMENTS.—

13 (1) Section 952(c)(1)(B)(iii) of the Internal  
 14 Revenue Code of 1986 is amended by redesignating  
 15 subclauses (I) through (IV) as subclause (II)  
 16 through (V), respectively, and by inserting before  
 17 subclause (II) (as so redesignated) the following:

18 “(I) foreign base company oil re-  
 19 lated income,”.

20 (2) Section 954(b) of such Code is amended—

21 (A) by inserting at the end of paragraph  
 22 (4) the following: “The preceding sentence shall  
 23 not apply to foreign base company oil-related  
 24 income described in subsection (a)(4).”,

1 (B) by striking “and the foreign base com-  
 2 pany services income” in paragraph (5) and in-  
 3 serting “the foreign base company services in-  
 4 come, and the foreign base company oil related  
 5 income”, and

6 (C) by adding at the end the following new  
 7 paragraph:

8 “(6) FOREIGN BASE COMPANY OIL RELATED IN-  
 9 COME NOT TREATED AS ANOTHER KIND OF BASE  
 10 COMPANY INCOME.—Income of a corporation which  
 11 is foreign base company oil related income shall not  
 12 be considered foreign base company income of such  
 13 corporation under paragraph (2) or (3) of subsection  
 14 (a).”.

15 (d) EFFECTIVE DATE.—The amendments made by  
 16 this section shall apply to taxable years of foreign corpora-  
 17 tions beginning after the date of the enactment of this  
 18 Act and to taxable years of United States shareholders  
 19 ending with or within which such taxable years of foreign  
 20 corporations end.

21 **SEC. 134. REPEAL OF EXCLUSION OF FOREIGN OIL AND**  
 22 **GAS EXTRACTION INCOME FROM THE DETER-**  
 23 **MINATION OF TESTED INCOME.**

24 (a) IN GENERAL.—Section 951A(c)(2)(A)(i) of the  
 25 Internal Revenue Code of 1986 is amended—

1           (1) by adding “and” at the end of subclause  
2       (III);

3           (2) by striking “and” at the end of subclause  
4       (IV) and inserting “over”; and

5           (3) by striking subclause (V).

6       (b) **EFFECTIVE DATE.**—The amendments made by  
7 this section shall apply to taxable years of foreign corpora-  
8 tions beginning after December 31, 2020, and to taxable  
9 years of United States shareholders in which or with which  
10 such taxable years of foreign corporations end.

11 **SEC. 135. TERMINATION OF CREDIT FOR CARBON OXIDE**  
12 **SEQUESTRATION.**

13       (a) **IN GENERAL.**—Section 45Q of the Internal Rev-  
14 enue Code of 1986 is amended by adding at the end the  
15 following:

16       “(i) **TERMINATION.**—This section shall not apply  
17 with respect to any qualified carbon oxide captured after  
18 the date of enactment of the End Polluter Welfare Act  
19 of 2020.”.

20       (b) **REPORT.**—

21           (1) **IN GENERAL.**—Not later than 6 months  
22 after the date of enactment of this Act, the Sec-  
23 retary of the Treasury, or the Secretary’s delegate,  
24 shall submit a report to Congress, to be made avail-

1       able to available to the public, which provides the  
2       following information:

3               (A) The taxpayer identity information of  
4       any taxpayer for which the carbon oxide seques-  
5       tration credit under section 45Q of the Internal  
6       Revenue Code of 1986 was allowed for any tax-  
7       able year following the enactment of such sec-  
8       tion.

9               (B) The total amount of the credit allowed  
10      pursuant to such section to each taxpayer de-  
11      scribed in subparagraph (A).

12              (C) With respect to the amount described  
13      in subparagraph (B), the amount of such credit  
14      allowed with respect to each of the following:

15              (i) Qualified carbon oxide which was  
16      captured and disposed of by the taxpayer  
17      in secure geological storage and not used  
18      by the taxpayer as described in clause (ii)  
19      or (iii).

20              (ii) Qualified carbon oxide which was  
21      captured and used by the taxpayer as a  
22      tertiary injectant in a qualified enhanced  
23      oil or natural gas recovery project and dis-  
24      posed of by the taxpayer in secure geologi-  
25      cal storage.

