

# House Legislation Seeks Changes To Federal Leases

House Democrats have introduced legislation that would put oil and gas leasing on federal lands and offshore under a new Interior Department agency.

Under the leadership of House Natural Resources Chairman **Nick Rahall** (D-WV), the proposal would put all federal energy and mineral leasing programs under the new agency, which are now conducted by the Minerals Management Service (MMS) and the Bureau of Land Management (BLM).

The new name would be the Office of Federal Energy and Minerals Leasing.

The bill also calls for elimination of the royalty-in-kind provision and new ethics code. It establishes new Regional Planning Councils that undertake new strategic planning for outer continental shelf development.

The new proposed legislation is designed to put more pressure on oil companies to develop federal leases faster by shortening initial onshore lease terms from 10 years to five years and raise minimum royalty rates to 18.75%.