115TH CONGRESS
1st Session
HOUSE OF REPRESENTATIVES
REPT. 115–321
Part 1

PUBLIC LAND RENEWABLE ENERGY DEVELOPMENT ACT OF 2017

SEPTEMBER 21, 2017.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. BISHOP of Utah, from the Committee on Natural Resources, submitted the following

R E P O R T

[To accompany H.R. 825]

[Including cost estimate of the Congressional Budget Office]

The Committee on Natural Resources, to whom was referred the bill (H.R. 825) to promote the development of renewable energy on public land, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Public Land Renewable Energy Development Act of 2017".

SEC. 2. DEFINITIONS.

In this Act:

(1) COVERED LAND.—The term "covered land" means land that is—

(A) public land administered by the Secretary; and

(B) not excluded from the development of geothermal, solar, or wind energy under—

(i) a land use plan established under the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.); or

(ii) other Federal law.

(2) EXCLUSION AREA.—The term "exclusion area" means covered land that is identified by the Bureau of Land Management as not suitable for development of renewable energy projects.

(3) FEDERAL LAND.—The term "Federal land" means—

(A) land of the National Forest System (as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a))); or

(B) public land.

(4) FUND.—The term "Fund" means the Renewable Energy Resource Conservation Fund established by section 7(c)(1).

(5) PRIORITY AREA.—The term "priority area" means covered land identified by the land use planning process of the Bureau of Land Management as being a preferred location for a renewable energy project.

(6) PUBLIC LAND.—The term "public land" has the meaning given the term "public lands" in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702).

(7) RENEWABLE ENERGY PROJECT.—The term "renewable energy project" means a project carried out on covered land that uses wind, solar, or geothermal energy to generate energy.

(8) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(9) VARIANCE AREA.—The term "variance area" means covered land that is—

(A) not an exclusion area;

(B) not a priority area; and

(C) identified by the Secretary as potentially available for renewable energy development and could be approved without a plan amendment, consistent with the principles of multiple use (as that term is defined in the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.)).

SEC. 3. EXTENSION OF FUNDING FOR IMPLEMENTATION OF GEOTHERMAL STEAM ACT OF 1970.

(a) IN GENERAL.—Section 234(a) of the Energy Policy Act of 2005 (42 U.S.C. 15873(a)) is amended by striking "in the first 5 fiscal years beginning after the date of enactment of this Act" and inserting "through fiscal year 2022".

(b) AUTHORIZATION.—Section 234(b) of the Energy Policy Act of 2005 (42 U.S.C. 15873(b)) is amended—

(1) by striking "Amounts" and inserting the following:

"(1) IN GENERAL.—Amounts"; and

(2) by adding at the end the following:

"(2) AUTHORIZATION.—Effective for fiscal year 2018 and each fiscal year thereafter, amounts deposited under subsection (a) shall be available to the Secretary of the Interior for expenditure, without further appropriation or fiscal year limitation, to implement the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) and this Act.".

SEC. 4. LAND USE PLANNING; SUPPLEMENTS TO PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENTS.

(a) PRIORITY AREAS.—

(1) IN GENERAL.—The Secretary, in consultation with the Secretary of Energy, shall establish priority areas on covered land for geothermal, solar, and wind energy projects.

(2) DEADLINE.—

(A) GEOTHERMAL ENERGY.—For geothermal energy, the Secretary shall establish priority areas as soon as practicable, but not later than 5 years, after the date of enactment of this Act.

(B) SOLAR ENERGY.—For solar energy, the solar energy zones established by the 2012 western solar plan of the Bureau of Land Management and any subsequent land use plan amendments shall be considered to be priority areas for solar energy projects.

(C) WIND ENERGY.—For wind energy, the Secretary shall establish priority areas as soon as practicable, but not later than 3 years, after the date of enactment of this Act.

(b) VARIANCE AREAS.—To the maximum extent practicable, variance areas shall be considered for renewable energy project development, consistent with the principles of multiple use (as defined in the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.)).

(c) REVIEW AND MODIFICATION.—Not less frequently than once every 10 years, the Secretary shall—

(1) review the adequacy of land allocations for geothermal, solar, and wind energy priority and variance areas for the purpose of encouraging new renewable energy development opportunities; and

(2) based on the review carried out under paragraph (1), add, modify, or eliminate priority, variance, and exclusion areas.

