

114TH CONGRESS  
2D SESSION

# S. 3203

To provide for economic development and access to resources in Alaska,  
and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JULY 13, 2016

Ms. MURKOWSKI (for herself and Mr. SULLIVAN) introduced the following bill;  
which was read twice and referred to the Committee on Energy and Nat-  
ural Resources

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## A BILL

To provide for economic development and access to resources  
in Alaska, 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; TABLE OF CONTENTS.**

4       (a) SHORT TITLE.—This Act may be cited as the  
5       “Alaska Economic Development and Access to Resources  
6       Act”.

7       (b) TABLE OF CONTENTS.—The table of contents for  
8       this Act is as follows:

Sec. 1. Short title; table of contents.  
Sec. 2. Definition of Secretary.

TITLE I—FILL TAPS

Sec. 101. Plan for new production on Federal land in Alaska.

## TITLE II—OUTER CONTINENTAL SHELF

Sec. 201. Outer Continental Shelf oil and gas leases offshore Alaska.

Sec. 202. Inclusion of certain lease sales in the oil and gas leasing program.

## TITLE III—FEDERAL ONSHORE

### Subtitle A—Authorizing Alaska Production

Sec. 301. Definitions.

Sec. 302. Leasing program for land within the Undeformed Area of the Coastal Plain.

Sec. 303. Lease sales.

Sec. 304. Grant of leases by the Secretary.

Sec. 305. Lease terms and conditions.

Sec. 306. Undeformed Area of the Coastal plain environmental protection.

Sec. 307. Rights-of-way and easements across Undeformed Area of the Coastal Plain.

Sec. 308. Conveyance.

Sec. 309. Clarification of western coastal boundary of ANWR.

Sec. 310. Local government impact aid and community service assistance.

### Subtitle B—National Petroleum Reserve—Alaska

Sec. 311. Leasing requirement.

Sec. 312. Plan for exploration and evaluation of gravel sources.

## TITLE IV—MINING

Sec. 401. Department of Energy grants for extraction and purification of rare earth elements.

Sec. 402. Valid existing claims.

Sec. 403. ANILCA clarification: Limitation on land use designations.

## TITLE V—FORESTRY

Sec. 501. Roadless Area Conservation Rule exemption.

Sec. 502. Alaska Mental Health Trust land exchange.

Sec. 503. Tongass State forest facilitation.

### **1 SEC. 2. DEFINITION OF SECRETARY.**

2       In this Act, the term “Secretary” means the Sec-

3 retary of the Interior.

1                   **TITLE I—FILL TAPS**

2   **SEC. 101. PLAN FOR NEW PRODUCTION ON FEDERAL LAND**

3                   **IN ALASKA.**

4       (a) IN GENERAL.—Not later than 1 year after the  
5 date of enactment of this Act, the Secretary shall develop  
6 a plan that will result, by 2026, in an increase in produc-  
7 tion on Federal land in the State of Alaska of 500,000  
8 barrels of oil per day.

9       (b) INCREASE IN ENTITLEMENT.—

10                  (1) IN GENERAL.—If the Secretary does not de-  
11 velop the plan under subsection (a) by the deadline  
12 described in that subsection, the Secretary shall in-  
13 crease the acreage of land to which the State of  
14 Alaska is entitled under the Act of July 7, 1958  
15 (commonly known as the “Alaska Statehood Act”)  
16 (48 U.S.C. note prec. 21; Public Law 85–508) and  
17 other applicable Federal law by 1,000,000 acres.

18                  (2) ADDITIONAL INCREASES.—For each addi-  
19 tional year for which the Secretary does not meet  
20 the deadline described in subsection (a), the Sec-  
21 retary shall increase the acreage of land described in  
22 paragraph (1) by an additional 1,000,000 acres.

## **TITLE II—OUTER CONTINENTAL SHELF**

3 SEC. 201. OUTER CONTINENTAL SHELF OIL AND GAS  
4 LEASES OFFSHORE ALASKA.

5        The Outer Continental Shelf Lands Act is amended  
6 by inserting after section 9 (43 U.S.C. 1338) the fol-  
7 lowing:

**10            "(a) SUSPENSION PERIODS.—**

11       “(1) IN GENERAL.—Notwithstanding any other  
12 provision of law, any oil and gas lease on the outer  
13 Continental Shelf Alaska region issued under section  
14 8 on or after the date of enactment of the Alaska  
15 Economic Development and Access to Resources Act  
16 shall be subject to 1 suspension period each year, as  
17 described in paragraph (2), during which the pri-  
18 mary term of the lease shall not run.

