

115TH CONGRESS
1ST SESSION

H. R. 2402

To authorize the Secretary of the Interior to retire coal preference right lease applications for which the Secretary has made an affirmative commercial quantities determination, to substitute certain land selections of the Navajo Nation, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 8, 2017

Mr. BEN RAY LUJÁN of New Mexico (for himself, Ms. CHENEY, Mr. LAMBORN, Mr. TIPTON, Mr. O'HALLERAN, and Mr. COMER) introduced the following bill; which was referred to the Committee on Natural Resources

A BILL

To authorize the Secretary of the Interior to retire coal preference right lease applications for which the Secretary has made an affirmative commercial quantities determination, to substitute certain land selections of the Navajo Nation, and for other purposes.

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 “San Juan County Set-
5 tlement Implementation Act”.

1 **SEC. 2. EXCHANGE OF COAL PREFERENCE RIGHT LEASE**

2 **APPLICATIONS.**

3 (a) DEFINITIONS.—In this section:

4 (1) BIDDING RIGHT.—The term “bidding right”
5 means an appropriate legal instrument or other writ-
6 ten documentation, including an entry in an account
7 managed by the Secretary, issued or created under
8 subpart 3435 of title 43, Code of Federal Regula-
9 tions, that may be used—

10 (A) in lieu of a monetary payment for 50
11 percent of a bonus bid for a coal lease sale
12 under the Mineral Leasing Act (30 U.S.C. 181
13 et seq.); or

14 (B) as a monetary credit against 50 per-
15 cent of any rental or royalty payments due
16 under any Federal coal lease.

17 (2) SECRETARY.—The term “Secretary” means
18 the Secretary of the Interior.

19 (b) USE OF BIDDING RIGHT.—

20 (1) IN GENERAL.—If the Secretary retires a
21 coal preference right lease application under the
22 Mineral Leasing Act (30 U.S.C. 181 et seq.) by
23 issuing a bidding right in exchange for the relin-
24 quishment of the coal preference right lease applica-
25 tion, the bidding right subsequently may be used in

1 lieu of 50 percent of the amount owed for any mone-
2 tary payment of—

3 (A) a bonus in a coal lease sale; or

4 (B) rental or royalty under a Federal coal
5 lease.

6 (2) PAYMENT CALCULATION.—

7 (A) IN GENERAL.—The Secretary shall cal-
8 culate a payment of amounts owed to a relevant
9 State under section 35(a) of the Mineral Leas-
10 ing Act (30 U.S.C. 191(a)) based on the com-
11 bined value of the bidding rights and amounts
12 received.

13 (B) AMOUNTS RECEIVED.—Except as pro-
14 vided in this subsection, for purposes of calcu-
15 lating the payment of amounts owed to a rel-
16 evant State under subparagraph (A) only, a
17 bidding right shall be considered amounts re-
18 ceived.

19 (c) SOURCE OF PAYMENTS.—The Secretary shall
20 make payments to the relevant State under subsection (b)
21 from monetary payments received by the Secretary when
22 bidding rights are exercised under this Act.

23 (d) TREATMENT OF PAYMENTS.—A payment to a
24 State under this section shall be treated as a payment

1 under section 35(a) of the Mineral Leasing Act (30 U.S.C.
2 191(a)).

3 (e) TRANSFERABILITY; LIMITATION.—

4 (1) TRANSFERABILITY.—A bidding right issued
5 for a coal preference right lease application under
6 the Mineral Leasing Act (30 U.S.C. 181 et seq.)
7 shall be fully transferable to any other person.

8 (2) NOTIFICATION OF SECRETARY.—A person
9 who transfers a bidding right shall notify the Sec-
10 retary of the transfer by any method determined to
11 be appropriate by the Secretary.

12 (3) EFFECTIVE PERIOD.—

13 (A) IN GENERAL.—A bidding right issued
14 under the Mineral Leasing Act (30 U.S.C. 181
15 et seq.) shall terminate on the expiration of the
16 7-year period beginning on the date the bidding
17 right is issued.

18 (B) TOLLING OF PERIOD.—The 7-year pe-
19 riod described in subparagraph (A) shall be
20 tolled during any period in which exercise of the
21 bidding right is precluded by temporary injunc-
22 tive relief granted under, or administrative, leg-
23 islative, or judicial suspension of, the Federal
24 coal leasing program.