1 (iii) Qualified carbon oxide which was  
 2 captured and utilized by the taxpayer in a  
 3 manner described in section 45Q(f)(5) of  
 4 the Internal Revenue Code of 1986.

5 (2) EXCEPTION FROM RULES REGARDING CON-  
 6 FIDENTIALITY AND DISCLOSURE OF RETURNS AND  
 7 RETURN INFORMATION.—Section 6103(l) of the In-  
 8 ternal Revenue Code of 1986 is amended by adding  
 9 at the end the following:

10 “(23) DISCLOSURE OF RETURN INFORMATION  
 11 FOR PUBLIC REPORT ON CARBON OXIDE SEQUES-  
 12 TRATION CREDIT.—The Secretary may disclose tax-  
 13 payer identity information and return information to  
 14 the extent the Secretary deems necessary for pur-  
 15 poses of the report issued pursuant to section 135  
 16 of the End Polluter Welfare Act of 2020.”.

17 **SEC. 136. POWDER RIVER BASIN.**

18 (a) DESIGNATION OF THE POWDER RIVER BASIN AS  
 19 A COAL PRODUCING REGION.—As soon as practicable  
 20 after the date of enactment of this Act, the Director of  
 21 the Bureau of Land Management shall designate the Pow-  
 22 der River Basin as a coal producing region.

23 (b) REPORT.—Not later than 1 year after the date  
 24 of enactment of this Act, the Director of the Bureau of

1 Land Management shall submit to Congress a report that  
2 includes—

3 (1) a study of the fair market value and the  
4 amount and effective rate of royalties paid on coal  
5 leases in the Powder River Basin compared to other  
6 national and international coal basins and markets;  
7 and

8 (2) any policy recommendations to capture the  
9 future market value of the coal leases in the Powder  
10 River Basin.

11 **SEC. 137. STUDY AND ELIMINATION OF ADDITIONAL FOSSIL**  
12 **FUEL SUBSIDIES.**

13 (a) DEFINITION OF FOSSIL-FUEL PRODUCTION SUB-  
14 SIDY.—In this section, the term “subsidy for fossil-fuel  
15 production” means any direct funding, tax treatment or  
16 incentive, risk-reduction benefit, financing assistance or  
17 guarantee, royalty relief, or other provision that provides  
18 a financial benefit to a fossil-fuel company for the produc-  
19 tion of fossil fuels.

20 (b) REPORT TO CONGRESS.—Not later than 1 year  
21 after the date of enactment of this Act, the Secretary of  
22 the Treasury or the Secretary’s delegate (referred to in  
23 this section as the “Secretary”), in coordination with the  
24 Secretary of Energy, shall submit to Congress a report  
25 detailing each Federal law (including regulations), other

1 than those amended by this Act, as in effect on the date  
2 on which the report is submitted, that includes a subsidy  
3 for fossil-fuel production.

4 (c) REPORT ON MODIFIED RECOVERY PERIOD.—

5 (1) IN GENERAL.—Not later than 1 year after  
6 the date of enactment of this Act, the Secretary, in  
7 coordination with the Commissioner of Internal Rev-  
8 enue, shall submit to Congress a report on the appli-  
9 cable recovery period under the accelerated cost re-  
10 covery system provided in section 168 of the Inter-  
11 nal Revenue Code of 1986 for each type of property  
12 involved in fossil-fuel production, including pipelines,  
13 power generation property, refineries, and drilling  
14 equipment, to determine if any assets are receiving  
15 a subsidy for fossil-fuel production.

16 (2) ELIMINATION OF SUBSIDY.—In the case of  
17 any type of property that the Secretary determines  
18 is receiving a subsidy for fossil-fuel production under  
19 such section 168, for property placed in service in  
20 taxable years beginning after the date of such deter-  
21 mination, such section 168 shall not apply. The pre-  
22 ceding sentence shall not apply to any property with  
23 respect to a taxable year unless such determination  
24 is published before the first day of such taxable  
25 year.