19               “(2) SUSPENSION PERIOD DESCRIBED.—The  
20               suspension period referred to in paragraph (1) is a  
21               suspension period selected by the lessee of either the  
22               period—

23               “(A) beginning on November 1 of a cal-  
24               endar year and ending on June 30 of the suc-  
25               ceeding calendar year; or

1                 “(B) beginning on March 1 of a calendar  
2                 year and ending on October 31 of the same cal-  
3                 endar year.

4                 “(3) WRITTEN NOTICE.—The lessee shall pro-  
5                 vide to the Secretary written notice of the selection  
6                 of the suspension period under paragraph (2).

7                 “(4) MODIFICATION OF SUSPENSION PERIOD.—  
8                 After providing written notice to the Secretary, the  
9                 lessee may modify the suspension period selected  
10                under paragraph (2), which modification shall be ef-  
11                fective for the year following the lease year during  
12                which the Secretary receives the notice of the modi-  
13                fication.

14                “(5) OPERATIONS AUTHORIZED.—Notwith-  
15                standing paragraph (1), a lessee or operator of an  
16                oil and gas lease on the outer Continental Shelf  
17                Alaska region may conduct operations under the  
18                lease during the suspension period, on the condition  
19                that the term of the lease shall run for the number  
20                of days that the lessee or operator conducts the op-  
21                erations during the suspension period.

22                “(6) RENTAL PAYMENTS.—For any lease sub-  
23                ject to a suspension period under this section, the  
24                lessee shall make rental payments for the entire  
25                lease year.

1           “(7) ELECTION REQUIRED FOR EXISTING  
2 LEASES.—

3           “(A) IN GENERAL.—Notwithstanding any  
4 other provision of law, this subsection shall  
5 apply to an oil and gas lease on the outer Con-  
6 tinental Shelf Alaska region in effect on the  
7 date of enactment of the Alaska Economic De-  
8 velopment and Access to Resources Act only if,  
9 not later than 90 days after that date, the les-  
10 see provides to the Secretary written notice that  
11 the lessee is electing to accept the provisions of  
12 this subsection with respect to that lease.

13           “(B) ANNUAL RENTAL INCREASE.—If the  
14 lessee elects under subparagraph (A) to accept  
15 the provisions of this subsection with respect to  
16 an oil and gas lease of the lessee, beginning in  
17 the lease year that is 10 years after the effec-  
18 tive date of the lease, the annual rental estab-  
19 lished for that lease shall increase by \$2.50 per  
20 hectare per year.

21           “(b) MINIMUM PRIMARY LEASE TERM.—Notwith-  
22 standing any other provision of law, the Secretary shall  
23 not issue an oil and gas lease on the outer Continental  
24 Shelf Alaska region for a primary term of fewer than 10  
25 years.

1       “(c) SHARING INCREASED REVENUES WITH THE  
2 STATE OF ALASKA.—Notwithstanding section 9, for each  
3 applicable fiscal year, the Secretary of the Treasury shall  
4 disburse 90 percent of the amounts collected in that fiscal  
5 year as a result of the increase in annual rental payments  
6 under subsection (a)(7)(B) to the State of Alaska.

7       “(d) EFFECT.—Nothing in this section limits the au-  
8 thority of the Secretary to grant or direct a suspension  
9 of a lease or permit under section 5(a)(1).”.

10 **SEC. 202. INCLUSION OF CERTAIN LEASE SALES IN THE OIL  
11 AND GAS LEASING PROGRAM.**

12       Section 18 of the Outer Continental Shelf Lands Act  
13 (43 U.S.C. 1344) is amended by adding at the end the  
14 following:

15       “(i) INCLUSION OF CERTAIN LEASE SALES.—The  
16 Secretary shall include in the leasing program for fiscal  
17 years 2017 through 2023 prepared in accordance with this  
18 section provisions for the conduct of—

19           “(1) in the Beaufort planning area, 1 lease sale  
20          in each of fiscal years 2017 and 2022;

21           “(2) in the Cook Inlet planning area, 1 lease  
22          sale in each of fiscal years 2017 and 2019; and

23           “(3) in the Chukchi planning area, 1 lease sale  
24          in each of fiscal years 2017 and 2019.”.