1 (f) DEADLINE.—If an existing settlement of a coal
2 preference right lease application has not been imple-
3 mented as of the date of enactment of this Act, not later
4 than 180 days after that date of enactment, the Secretary
5 shall complete the bidding rights valuation process in ac-
6 cordance with the terms of the settlement.

7 **SEC. 3. CERTAIN LAND SELECTIONS OF THE NAVAJO NA-**
8 **TION.**

9 (a) CANCELLATION OF CERTAIN SELECTIONS.—The
10 land selections made by the Navajo Nation pursuant to
11 Public Law 93–531 (commonly known as the “Navajo-
12 Hopi Land Settlement Act of 1974”) (25 U.S.C. 640d et
13 seq.) that are depicted on the map entitled “Navajo-Hopi
14 Land Settlement Act Selected Lands” and dated April 2,
15 2015, are cancelled.

16 (b) AUTHORIZATION FOR NEW SELECTION.—

17 (1) IN GENERAL.—Subject to paragraphs (2),
18 (3), and (4) and subsection (c), the Navajo Nation
19 may make new land selections in accordance with
20 the Act referred to in subsection (a) to replace the
21 land selections cancelled under that subsection.

22 (2) ACREAGE CAP.—The total acreage of land
23 selected under paragraph (1) shall not exceed
24 15,000 acres of land.

1 (3) EXCLUSIONS.—The following land shall not
2 be eligible for selection under paragraph (1):

3 (A) Land within a unit of the National
4 Landscape Conservation System.

5 (B) Land within—

6 (i) the Glade Run Recreation Area;

7 (ii) the Fossil Forest Research Nat-
8 ural Area; or

9 (iii) a special management area or
10 area of critical environmental concern iden-
11 tified in a land use plan developed under
12 section 202 of the Federal Land Policy
13 and Management Act of 1976 (43 U.S.C.
14 1712) that is in effect on the date of en-
15 actment of this Act.

16 (C) Any land subject to a lease or contract
17 under the Mineral Leasing Act (30 U.S.C. 181
18 et seq.) or the Act of July 31, 1947 (commonly
19 known as the “Materials Act of 1947”) (30
20 U.S.C. 601 et seq.), as of the date of the selec-
21 tion.

22 (4) DEADLINE.—Not later than 7 years after
23 the date of enactment of this Act, the Navajo Nation
24 shall make all selections under paragraph (1).

1 (5) WITHDRAWAL.—Any land selected by the
2 Navajo Nation under paragraph (1) shall be with-
3 drawn from disposal, leasing, and development until
4 the date on which the selected land is placed into
5 trust for the Navajo Nation.

6 (c) EQUAL VALUE.—

7 (1) IN GENERAL.—Notwithstanding the acreage
8 limitation in the second proviso of section 11(c) of
9 Public Law 93–531 (commonly known as the “Nav-
10 ajo-Hopi Land Settlement Act of 1974”) (25 U.S.C.
11 640d–10(c)) and subject to subsection (b)(2), the
12 value of the land selected under subsection (b)(1)
13 and the land subject to selections cancellation under
14 subsection (a) shall be equal, based on appraisals
15 conducted under paragraph (2).

16 (2) APPRAISALS.—

17 (A) IN GENERAL.—The value of the land
18 selected under subsection (b)(1) and the land
19 subject to selections cancelled under subsection
20 (a) shall be determined by appraisals conducted
21 in accordance with—

22 (i) the Uniform Appraisal Standards
23 for Federal Land Acquisitions; and

24 (ii) the Uniform Standards of Profes-
25 sional Appraisal Practice.

1 (B) TIMING.—

2 (i) LAND SUBJECT TO SELECTIONS
3 CANCELLED.—Not later than 18 months
4 after the date of enactment of this Act, the
5 appraisal under subparagraph (A) of the
6 land subject to selections cancelled under
7 subsection (a) shall be completed.

8 (ii) NEW SELECTIONS.—The apprais-
9 als under subparagraph (A) of the land se-
10 lected under subsection (b)(1) shall be
11 completed as the Navajo Nation finalizes
12 those land selections.

13 (d) BOUNDARY.—For purposes of this section and
14 the Act referred to in subsection (a), the present boundary
15 of the Navajo Reservation is depicted on the map entitled
16 “Navajo Nation Boundary” and dated November 16,
17 2015.

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