1 **TITLE II—ADDITIONAL LIMITA-**  
2 **TIONS ON CERTAIN FOSSIL-**  
3 **FUEL PRODUCTION SUB-**  
4 **SIDIES**

5 **SEC. 201. LIMITATION ON CERTAIN FORMS OF ASSISTANCE**  
6 **UNDER THE CARES ACT.**

7 (a) EXCLUSION OF CERTAIN BUSINESSES FROM FI-  
8 NANCIAL ASSISTANCE.—

9 (1) DEFINITION OF ELIGIBLE BUSINESS.—Sec-  
10 tion 4002(4)(B) of the CARES Act (Public Law  
11 116–136; 134 Stat. 281) is amended by inserting  
12 “(other than a United States business for which not  
13 less than 15 percent of the revenue is derived from  
14 the extraction, transport, storage, export, or refining  
15 of oil, natural gas, and coal)” after “United States  
16 business”.

17 (2) LOANS AND LOAN GUARANTEES FOR BUSI-  
18 NESSES CRITICAL TO MAINTAINING NATIONAL SECU-  
19 RITY.—Section 4003(b)(3) of the CARES Act (Pub-  
20 lic Law 116–136; 134 Stat. 281) is amended by in-  
21 serting “(other than a United States business for  
22 which not less than 15 percent of the revenue is de-  
23 rived from the extraction, transport, storage, export,  
24 or refining of oil, natural gas, and coal)” after “na-  
25 tional security”.

1       (b) LIMITATION ON ACQUISITION OF FEDERAL  
2 LEASES BY LOAN RECIPIENTS.—Section 4003(c)(1) of  
3 the CARES Act (Public Law 116–136; 134 Stat. 281) is  
4 amended by adding at the end the following:

5               “(C) LIMITATION ON ACQUISITION OF  
6 FEDERAL LEASES BY LOAN RECIPIENTS.—An  
7 eligible business that receives a loan or loan  
8 guarantee under this section may not bid on,  
9 purchase, or acquire any Federal lease or ac-  
10 quire a Federal lease from a third party until  
11 the date on which the Secretary certifies that  
12 any loans received or guaranteed under this sec-  
13 tion have been repaid.”.

14       (c) LIMITATION ON LOANS AND LOAN GUARANTEES  
15 TO CERTAIN FINANCIAL INSTITUTIONS.—Section 4003 of  
16 the CARES Act (Public Law 116–136; 134 Stat. 281) is  
17 amended by adding at the end the following:

18               “(i) LIMITATION ON LOANS AND LOAN GUARANTEES  
19 TO CERTAIN FINANCIAL INSTITUTIONS.—The Secretary  
20 shall not make a loan or loan guarantee to, or other invest-  
21 ment in, a financial institution under this section for the  
22 purpose of assisting any business for which not less than  
23 15 percent of the revenue is derived from the extraction,  
24 transport, storage, export, or refining of oil, natural gas,  
25 and coal.”.

1 **SEC. 202. LIMITATIONS ON BANKS OPERATING FOSSIL**  
2 **FUEL COMPANIES.**

3 (a) DEFINITIONS.—In this section:

4 (1) CARES ACT.—The term “CARES Act”  
5 means the Coronavirus Aid, Relief, and Economic  
6 Security Act (Public Law 116–136).

7 (2) COVERED ENTITY.—The term “covered en-  
8 tity” means—

9 (A) a solvent insured depository institution  
10 or solvent depository institution holding com-  
11 pany (including any affiliate thereof) that issues  
12 debt that is guaranteed under the program au-  
13 thorized by subsection (h) of section 1105 of  
14 the Dodd-Frank Wall Street Reform and Con-  
15 sumer Protection Act, as added by section 4008  
16 of the CARES Act;

17 (B) any entity issuing loans or extensions  
18 of credit described in section 5200(c)(7) of the  
19 Revised Statutes, as amended by section 4011  
20 of the CARES Act;

21 (C) any bank sponsoring a money market  
22 mutual fund that benefits from a guarantee as  
23 a result of the application of section 4015(a) of  
24 the CARES Act;

1           (D) a qualifying community bank that is  
2           subject to interim rule issued under section  
3           4012(b)(1) of the CARES Act; and

4           (E) an insured depository institution, bank  
5           holding company, or any affiliate thereof that  
6           does not comply with the current expected cred-  
7           it losses methodology for estimating allowances  
8           for credit losses described in section 4014(b) of  
9           the CARES Act.