(d) COMPLIANCE WITH THE NATIONAL ENVIRONMENTAL POLICY ACT.—For purposes of this section, compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall be accomplished—

(1) for geothermal energy, by supplementing the October 2008 final programmatic environmental impact statement for geothermal leasing in the western United States and incorporating any additional regional analyses that have been completed by Federal agencies since the programmatic environmental impact statement was finalized;

(2) for solar energy, by supplementing the July 2012 final programmatic environmental impact statement for solar energy projects and incorporating any additional regional analyses that have been completed by Federal agencies since the programmatic environmental impact statement was finalized; and

(3) for wind energy, by supplementing the July 2005 final programmatic environmental impact statement for wind energy projects and incorporating any additional regional analyses that have been completed by Federal agencies since the programmatic environmental impact statement was finalized.

(e) NO EFFECT ON PROCESSING APPLICATIONS.—A requirement to prepare a supplement to a programmatic environmental impact statement under this section shall not result in any delay in processing an application for a renewable energy project.

(f) COORDINATION.—In developing a supplement required by this section, the Secretary shall coordinate, on an ongoing basis, with appropriate State, tribal, and local governments, transmission infrastructure owners and operators, developers, and other appropriate entities to ensure that priority areas identified by the Secretary are—

(1) economically viable (including having access to transmission);

(2) likely to avoid or minimize conflict with habitat for animals and plants, recreation, and other uses of covered land; and

(3) consistent with section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712), including subsection (c)(9) of that section (43 U.S.C. 1712(c)(9)).

(g) REMOVAL FROM CLASSIFICATION.—In carrying out subsections (a) through (e), if the Secretary determines an area previously suited for development should be removed from priority or variance classification, not later than 90 days after the date of the determination, the Secretary shall submit to Congress a report on the determination.

SEC. 5. ENVIRONMENTAL REVIEW ON COVERED LAND.

(a) IN GENERAL.—If the Secretary determines that a proposed renewable energy project has been sufficiently analyzed by a programmatic environmental impact statement conducted under section 4(d), the Secretary shall not require any additional review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(b) ADDITIONAL ENVIRONMENTAL REVIEW.—If the Secretary determines that additional environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) is necessary for a proposed renewable energy project, the Secretary shall rely on the analysis in the programmatic environmental impact statement conducted under section 4(d), to the maximum extent practicable when analyzing the potential impacts of the project.

(c) RELATIONSHIP TO OTHER LAW.—Nothing in this section modifies or supersedes any requirement under applicable law.

SEC. 6. PROGRAM TO IMPROVE RENEWABLE ENERGY PROJECT PERMIT COORDINATION.

(a) ESTABLISHMENT.—The Secretary shall establish a program to improve Federal permit coordination with respect to renewable energy projects on covered land.

(b) MEMORANDUM OF UNDERSTANDING.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall enter into a memorandum of understanding for purposes of this section, including to specifically expedite the environmental analysis of applications for projects proposed in a variance area, with—

(A) the Secretary of Agriculture; and

(B) the Assistant Secretary of the Army for Civil Works.

(2) STATE PARTICIPATION.—The Secretary may request the Governor of any interested State to be a signatory to the memorandum of understanding under paragraph (1).

(c) DESIGNATION OF QUALIFIED STAFF.—

(1) IN GENERAL.—Not later than 30 days after the date on which the memorandum of understanding under subsection (b) is executed, all Federal signatories, as appropriate, shall identify for each of the Bureau of Land Management Renewable Energy Coordination Offices an employee who has expertise in the regulatory issues relating to the office in which the employee is employed, including, as applicable, particular expertise in—

(A) consultation regarding, and preparation of, biological opinions under section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536);

(B) permits under section 404 of Federal Water Pollution Control Act (33 U.S.C. 1344);

(C) regulatory matters under the Clean Air Act (42 U.S.C. 7401 et seq.);

(D) planning under section 14 of the National Forest Management Act of 1976 (16 U.S.C. 472a);

(E) the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.);

(F) the Migratory Bird Treaty Act (16 U.S.C. 703 et seq.); and

(G) the preparation of analyses under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) DUTIES.—Each employee assigned under paragraph (1) shall—

(A) be responsible for addressing all issues relating to the jurisdiction of the home office or agency of the employee; and

(B) participate as part of the team of personnel working on proposed energy projects, planning, monitoring, inspection, enforcement, and environmental analyses.