**TITLE III—FEDERAL ONSHORE**

**Subtitle A—Authorizing Alaska**

**Production**

#### **4 SEC. 301. DEFINITIONS.**

5 In this subtitle:

(B) section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

22 SEC. 302. LEASING PROGRAM FOR LAND WITHIN THE  
23 UNDEFORMED AREA OF THE COASTAL PLAIN

### 24 (a) IN GENERAL —

1                     (1) AUTHORIZATION.—Congress authorizes the  
2 exploration, leasing, development, production, and  
3 economically feasible and prudent transportation of  
4 oil and gas in and from the Undeformed Area of the  
5 Coastal Plain.

6                     (2) ACTIONS.—The Secretary shall take such  
7 actions as are necessary—

8                         (A) to establish and implement, in accord-  
9 ance with this subtitle, a competitive oil and  
10 gas leasing program that will result in an envi-  
11 ronmentally sound program for the exploration,  
12 development, and production of the oil and gas  
13 resources of the Undeformed Area of the Coast-  
14 al Plain; and

15                         (B) to administer this subtitle through reg-  
16 ulations, lease terms, conditions, restrictions,  
17 prohibitions, stipulations, and other provisions  
18 that—

19                             (i) ensure the oil and gas exploration,  
20 development, and production activities on  
21 the Undeformed Area of the Coastal Plain  
22 will result in no significant adverse effect  
23 on fish and wildlife, fish and wildlife habi-  
24 tat, subsistence resources, and the environ-  
25 ment; and

**9 (b) REPEAL.—**

10                   (1) REPEAL.—Section 1003 of the Alaska Na-  
11               tional Interest Lands Conservation Act (16 U.S.C.  
12               3143) is repealed.

17 (c) COMPLIANCE WITH REQUIREMENTS UNDER CER-  
18 TAIN OTHER LAWS.—

1           the purposes for which the Arctic National  
2           Wildlife Refuge was established; and

3           (B) no further findings or decisions shall  
4           be required to implement that program and  
5           those activities.

6           (2) ADEQUACY OF THE DEPARTMENT OF THE  
7           INTERIOR'S LEGISLATIVE ENVIRONMENTAL IMPACT  
8           STATEMENT.—The Final Statement shall be consid-  
9           ered to satisfy the requirements under the National  
10          Environmental Policy Act of 1969 (42 U.S.C. 4321  
11          et seq.) that apply with respect to preleasing, includ-  
12          ing exploration programs and actions authorized to  
13          be taken by the Secretary to develop and promulgate  
14          the regulations for the establishment of a leasing  
15          program authorized by this subtitle before the con-  
16          duct of the first lease sale.

17           (3) COMPLIANCE WITH NEPA FOR OTHER AC-  
18          TIONS.—

19           (A) IN GENERAL.—Before conducting the  
20          first lease sale under this subtitle, the Secretary  
21          shall prepare an environmental impact state-  
22          ment in accordance with the National Environ-  
23          mental Policy Act of 1969 (42 U.S.C. 4321 et  
24          seq.) with respect to the actions authorized by

this subtitle that are not referred to in paragraph (2).

3 (B) IDENTIFICATION AND ANALYSIS.—

4           Notwithstanding any other provision of law, in  
5           carrying out this paragraph, the Secretary shall  
6           not—



11 (C) IDENTIFICATION OF PREFERRED AC-

12 TION.—Not later than 1 year after the date of  
13 enactment of this Act, the Secretary shall iden-  
14 tify only a preferred action and a single leasing  
15 alternative for the first lease sale authorized  
16 under this subtitle.

17 (D) EFFECT OF COMPLIANCE.—Notwith-

18 standing any other provision of law, compliance  
19 with this paragraph shall be considered to sat-  
20 isfy all requirements for the analysis and con-  
21 sideration of the environmental effects of pro-  
22 posed leasing under this subtitle.

23 (d) RELATIONSHIP TO STATE AND LOCAL AUTHOR-

24 ITY.—Nothing in this subtitle expands or limits any State  
25 or local regulatory authority.

1       (e) LIMITATION ON CLOSED AREAS.—The Secretary  
2 shall not close land within the Undeformed Area of the  
3 Coastal Plain to oil and gas leasing or to exploration, de-  
4 velopment, or production except in accordance with this  
5 subtitle.

6       (f) REGULATIONS.—Not later than 1 year after the  
7 date of enactment of this Act, in consultation with the  
8 State of Alaska, North Slope Borough, Alaska, the City  
9 of Kaktovik, Alaska, and the Arctic Slope Regional Cor-  
10 poration, the Secretary shall promulgate such regulations  
11 as are necessary to carry out this subtitle.