10          (3) COVERED PERIOD.—The term “covered pe-  
11          riod” means the period beginning on the date of en-  
12          actment of this Act and ending on the date that is  
13          2 years after—

14               (A) with respect to a covered entity de-  
15               scribed in subparagraph (A) of paragraph (2),  
16               the date on which the program described in  
17               that subparagraph terminates;

18               (B) with respect to a covered entity de-  
19               scribed in subparagraph (B) of paragraph (2),  
20               the date on which the period described in sec-  
21               tion 4011(b) of the CARES Act expires;

22               (C) with respect to a covered entity de-  
23               scribed in subparagraph (C) of paragraph (2),  
24               the date on which the guarantee described in  
25               that subparagraph terminates;

1 (D) with respect to a covered entity de-  
 2 scribed in subparagraph (D) of paragraph (2),  
 3 the date on which the period described in sec-  
 4 tion 4012(b)(2) of the CARES Act expires; and

5 (E) with respect to a covered entity de-  
 6 scribed in subparagraph (E) of paragraph (2),  
 7 the date on which the period described in sec-  
 8 tion 4014(b) of the CARES Act expires.

9 (b) PROHIBITION.—During the covered period, no  
 10 covered entity, or subsidiary or affiliate of a covered enti-  
 11 ty, may take a new equity stake or otherwise own or oper-  
 12 ate, or sponsor or retain an ownership interest in any fund  
 13 that takes an ownership stake in during the covered pe-  
 14 riod, any business for which 15 percent or more of the  
 15 revenue is derived from the extraction, transport, storage,  
 16 export, and refining of oil, natural gas, and coal.

17 **SEC. 203. MORATORIUM ON OIL AND NATURAL GAS LEASE**  
 18 **SALES, NONCOMPETITIVE LEASES FOR OIL**  
 19 **OR NATURAL GAS, THE ISSUANCE OF COAL**  
 20 **LEASES, AND MODIFICATIONS TO CERTAIN**  
 21 **REGULATIONS.**

22 Notwithstanding any other provision of law, during  
 23 the period beginning on the date of enactment of this Act  
 24 and ending on the termination date of the national emer-  
 25 gency declared by the President under the National Emer-

1 gencies Act (50 U.S.C. 1601 et seq.) with respect to the  
2 Coronavirus Disease 2019 (COVID–19), the Secretary of  
3 the Interior shall not—

4 (1) conduct any lease sales for oil or natural  
5 gas;

6 (2) issue any noncompetitive leases for oil or  
7 natural gas;

8 (3) issue any coal leases; or

9 (4) modify any regulations relating to oil, nat-  
10 ural gas, or coal.

11 **SEC. 204. STRATEGIC PETROLEUM RESERVE.**

12 (a) MAXIMUM STORAGE CAPACITY.—

13 (1) IN GENERAL.—Section 154(a) of the En-  
14 ergy Policy and Conservation Act (42 U.S.C.  
15 6234(a)) is amended by striking “1 billion barrels”  
16 and inserting “714,500,000 barrels”.

17 (2) CONFORMING AMENDMENTS.—

18 (A) Section 301(e) of the Energy Policy  
19 Act of 2005 (42 U.S.C. 6240 note; Public Law  
20 109–58) is amended by striking paragraph (1).

21 (B) Section 159 of the Energy Policy and  
22 Conservation Act (42 U.S.C. 6239) is amended  
23 by striking subsection (j).