(d) ADDITIONAL PERSONNEL.—The Secretary may assign such additional personnel for the Bureau of Land Management Renewable Energy Coordination Offices as are necessary to ensure the effective implementation of any programs administered by the offices, including inspection and enforcement relating to renewable energy project development on covered land, in accordance with the multiple use mandate of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.).

(e) RENEWABLE ENERGY COORDINATION OFFICES.—In carrying out the program established under subsection (a), the Secretary may—

(1) establish additional Bureau of Land Management Renewable Energy Coordination Offices; or

(2) temporarily assign the qualified staff designated under subsection (c) to a State, district, or field office of the Bureau of Land Management to expedite the permitting of renewable energy projects.

(f) REPORT TO CONGRESS.—

(1) IN GENERAL.—Not later than February 1 of the first fiscal year beginning after the date of enactment of this Act, and each February 1 thereafter, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives a report describing the progress made under the program established under subsection (a) during the preceding year.

(2) INCLUSIONS.—Each report under this subsection shall include—

(A) projections for renewable energy production and capacity installations; and

(B) a description of any problems relating to leasing, permitting, siting, or production.

SEC. 7. DISPOSITION OF REVENUES.

(a) DISPOSITION OF REVENUES.—Beginning on January 1, 2018, without further appropriation or fiscal year limitation, of the amounts collected as bonus bids, rentals, fees, or other payments under a right-of-way, permit, lease, or other authorization (other than under section 504(g) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1764(g))) for the development of wind or solar energy on covered land—

(1) 25 percent shall be paid by the Secretary of the Treasury to the State within the boundaries of which the revenue is derived;

(2) 25 percent shall be paid by the Secretary of the Treasury to the one or more counties within the boundaries of which the revenue is derived, to be allocated among the counties based on the percentage of land from which the revenue is derived;

(3) to be deposited in the Treasury and be made available to the Secretary to carry out the program established by section 6, including the transfer of the funds by the Bureau of Land Management to other Federal agencies and State agencies to facilitate the processing of renewable energy permits on Federal land, with priority given to using the amounts, to the maximum extent practicable, to expediting the issuance of permits required for the development of renewable energy projects in the States from which the revenues are derived—

(A) 25 percent for each of fiscal years 2018 through 2027;

(B) 20 percent for each of fiscal years 2028 through 2032;

(C) 15 percent for each of fiscal years 2033 through 2037; and

(D) 10 percent for fiscal year 2038 and each fiscal year thereafter; and

(4) to be deposited in the Renewable Energy Resource Conservation Fund established by subsection (c)—

(A) 25 percent for each of fiscal years 2018 through 2027;

(B) 30 percent for each of fiscal years 2028 through 2032;

(C) 35 percent for each of fiscal years 2033 through 2037; and

(D) 40 percent for fiscal year 2038 and each fiscal year thereafter.

(b) PAYMENTS TO STATES AND COUNTIES.—

(1) IN GENERAL.—Amounts paid to States and counties under subsection (a) shall be used consistent with section 35 of the Mineral Leasing Act (30 U.S.C. 191).

(2) PAYMENTS IN LIEU OF TAXES.—A payment to a county under paragraph (1) shall be in addition to a payment in lieu of taxes received by the county under chapter 69 of title 31, United States Code.

(c) RENEWABLE ENERGY RESOURCE CONSERVATION FUND.—

(1) IN GENERAL.—There is established in the Treasury a fund, to be known as the "Renewable Energy Resource Conservation Fund", to be administered by the Secretary, in consultation with the Secretary of Agriculture.

(2) USE OF FUNDS.—The Secretary may make funds in the Fund available to Federal, State, and tribal agencies to be distributed in regions in which renewable energy projects are located on Federal land, for the purposes of—

(A) restoring and protecting—

(i) fish and wildlife habitat for affected species;

(ii) fish and wildlife corridors for affected species; and

(iii) water resources in areas affected by wind, geothermal, or solar energy development; and

(B) preserving and improving recreational access to Federal land and water in an affected region through an easement, right-of-way, or other instrument from willing landowners for the purpose of enhancing public access to existing Federal land and water that is inaccessible or restricted.

(3) RESTRICTION ON USE OF FUNDS.—No funds made available under this subsection may be used for the purchase of real property unless in fulfillment of subparagraph (B) of paragraph (2).