12     (g) AUTHORIZATION ON KIC-ASRC PRIVATE  
13 LAND.—Exploratory drilling, leasing, development, and  
14 production of oil and gas resources are authorized on the  
15 KIC-ASRC private land described in Appendix 2 of the  
16 agreement between Arctic Slope Regional Corporation and  
17 the United States, dated August 9, 1983.

18 **SEC. 303. LEASE SALES.**

19     (a) IN GENERAL.—Land may be leased pursuant to  
20 this subtitle to any person qualified to obtain a lease for  
21 deposits of oil and gas under the Mineral Leasing Act (30  
22 U.S.C. 181 et seq.).

23     (b) PROCEDURES.—The Secretary shall, by regula-  
24 tion, establish procedures for—

1                   (1) receipt and consideration of sealed nominations  
2                   for any area in the Undeformed Area of the  
3                   Coastal Plain for inclusion in a lease sale;

4                   (2) the holding of lease sales after the nomination process described in paragraph (1); and

6                   (3) public notice of and comment on designation of areas to be included in, or excluded from, a  
7                   lease sale.

9                   (c) LEASE SALE BIDS.—Bidding for leases under  
10                  this subtitle shall be by sealed competitive cash bonus bids.

11                  (d) ACREAGE MINIMUM IN FIRST SALE.—For the  
12                  first lease sale under this subtitle, the Secretary shall offer  
13                  for lease those tracts the Secretary considers to have the  
14                  greatest potential for the discovery of hydrocarbons, taking into consideration nominations received pursuant to  
15                  subsection (b)(1), but in no case less than 200,000 acres.

17                  (e) TIMING OF LEASE SALES.—The Secretary  
18                  shall—

19                   (1) not later than 18 months after the date of  
20                  enactment of this Act, conduct the first lease sale  
21                  under this subtitle;

22                   (2) not later than 1 year after the date on  
23                  which the first lease sale is conducted under paragraph (1), conduct a second lease sale under this  
24                  subtitle; and

1                             (3) conduct additional sales at appropriate in-  
2                             tervals if sufficient interest in exploration or devel-  
3                             opment exists to warrant the conduct of the addi-  
4                             tional sales.

5                             **SEC. 304. GRANT OF LEASES BY THE SECRETARY.**

6                             (a) IN GENERAL.—Upon payment by a lessee of such  
7                             bonus as may be accepted by the Secretary, the Secretary  
8                             shall grant to the highest responsible qualified bidder in  
9                             a lease sale conducted pursuant to section 303 a lease for  
10                           any land on the Undeformed Area of the Coastal Plain.

11                             (b) SUBSEQUENT TRANSFERS.—

12                             (1) IN GENERAL.—No lease issued under this  
13                             subtitle may be sold, exchanged, assigned, sublet, or  
14                             otherwise transferred except with the approval of the  
15                             Secretary.

16                             (2) CONDITION FOR APPROVAL.—Before grant-  
17                             ing any approval described in paragraph (1), the  
18                             Secretary shall consult with and give due consider-  
19                             ation to the opinion of the attorney general.

20                             **SEC. 305. LEASE TERMS AND CONDITIONS.**

21                             (a) IN GENERAL.—An oil or gas lease issued pursu-  
22                             ant to this subtitle shall—

23                             (1) provide for the payment of a royalty of not  
24                             less than 12½ percent of the amount or value of the  
25                             production removed or sold from the lease, as deter-

1       mined by the Secretary in accordance with regula-  
2       tions applicable to other Federal oil and gas leases;

3               (2) provide that the Secretary, after consulta-  
4       tion with the State of Alaska, North Slope Borough,  
5       Alaska, the City of Kaktovik, Alaska, and the Arctic  
6       Slope Regional Corporation, may close, on a sea-  
7       sonal basis, such portions of the Undeformed Area  
8       of the Coastal Plain to exploratory drilling activities  
9       as are necessary to protect caribou calving areas and  
10      other species of fish and wildlife;

11               (3) require that each lessee of land within the  
12      Undeformed Area of the Coastal Plain shall be fully  
13      responsible and liable for the reclamation of land  
14      within the Undeformed Area of the Coastal Plain  
15      and any other Federal land that is adversely affected  
16      in connection with exploration, development, produc-  
17      tion, or transportation activities within the  
18      Undeformed Area of the Coastal Plain conducted by  
19      the lessee or by any of the subcontractors or agents  
20      of the lessee;

21               (4) provide that the lessee may not delegate or  
22      convey, by contract or otherwise, the reclamation re-  
23      sponsibility and liability described in paragraph (3)  
24      to another person without the express written ap-  
25      proval of the Secretary;

