AMENDMENT TO H.R. 4382

OFFERED BY MR. HOLT

Page 3, line 21, strike the closing quotation marks and the following period, and after line 21 insert the following:

"(3) ELIGIBILITY FOR NEW LEASES AND THE TRANSFER OF LEASES.—

"(A) ISSUANCE OF NEW LEASES.—

"(i) ISSUANCE OF NEW LEASES.—The Secretary of the Interior shall not offer new leases pursuant to this section to a person described in clause (ii) unless the person has renegotiated each covered lease with respect to which the person is a lessee, to modify the payment responsibilities of the person to require the payment of royalties if the price of oil and natural gas is greater than or equal to the price thresholds described in clauses (v) through (vii) of section 8(a)(3)(C) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)).

"(ii) PERSONS DESCRIBED.—A person referred to in clause (i) is a person that—

"(I) is a lessee that—

"(aa) holds a covered lease on the date on which the Secretary considers the issuance of the new lease; or

"(bb) was issued a covered lease before the date of enactment of this Act, but transferred the covered lease to another person or entity (including a subsidiary or affiliate of the lessee) after the date of enactment of this Act; or

"(II) any other person that has any direct or indirect interest in, or that derives any benefit from, a covered lease.

"(B) DEFINITIONS.—In this paragraph—

"(i) COVERED LEASE.—The term 'covered lease' means a lease for oil or gas production in the Gulf of Mexico that is—

"(I) in existence on the date of enactment of this Act;

"(II) issued by the Department of the Interior under section 304 of the Outer Continental Shelf Deep Water Royalty Relief Act (43 U.S.C. 1337 note; Public Law 104–58); and

"(III) not subject to limitations on royalty relief based on market price that are equal to or less than the price thresholds described in clauses (v) through (vii) of section 8(a)(3)(C) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)).

"(ii) LESSEE.—The term 'lessee' includes any person or other entity that controls, is controlled by, or is in or under common control with, a lessee.

"(iii) NEW LEASE.—The term 'new lease' means a lease issued in a lease sale under this Act.".