(4) PARTNERSHIPS.—The Secretary may enter into cooperative agreements with State and tribal agencies, nonprofit organizations, and other appropriate entities to carry out the activities described in subparagraphs (A) and (B) of paragraph (2).

(5) INVESTMENT OF FUND.—

(A) IN GENERAL.—Any amounts deposited in the Fund shall earn interest in an amount determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States of comparable maturities.

(B) USE.—Any interest earned under subparagraph (A) may be expended in accordance with this subsection.

(6) REPORT TO CONGRESS.—At the end of each fiscal year, the Secretary shall report to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate—

(A) the amount collected as described in subsection (a), by source, during that fiscal year;

(B) the amount and purpose of payments during that fiscal year to each Federal, State, and tribal agency under paragraph (2); and

(C) the amount remaining in the Fund at the end of the fiscal year.

(7) INTENT OF CONGRESS.—It is the intent of Congress that the revenues deposited and used in the Fund shall supplement (and not supplant) annual appropriations for activities described in subparagraphs (A) and (B) of paragraph (2).

SEC. 8. SAVINGS CLAUSE.

Notwithstanding any other provision of this Act, the Secretary shall continue to manage public land under the principles of multiple use and sustained yield in accordance with title I of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), including due consideration of mineral and nonrenewable energy-related projects and other nonrenewable energy uses, for the purposes of land use planning, permit processing, and conducting environmental reviews.

PURPOSE OF THE BILL

The purpose of H.R. 825 is to promote the development of renewable energy on public land.

BACKGROUND AND NEED FOR LEGISLATION

Renewable energy generation comprises one of the many facets of the Committee on Natural Resources' "all-of-the-above" energy strategy to ensure American energy independence. As such, the Committee supports expanding access for renewable energy on on-

shore federal lands. H.R. 825 encourages the development of renewable generation on federal land by expediting the permitting process, while ensuring States and their respective taxpayers receive fair value for the energy produced.

The Bureau of Land Management (BLM) has identified 20.6 million acres of public land with wind potential and over 19 million acres with solar potential.[1] However, the current lack of a regulatory and statutory structure governing renewable access to federal land has hindered the rapid development of renewables, reflected by the fact that only 1.4% of installed wind energy capacity in 2012 was found on public lands.[2]

Unlike the statutory leasing processes governing oil and gas,[3] or geothermal production,[4] there exists no leasing authority to encourage the use of federal land for wind or solar energy. Rather, a land use planning statute, the Federal Land Policy and Management Act of 1976 (FLPMA, 43 U.S.C. 1701 *et seq.*), governs the process to develop wind and solar on federal land. Specifically, Title V of FLPMA authorizes the acquisition of rights-of-way over federal lands for "systems for generation, transmission, and distribution of electric energy."[5]

Applying for a right-of-way is an often lengthy and cumbersome process requiring environmental review under the National Environmental Policy Act of 1969 (NEPA, 42 U.S.C. 4321 *et seq.*). Furthermore, BLM retains many rights over the land once a right-of-way has been authorized. For instance, BLM may access the lands covered by the right-of-way at any time, may change the terms and conditions of the right-of-way pending future regulatory or statutory changes, or require common use of the land.[6] In fact, holders of rights-of-way typically have less control over the rented land than would a lessee seeking the production of natural resources.

One additional concern is the lack of any revenue structure that would ensure a fair return to the States and counties affected by the development of renewable generation. In contrast, geothermal currently has a revenue structure ensuring fair payment to States and counties, and rental fees paid by renewable developers are returned directly to the U.S. Treasury.

The purposes of H.R. 825 are two-fold: first, to provide certainty to renewable developers navigating the right-of-way process on federal land; and second, to establish a fair revenue structure that benefits the States and counties affected by renewable development.

H.R. 825 achieves certainty for developers by limiting the environmental review required by NEPA through the use of programmatic environmental impact statements (PEIS), which exist for each type of renewable generation. This bill requires BLM to review and update each PEIS affecting geothermal, wind, and solar development on federal land once every ten years, and grant inter-

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[1] U.S. Department of Energy, WINDExchange, *available at https://apps2.eere.energy.gov/wind/windexchange/wind-projects-public-lands.asp;* U.S. Bureau of Land Management, Solar Energy, *available at https://www.blm.gov/programs/energy-and-minerals/renewable-energy/solar-energy*.