1                 (5) provide that the standard of reclamation for  
2                 land required to be reclaimed under this subtitle  
3                 shall be, to the maximum extent practicable—

4                         (A) a condition capable of supporting the  
5                 uses that the land was capable of supporting  
6                 prior to any exploration, development, or pro-  
7                 duction activities; or

8                         (B) on application by the lessee, to a high-  
9                 er or better standard, as approved by the Sec-  
10                 retary;

11                 (6) contain terms and conditions relating to  
12                 protection of fish and wildlife, fish and wildlife habi-  
13                 tat, subsistence resources, and the environment as  
14                 required under section 302(a)(2); and

15                 (7) provide that each lessee, and each agent  
16                 and contractor of a lessee, shall use their best ef-  
17                 forts to provide a fair share of employment and con-  
18                 tracting for Alaska Natives and Alaska Native Cor-  
19                 porations from throughout the State of Alaska, as  
20                 determined by the level of obligation previously  
21                 agreed to in the Federal Agreement and Grant  
22                 Right-of-Way for the Trans-Alaska Pipeline issued  
23                 on January 23, 1974, in accordance with section 28  
24                 of the Mineral Leasing Act (30 U.S.C. 185) and the

1       Trans-Alaska Pipeline Authorization Act (43 U.S.C.  
2       1651 et seq.).

3           (b) PROJECT LABOR AGREEMENTS.—The Secretary,  
4       as a term and condition of each lease under this subtitle,  
5       and in recognizing the proprietary interest of the Federal  
6       Government in labor stability and in the ability of con-  
7       struction labor and management to meet the particular  
8       needs and conditions of projects to be developed under the  
9       leases issued pursuant to this subtitle (including the spe-  
10      cial concerns of the parties to those leases), shall require  
11      that each lessee, and each agent and contractor of a lessee,  
12      under this subtitle negotiate to obtain a project labor  
13      agreement for the employment of laborers and mechanics  
14      on production, maintenance, and construction under the  
15      lease.

16 **SEC. 306. UNDEFORMED AREA OF THE COASTAL PLAIN EN-**  
17                   **VIROMENTAL PROTECTION.**

18       (a) NO SIGNIFICANT ADVERSE EFFECT STANDARD  
19       TO GOVERN AUTHORIZED ACTIVITIES ON UNDEFORMED  
20       AREA OF THE COASTAL PLAIN.—In accordance with sec-  
21       tion 302, the Secretary shall administer this subtitle  
22       through regulations, lease terms, conditions, restrictions,  
23       prohibitions, stipulations, or other provisions that—  
24           (1) ensure, to the maximum extent practicable,  
25       that oil and gas exploration, development, and pro-

1       duction activities on the Undeformed Area of the  
2       Coastal Plain will result in no significant adverse ef-  
3       fect on fish and wildlife, fish and wildlife habitat,  
4       subsistence resources, and the environment;

5               (2) require the application of the best commer-  
6       cially available technology for oil and gas explo-  
7       ration, development, and production on all new ex-  
8       ploration, development, and production operations;  
9       and

10              (3) ensure that the maximum surface acreage  
11       covered in connection with the leasing program by  
12       production and support facilities, including airstrips  
13       and any areas covered by gravel berms or piers for  
14       support of pipelines, does not exceed 2,000 acres on  
15       the Undeformed Area of the Coastal Plain.

16       (b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—  
17       The Secretary shall require, with respect to any proposed  
18       drilling and related activities on the Undeformed Area of  
19       the Coastal Plain, that—

20              (1) a site-specific environmental analysis be  
21       made of the probable effects, if any, that the drilling  
22       or related activities will have on fish and wildlife,  
23       fish and wildlife habitat, subsistence resources, and  
24       the environment;

- 1                         (2) a plan be implemented to avoid, minimize,  
2                         and mitigate (in that order and to the maximum ex-  
3                         tent practicable) any significant adverse effect iden-  
4                         tified under paragraph (1); and  
5                         (3) the development of the plan occur after con-  
6                         sultation with—  
7                                 (A) each agency having jurisdiction over  
8                         matters mitigated by the plan;  
9                                 (B) the State of Alaska;  
10                                 (C) North Slope Borough, Alaska;  
11                                 (D) the City of Kaktovik, Alaska; and  
12                                 (E) the Arctic Slope Regional Corporation.

