

117TH CONGRESS
1ST SESSION

H. R. 6086

To direct the Secretary of the Interior to compensate States for lost revenue for any year during which Federal oil and gas leasing of Federal land within a State does not occur or otherwise results in lost revenue to that State as a result of an order, moratorium, pause, or other action by the President, Secretary of the Interior, Secretary of Agriculture, or other designated official.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 30, 2021

Ms. CHENEY introduced the following bill; which was referred to the
Committee on Natural Resources

A BILL

To direct the Secretary of the Interior to compensate States for lost revenue for any year during which Federal oil and gas leasing of Federal land within a State does not occur or otherwise results in lost revenue to that State as a result of an order, moratorium, pause, or other action by the President, Secretary of the Interior, Secretary of Agriculture, or other designated official.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Payment In Lieu of
3 Lost Revenues Act” or the “PILLR Act”.

4 **SEC. 2. AUTHORITY TO MAKE PAYMENTS.**

5 For any year during which Federal oil and gas leas-
6 ing of Federal land within a State does not occur or is
7 otherwise affected in a manner that results in lost revenue
8 to that State as a result of an order, moratorium, pause,
9 or other action by the President, the Secretary of the Inte-
10 rior, Secretary of Agriculture, or other designated official,
11 the Secretary of the Interior shall make a payment to that
12 State from Federal mineral royalties, subject to further
13 appropriation, in an amount determined under section 3.

14 **SEC. 3. AMOUNT OF PAYMENTS.**

15 (a) AMOUNT.—A payment to a State shall seek to
16 compensate the State for lost revenues, including oil and
17 gas lease rentals, bonuses and royalties, and tax revenues
18 due to an order, moratorium, pause or other action de-
19 scribed in section 2, and shall be in an amount calculated
20 by the Secretary of the Interior equal to the sum of—

21 (1) an amount equal to the 10-year average dis-
22 bursement amount to the State from the Office of
23 Natural Resources and Revenue for oil and gas lease
24 bonuses and rentals, and other similar non-royalty
25 disbursements from Federal oil and gas leases, less
26 the amount actually received by the State for such

1 Federal lease bonuses and rentals during the fiscal
2 year in which the order, moratorium, or pause was
3 in effect;

4 (2) an amount equal to the product of—

5 (A) the 10-year average disbursement
6 amount to the State from the Office of Natural
7 Resources and Revenue for oil and gas lease
8 production royalties based on data collected for
9 the previous 10 years; and

10 (B) the 10-year average of the percentage
11 of oil and gas production that is derived from
12 new wells drilled during such year determined
13 from data submitted by the relevant State oil
14 and gas regulatory agency based on data col-
15 lected for the previous 10 years; and

16 (3) an amount equal to the product of—

17 (A) the lost royalties as calculated under
18 paragraph (2); and

19 (B) the average rate of severance, ad valo-
20 rem, and production taxes imposed by the State
21 during the previous 10 years on oil and gas ex-
22 tracted in such State, determined from data
23 submitted by the State based on data collected
24 for the previous 10 years.

1 (b) ADJUSTMENTS.—On October 1 of each year after
2 the date of enactment of this Act, the Secretary shall ad-
3 just each payment amount calculated in accordance with
4 subsection (a) to reflect changes in the Consumer Price
5 Index published by the Bureau of Labor Statistics of the
6 Department of Labor, for the 12 months ending the pre-
7 ceding June 30.

8 (c) CORRECTION OF UNDER-PAYMENTS.—The Sec-
9 retary of the Interior shall use amounts made available
10 for payments under this section from Federal mineral roy-
11 alties to correct under-payments to a State in the previous
12 fiscal year. The Secretary of the Interior shall allocate
13 amounts under this subsection so as to achieve equity in
14 payments among States eligible for payments under this
15 Act.

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