[2] American Wind Energy Association, Public Lands and Wind Energy, *available at http://www.awea.org/Issues/Content.aspx?ItemNumber=858.*

[3] Mineral Leasing Act of 1920, 30 U.S.C. § 181 *et seq.*

[4] Geothermal Steam Act of 1970, 30 U.S.C. § 1001 *et seq.*

[5] 43 U.S.C. § 1761(a)(4).

[6] 43 C.F.R. § 2805.15.

ested developers the ability to rely on the respective PEIS. Developers would not need to initiate environmental review for projects that would be covered by such PEIS.

H.R. 825 also imposes a new revenue structure to ensure a fair return to the States and counties affected by renewable energy development. Bonus bids, rentals, fees, or other payments returned to the federal government under a right-of-way, permit or lease will be disbursed in the following manner: 25% to the affected State; 25% to the affected counties; 25% to the U.S. Treasury; and 25% to a new Fund—the "Renewable Energy Resource Conservation Fun". After 2027, the disbursements to the Treasury and the Fund change and are as follows: 20% to the Treasury and 30% to the Fund from 2028 through 2032; 15% to the Treasury and 35% to the Fund from 2033 through 2037; and 10% to the Treasury and 40% to the Fund from 2028 onward.

The bill establishes the Fund to mitigate the impacts of renewable development. Specifically, the Fund can be used to restore and protect fish and wildlife habitat and water resources, and to improve recreational access to federal land. Payments from the Fund cannot be used to purchase real property for purposes not authorized in the bill. Finally, the Secretary of the Interior must issue a report to Congress regarding the amount collected in the Fund, how payments from the Fund are expended, and the amount remaining in the Fund at the end of each fiscal year.

COMMITTEE ACTION

H.R. 825 was introduced on February 2, 2017, by Congressman Paul A. Gosar (R–AZ). The bill was referred to the Committee on Natural Resources, and in addition to the Committee on Agriculture. Within the Committee on Natural Resources, the bill was referred to the Subcommittee on Energy and Mineral Resources. On July 25, 2017, the Natural Resources Committee met to consider the bill. The Subcommittee was discharged by unanimous consent. Congressman Paul A. Gosar offered an amendment designated 001; it was adopted by unanimous consent. No further amendments were offered, and the bill, as amended, was ordered favorably reported to the House of Representatives by unanimous consent on July 26, 2017.

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 and the Congressional Budget Act of 1974. With respect to the requirements of clause 3(c)(2) and (3) of rule XIII of the Rules of the House of Representatives and sections 308(a) and 402 of the Congressional Budget Act of 1974, the Committee has received the enclosed cost estimate for the bill from the Director of the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 18, 2017.

Hon. ROB BISHOP,
Chairman, Committee on Natural Resources,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 825, the Public Land Renewable Energy Development Act of 2017.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Jeff LaFave.

Sincerely,

KEITH HALL,
Director.

Enclosure.

H.R. 825—Public Land Renewable Energy Development Act of 2017

Summary: H.R. 825 would direct the Secretary of the Interior to spend, without further appropriation, all proceeds from geothermal, wind, and solar energy production on federal lands. Under current law, most of the proceeds from those activities are deposited in the general fund of the Treasury. The bill also would require the Secretary to identify priority areas on federal lands for the development of geothermal and wind energy.

CBO estimates that enacting the bill would increase direct spending by $415 million over the 2018–2027 period; therefore, pay-as-you-go procedures apply. Enacting the bill would not affect revenues. In addition, CBO estimates that implementing H.R. 825 would cost $5 million over the 2018–2022 period; such spending would be subject to the availability of appropriated funds.

CBO estimates that enacting H.R. 825 would not increase net direct spending or on-budget deficits by more than $5 billion in any of the four consecutive 10-year periods beginning in 2028.