13                 (c) REGULATIONS TO PROTECT UNDEFORMED AREA  
14                 OF THE COASTAL PLAIN FISH AND WILDLIFE RE-  
15                 SOURCES, SUBSISTENCE USERS, AND THE ENVIRON-  
16                 MENT.—Before implementing the leasing program author-  
17                 ized by this subtitle, the Secretary shall prepare and pro-  
18                 mulgate regulations, lease terms, conditions, restrictions,  
19                 prohibitions, stipulations, or other measures designed to  
20                 ensure, to the maximum extent practicable, that the activi-  
21                 ties carried out on the Undeformed Area of the Coastal  
22                 Plain under this subtitle are conducted in a manner con-  
23                 sistent with the purposes and environmental requirements  
24                 of this subtitle.

1       (d) COMPLIANCE WITH FEDERAL AND STATE ENVI-  
2 RONMENTAL LAWS AND OTHER REQUIREMENTS.—The  
3 regulations, lease terms, conditions, restrictions, prohibi-  
4 tions, and stipulations for the leasing program under this  
5 subtitle shall require—

6               (1) compliance with all applicable provisions of  
7 Federal and State environmental law (including reg-  
8 ulations); and

9               (2) implementation of and compliance with—

10               (A) standards that are at least as effective  
11 as the safety and environmental mitigation  
12 measures, as described in items 1 through 29  
13 on pages 167 through 169 of the Final State-  
14 ment;

15               (B) reclamation and rehabilitation require-  
16 ments in accordance with this subtitle for the  
17 removal from the Undeformed Area of the  
18 Coastal Plain of all oil and gas development  
19 and production facilities, structures, and equip-  
20 ment on completion of oil and gas production  
21 operations, except in a case in which the Sec-  
22 retary determines that those facilities, struc-  
23 tures, or equipment—

24               (i) would assist in the management of  
25 the Arctic National Wildlife Refuge; and

5           (e) ACCESS TO PUBLIC LAND.—The Secretary  
6 shall—

7                   (1) manage public land in the Undeformed Area  
8                   of the Coastal Plain in accordance with subsections  
9                   (a) and (b) of section 811 of the Alaska National In-  
10                  terest Lands Conservation Act (16 U.S.C. 3121);  
11                  and

15 SEC. 307. RIGHTS-OF-WAY AND EASEMENTS ACROSS  
16 UNDEFORMED AREA OF THE COASTAL PLAIN.

17 For purposes of section 1102(4)(A) of the Alaska Na-  
18 tional Interest Lands Conservation Act (16 U.S.C.  
19 3162(4)(A)), any rights-of-way or easements across the  
20 Undeformed Area of the Coastal Plain for the exploration,  
21 development, production, or transportation of oil and gas  
22 shall be considered to be established incident to the man-  
23 agement of the Undeformed Area of the Coastal Plain  
24 under this section.

1 **SEC. 308. CONVEYANCE.**

2       (a) IN GENERAL.—Notwithstanding section  
3 1302(h)(2) of the Alaska National Interest Lands Con-  
4 servation Act (16 U.S.C. 3192(h)(2)), to remove any cloud  
5 on title to land, and to clarify land ownership patterns,  
6 the Secretary shall—

7                 (1) to the extent necessary to fulfill the entitle-  
8 ment of the Kaktovik Inupiat Corporation under sec-  
9 tions 12 and 14 of the Alaska Native Claims Settle-  
10 ment Act (43 U.S.C. 1611, 1613), as determined by  
11 the Secretary, convey to that Corporation the sur-  
12 face estate of the land described in paragraph (1) of  
13 Public Land Order 6959, in accordance with the  
14 terms and conditions of the agreement between the  
15 Secretary, the United States Fish and Wildlife Serv-  
16 ice, the Bureau of Land Management, and the  
17 Kaktovik Inupiat Corporation, dated January 22,  
18 1993; and

19                 (2) convey to the Arctic Slope Regional Cor-  
20 poration the remaining subsurface estate to which  
21 that Corporation is entitled under the agreement be-  
22 tween that corporation and the United States, dated  
23 August 9, 1983.

24       (b) LAND ADJACENT TO AND SOUTHWEST OF  
25 ANWR.—As a condition of receipt of the benefits under  
26 this subtitle, the State of Alaska shall convey to the

1 United States all right, title, and interest in and to the  
2 approximately 598,767 acres generally depicted as “Pro-  
3 posed Trade Land” on the map entitled “Proposed ANWR  
4 Exchange”, prepared by the State of Alaska Department  
5 of Natural Resources, and dated July 2015.