24 (b) DEVELOPMENT, OPERATION, AND MAINTENANCE  
25 OF RESERVE.—Section 159 of the Energy Policy and Con-

1    servation Act (42 U.S.C. 6239) (as amended by subsection  
2    (a)(2)(B)) is amended—

3               (1) by redesignating subsections (f), (g), (k),  
4               and (l) as subsections (a), (b), (c), and (d), respec-  
5               tively; and

6               (2) by inserting after subsection (d) (as so re-  
7               designated) the following:

8               “(e) PROHIBITION OF STORAGE OF PETROLEUM  
9    PRODUCTS NOT OWNED BY THE UNITED STATES.—The  
10   Secretary may not store in a storage or related facility  
11   of the Strategic Petroleum Reserve owned by or leased to  
12   the United States any petroleum products that are not  
13   owned by the United States.”.

14              (c) REPEAL OF ROYALTY-IN-KIND PROVISION.—  
15   Title I of the Department of the Interior, Environment,  
16   and Related Agencies Appropriations Act, 2006 (Public  
17   Law 109–54; 119 Stat. 512), is amended in the matter  
18   under the heading “ROYALTY AND OFFSHORE MINERALS  
19   MANAGEMENT” under the heading “MINERALS MANAGE-  
20   MENT SERVICE” under the heading “DEPARTMENT OF  
21   THE INTERIOR” by striking the fifth proviso (30  
22   U.S.C. 1758).

1 **SEC. 205. LIMITATION ON AVAILABILITY OF FUNDS UNDER**  
2 **THE DEFENSE PRODUCTION ACT OF 1950.**

3 A fossil fuel company shall not be eligible for finan-  
4 cial assistance made available in connection with the na-  
5 tional emergency declared by the President under the Na-  
6 tional Emergencies Act (50 U.S.C. 1601 et seq.) with re-  
7 spect to the Coronavirus Disease 2019 (COVID–19) under  
8 title III of the Defense Production Act of 1950 (50 U.S.C.  
9 4531 et seq.), including through a loan guarantee, loan,  
10 direct investment, or price guarantee under that title.

11 **SEC. 206. REPEAL OF ROYALTY RELIEF PROVISIONS.**

12 (a) REPEAL.—Section 39 of the Mineral Leasing Act  
13 (30 U.S.C. 209) is repealed.

14 (b) CONFORMING AMENDMENTS.—

15 (1) Section 8721(b) of title 10, United States  
16 Code, is amended by striking “202-209” and insert-  
17 ing “202-208”.

18 (2) Section 8735(a) of title 10, United States  
19 Code, is amended by striking “202-209” and insert-  
20 ing “202-208”.

21 (3) Section 31(h) of the Mineral Leasing Act  
22 (30 U.S.C. 188(h)) is amended by striking “and the  
23 provisions of section 39 of this Act”.



1 **SEC. 207. EXTENSION OF PUBLIC COMMENT PERIODS AND**  
2 **SUSPENSION OF RULEMAKING.**

3 (a) EXTENSION OF PUBLIC COMMENT PERIODS.—  
4 Notwithstanding any other provision of law, the heads of  
5 Federal agencies shall keep open any public comment pe-  
6 riod that was open as of March 13, 2020, during the pe-  
7 riod beginning on the date of enactment of this Act and  
8 ending on a date, as designated by the head of the applica-  
9 ble Federal agency, that is not earlier than 30 days after  
10 the date on which the National Emergency declared by  
11 the President under the National Emergencies Act (50  
12 U.S.C. 1601 et seq.) with respect to the Coronavirus Dis-  
13 ease 2019 (COVID–19) is terminated.

14 (b) SUSPENSION OF RULEMAKING.—Notwith-  
15 standing any other provision of law, unless the head of  
16 a Federal agency determines that a rulemaking is specifi-  
17 cally required to respond to, or recover from, the  
18 Coronavirus Disease 2019 (COVID–19) pandemic, the  
19 head of a Federal agency shall not initiate any new admin-  
20 istrative rulemaking during the period beginning on the  
21 date of enactment of this Act and ending on a date, as  
22 designated by the head of the applicable Federal agency,  
23 that is not earlier than the date 30 days after the date  
24 on which the National Emergency declared by the Presi-  
25 dent under the National Emergencies Act (50 U.S.C.

- 1 1601 et seq.) with respect to the Coronavirus Disease
- 2 2019 (COVID–19) is terminated.