H.R. 825 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary effect of H.R. 825 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By fiscal year, in millions of dollars—												
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2017–2022	2017–2027
INCREASES IN DIRECT SPENDING													
Spending of Wind and Solar Proceeds:													
Estimated Budget Authority	0	22	32	35	40	42	44	45	46	47	48	171	399
Estimated Outlays	0	17	27	32	37	40	43	44	45	46	47	153	378
Spending of Geothermal Proceeds:													
Estimated Budget Authority	0	3	3	3	4	4	4	4	4	4	4	17	37
Estimated Outlays	0	3	3	3	4	4	4	4	4	4	4	17	37
Total Changes:													
Estimated Budget Authority	0	25	35	38	44	46	48	49	50	51	52	188	436

	By fiscal year, in millions of dollars—												
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2017–2022	2017–2027
Estimated Outlays	0	20	30	35	41	44	47	48	49	50	51	170	415
INCREASES IN SPENDING SUBJECT TO APPROPRIATION													
Estimated Authorization Level	0	1	1	1	1	1	0	0	0	0	0	5	5
Estimated Outlays	0	1	1	1	1	1	0	0	0	0	0	5	5

Note: Components may not sum to totals because of rounding.

Basis of estimate: For this estimate, CBO assumes that the legislation will be enacted in 2018 and that the necessary amounts will be available for each fiscal year. Estimated outlays are based on historical spending patterns for similar activities.

Direct spending

CBO estimates that enacting H.R. 825 would increase direct spending by $415 million over the 2018–2027 period.

Spending of Wind and Solar Proceeds. The bill would direct the Secretary to spend all proceeds from the development of wind and solar energy on federal lands. Under current law, CBO estimates that those proceeds will total roughly $400 million over the 2018–2027 period and under current law will be deposited in the general fund of the Treasury and become available to be spent only if appropriated.

Under the bill, the state and the county where the energy is produced would each receive a payment equal to 25 percent of the total proceeds. CBO estimates that those payments would total $197 million over the next 10 years. The remaining 50 percent of the proceeds would be split evenly between two funds established under the bill. One fund would be used to process permits for the development of renewable energy. CBO estimates that spending from that fund would total $97 million over the next 10 years. The other fund (the Renewable Energy Resource Conservation Fund) would be used to restore and protect fish and wildlife habitat, water resources, and recreational access in areas affected by renewable energy development. CBO estimates that spending from that fund would total $84 million over the next 10 years; those outlays would include the spending of a portion of the interest credited to unspent amounts in that fund.

Spending of geothermal proceeds. CBO estimates that proceeds from geothermal energy leases on federal lands will total $148 million over the 2018–2027 period. Under current law, the Secretary distributes payments equal to 75 percent of those amounts to the states and counties where the geothermal resource is developed. The remaining 25 percent of proceeds are deposited in the Treasury and can be spent only if appropriated. Under the bill, the Secretary would be authorized to spend that remaining 25 percent of the proceeds to cover administrative costs associated with leasing federal lands for the development of geothermal resources. Thus, CBO estimates that enacting the bill would increase direct spending by $37 million over the next 10 years.

Spending subject to appropriation

H.R. 825 would require the Secretary of the Interior to identify priority areas for the development of geothermal and wind energy.

Based on information regarding the cost of conducting similar activities, CBO estimates that implementing the bill would cost $5 million over the 2018–2022 period.

Pay-As-You-Go considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table.

CBO ESTIMATE OF PAY-AS-YOU-GO EFFECTS FOR H.R. 825, AS ORDERED REPORTED BY THE HOUSE COMMITTEE ON NATURAL RESOURCES ON JULY 26, 2017

	By fiscal year, in millions of dollars—												
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2017–2022	2017–2027
NET INCREASE IN THE DEFICIT													
Statutory Pay-As-You-Go Impact	0	20	30	35	41	44	47	48	49	50	51	170	415

Increase in long term direct spending and deficits: CBO estimates that enacting the legislation would not increase net direct spending or on-budget deficits by more than $5 billion in any of the four consecutive 10-year periods beginning in 2028.

Intergovernmental and private-sector impact: H.R. 825 contains no intergovernmental or private-sector mandates as defined in UMRA. The bill would benefit state and local governments because it would require the federal government to share revenues generated by renewable energy production with state and local governments. Any costs incurred by public entities would result from voluntary commitments.

Estimate prepared by: Federal costs: Jeff LaFave; Impact on state, local, and tribal governments: Jon Sperl; Impact on the private sector: Amy Petz.

Estimate approved by: H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

2. 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 promote the development of renewable energy on public land.

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. This bill does not contain any directed rule makings.

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 MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

ENERGY POLICY ACT OF 2005

* * * * * * *

TITLE II—RENEWABLE ENERGY

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Subtitle B—Geothermal Energy

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SEC. 234. DEPOSIT AND USE OF GEOTHERMAL LEASE REVENUES FOR 5 FISCAL YEARS.