6 **SEC. 309. CLARIFICATION OF WESTERN COASTAL BOUND-**

7 **ARY OF ANWR.**

8 The western coastal boundary of Arctic National  
9 Wildlife Refuge is defined—

10 (1) as the boundary originally established as  
11 part of the Alaska Arctic Wildlife Range under Pub-  
12 lic Land Order 2214, dated December 6, 1960 (25  
13 Fed. Reg. 12598); and

14 (2) consistent with the order of the case styled  
15 United States v. Alaska (521 U.S. 1 (1997)).

16 **SEC. 310. LOCAL GOVERNMENT IMPACT AID AND COMMU-**

17 **NITY SERVICE ASSISTANCE.**

18 (a) **ESTABLISHMENT OF FUND.—**

19 (1) **IN GENERAL.**—There is established in the  
20 Treasury a fund to be known as the “Undeformed  
21 Area of the Coastal Plain Local Government Impact  
22 Aid Assistance Fund” (referred to in this section as  
23 the “Fund”).

1                         (2) USE.—Amounts in the Fund may be used  
2                         only to provide financial assistance in accordance  
3                         with subsection (b).

4                         (3) DEPOSITS.—Subject to paragraph (4), of  
5                         amounts of revenues payable to the State of Alaska  
6                         under section 35 of the Mineral Leasing Act (30  
7                         U.S.C. 191) that are derived from rents, bonuses,  
8                         and royalties from Federal leases and lease sales au-  
9                         thorized under this subtitle—

10                         (A) \$28,000,000 shall be deposited in the  
11                         Fund for the first fiscal year for which amounts  
12                         are received by the United States from Federal  
13                         leases and lease sales authorized under this  
14                         subtitle; and

15                         (B) \$7,000,000 shall be deposited in the  
16                         Fund for each fiscal year thereafter.

17                         (4) LIMITATION ON DEPOSITS.—The total  
18                         amount in the Fund may not exceed \$28,000,000.

19                         (5) INVESTMENT OF BALANCES.—The Sec-  
20                         retary of the Treasury shall invest amounts in the  
21                         Fund in interest-bearing securities of the United  
22                         States.

23                         (b) FINANCIAL ASSISTANCE.—

24                         (1) IN GENERAL.—The Secretary may use  
25                         amounts available from the Fund to provide timely

1 financial assistance to North Slope Borough, Alaska,  
2 the City of Kaktovik, Alaska, and any other bor-  
3 ough, municipal subdivision, village, or other com-  
4 munity in the State of Alaska that is directly im-  
5 pacted by exploration for, or the production of, oil  
6 or gas on the Undefomed Area of the Coastal Plain  
7 under this subtitle, as determined by the Secretary.

8 (2) USE OF ASSISTANCE.—Financial assistance  
9 provided under this subsection may be used only  
10 for—

11 (A) planning for mitigation of the potential  
12 effects of oil and gas exploration and develop-  
13 ment on environmental, social, cultural, rec-  
14 reational, and subsistence values;

15 (B) implementing mitigation plans and  
16 maintaining mitigation projects;

17 (C) developing, carrying out, and maintain-  
18 ing projects and programs that provide new or  
19 expanded public facilities and services to ad-  
20 dress needs and problems associated with the  
21 effects described in subparagraph (A), including  
22 firefighting, police, water, waste treatment,  
23 medivac, and medical services; and

4 (i) to coordinate with and advise de-  
5 velopers on local conditions of, impacts on,  
6 and the history of the areas utilized for de-  
7 velopment under this subtitle; and

## 16 (c) APPLICATION.—

17                   (1) IN GENERAL.—To receive assistance under  
18 subsection (b), a community described in subsection  
19 (b)(1) shall submit to the Secretary an application  
20 for assistance, in such form and under such proce-  
21 dures as the Secretary may prescribe by regulation.

1       rectly with the Secretary or through the North Slope  
2       Borough.

3                     (3) APPLICATION ASSISTANCE.—The Secretary  
4       shall work closely with and assist North Slope Bor-  
5       ough, Alaska, and other communities eligible for as-  
6       sistance under this section in developing and submit-  
7       ting applications under this subsection.

8                     (d) AUTHORIZATION OF APPROPRIATIONS.—There is  
9       authorized to be appropriated to the Secretary from the  
10      Fund \$7,000,000 for each fiscal year to provide financial  
11      assistance under this section.