(a) DEPOSIT OF GEOTHERMAL RESOURCES LEASES.—Notwithstanding any other provision of law, amounts received by the United States [in the first 5 fiscal years beginning after the date of enactment of this Act] *through fiscal year 2022* as rentals, royalties, and other payments required under leases under the Geothermal Steam Act of 1970, excluding funds required to be paid to State and county governments, shall be deposited into a separate account in the Treasury.

(b) USE OF DEPOSITS.—[Amounts]

(1) IN GENERAL.—Amounts deposited under subsection (a) shall be available to the Secretary of the Interior for expenditure, without further appropriation and without fiscal year limitation, to implement the Geothermal Steam Act of 1970 and this Act.

(2) AUTHORIZATION.—Effective for fiscal year 2018 and each fiscal year thereafter, amounts deposited under subsection (a) shall be available to the Secretary of the Interior for expenditure, without further appropriation or fiscal year limitation, to implement the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) and this Act.

(c) TRANSFER OF FUNDS.—For the purposes of coordination and processing of geothermal leases and geothermal use authorizations on Federal land the Secretary of the Interior may authorize the ex-

penditure or transfer of such funds as are necessary to the Forest Service.

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ROB BISHOP OF UTAH
CHAIRMAN

CODY STEWART
STAFF DIRECTOR

COMMITTEE CORRESPONDENCE

U.S. House of Representatives

Committee on Natural Resources

Washington, DC 20515

RAUL GRIJALVA OF ARIZONA
RANKING MEMBER

DAVID WATKINS
DEMOCRATIC STAFF DIRECTOR

September 19, 2017

The Honorable K. Michael Conaway
Chairman
Committee on Agriculture
1301 Longworth HOB
Washington, DC 20515

Dear Mr. Chairman:

On July 26, 2017, the Committee on Natural Resources favorably reported as amended H.R. 825, Public Land Renewable Energy Development Act of 2017. This bill was referred primarily to the Committee on Natural Resources, with an additional referral to the Committee on Agriculture. My staff has forwarded the reported text to your committee for review.

Based on this text, I ask that you allow the Committee on Agriculture to be discharged from further consideration of the bill so that it may be scheduled by the Majority Leader. This discharge in no way affects your jurisdiction over the subject matter of the bill, and it will not serve as precedent for future referrals. In addition, should a conference on the bill be necessary, I would support your request to have the Committee on Agriculture be represented on the conference committee. Finally, I would be pleased to include this letter and any response in the bill report filed by the Committee on Natural Resources to memorialize our understanding, as well as in the Congressional Record.

Thank you for your consideration of my request, and I look forward to further opportunities to work with you this Congress.

Sincerely,

Rob Bishop
Chairman
Committee on Natural Resources

cc: The Honorable Paul D. Ryan, Speaker
The Honorable Kevin McCarthy, Majority Leader
The Honorable Raul Grijalva, Ranking Member, Committee on Natural Resources
The Honorable Thomas J. Wickham, Jr., Parliamentarian

U.S. House of Representatives
Committee on Agriculture
Room 1301, Longworth House Office Building
Washington, DC 20515-6001
(202) 225-2171

September 19, 2017

The Honorable Rob Bishop
Chairman
Committee on Natural Resources
1324 Longworth HOB
Washington, D.C. 20515

Dear Mr. Chairman:

Thank you for the opportunity to review H.R. 825, the Public Land Renewable Energy Development Act of 2017. As you are aware, the bill was primarily referred to the Committee on Natural Resources, while the Agriculture Committee received an additional referral.

I recognize and appreciate your desire to bring this legislation before the House in an expeditious manner and, accordingly, I agree to discharge H.R. 825 from further consideration by the Committee on Agriculture. I do so with the understanding that by discharging the bill, the Committee on Agriculture does not waive any future jurisdictional claim on this or similar matters. Further, the Committee on Agriculture reserves the right to seek the appointment of conferees, if it should become necessary.

I ask that you insert a copy of our exchange of letters into the *Congressional Record* during consideration of this measure on the House floor.

Thank you for your courtesy in this matter and I look forward to continued cooperation between our respective committees.

Sincerely,

K. Michael Conaway
Chairman

cc: The Honorable Paul D. Ryan, Speaker
The Honorable Collin C. Peterson
The Honorable Raul Grijalva
The Honorable Thomas J. Wickham, Parliamentarian