## 12                     **Subtitle B—National Petroleum 13                             Reserve—Alaska**

### 14                     **SEC. 311. LEASING REQUIREMENT.**

15                     (a) DEFINITION OF MAP.—In this section, the term  
16      “map” means the Preferred Alternative, as drawn in Fig-  
17      ure II.C.1 in the Northeast National Petroleum Reserve—  
18      Alaska, Integrated Activity Plan/Environmental Impact  
19      Statement Record of Decision, dated October 1998.

20                     (b) REQUIREMENT.—The Secretary shall offer one or  
21      more area-wide oil and gas lease sales in areas identified  
22      on the map as “Available for Oil & Gas Leasing”.

1   **SEC. 312. PLAN FOR EXPLORATION AND EVALUATION OF**  
2                   **GRAVEL SOURCES.**

3       (a) IN GENERAL.—To further enhance the potential  
4   for oil and gas development in the National Petroleum Re-  
5   serve—Alaska, the Secretary shall develop a plan for explo-  
6   ration and evaluation in the National Petroleum Reserve—  
7   Alaska of gravel sources suitable for the construction of  
8   roads and pads necessary for the oil and gas development  
9   (referred to in this section as the “plan”).

10     (b) DEADLINE FOR SUBMISSION OF PLAN TO CON-  
11   GRESS.—Not later than 180 days after the date of enact-  
12   ment of this Act, the Secretary shall submit to Congress  
13   the plan.

14     (c) IMPLEMENTATION OF PLAN.—Not later than 1  
15   year after the date of enactment of this Act, the Secretary  
16   shall implement, and submit to Congress the results of the  
17   implementation of, the plan.

18     (d) COOPERATION REQUIRED.—The Secretary of De-  
19   fense shall cooperate with the Secretary in the implemen-  
20   tation of the plan.

21                   **TITLE IV—MINING**

22   **SEC. 401. DEPARTMENT OF ENERGY GRANTS FOR EXTRAC-**  
23                   **TION AND PURIFICATION OF RARE EARTH**  
24                   **ELEMENTS.**

25     (a) PURPOSE.—The purpose of this section is to pro-  
26   vide Department of Energy grants for the development of

1 more environmentally acceptable and less expensive ways  
2 to separate and process rare earth elements, which would  
3 increase the likelihood of economic production of rare  
4 earth elements in North America.

5 (b) DEFINITIONS.—In this section:

6 (1) RARE EARTH ELEMENT.—

7 (A) IN GENERAL.—The term “rare earth  
8 element” means a chemical element in the peri-  
9 odic table from lanthanum (atomic number 57)  
10 through lutetium (atomic number 71).

11 (B) INCLUSIONS.—The term “rare earth  
12 element” includes the similar chemical elements  
13 scandium (atomic number 21) and yttrium  
14 (atomic number 39).

15 (2) SECRETARY.—The term “Secretary” means  
16 the Secretary of Energy.

17 (c) DEPARTMENT OF ENERGY GRANTS FOR EXTRAC-  
18 TION AND PURIFICATION OF RARE EARTH ELEMENTS.—

19 (1) IN GENERAL.—The Secretary shall establish  
20 a program in the Department of Energy under  
21 which the Secretary shall provide to applicants  
22 grants for the development and demonstration of  
23 new processes—

4 (B) that would result in—

(i) the separation of individual rare earth elements; and

(d) PILOT PLANT FOR RARE EARTH ELEMENT SEPARATION AND PROCESSING.—The Secretary shall develop, construct, and demonstrate a pilot plant to provide proof of concept for rare earth element separation and processing using molecular recognition technology.

24       (e) AUTHORIZATION OF APPROPRIATIONS.—There  
25 are authorized to be appropriated such sums as are nec-

1   essary to carry out this section, of which not less than  
2   \$7,500,000 shall be made available to provide grants  
3   under subsection (c)(2).

4   **SEC. 402. VALID EXISTING CLAIMS.**

5       (a) DEFINITIONS.—In this section:

6           (1) CLAIM.—The term “claim” means an  
7       unpatented lode mining claim, placer claim, mill site,  
8       or tunnel site located under the general mining laws.

9           (2) FEDERAL LAND.—The term “Federal land”  
10      means land or an interest in land that—

11              (A) is owned by the United States; and

12              (B)(i) is open to mineral entry and loca-  
13       tion; or

14              (ii) was open to mineral entry and location  
15       at the time of the entry or location.

16           (3) MINERAL ACTIVITY.—The term “mineral  
17       activity” means any of the following activities car-  
18       ried out on Federal land under a claim, whether  
19       with a discovery or without a discovery, or off of a  
20       claim:

21              (A) Any activity for mineral prospecting,  
22       exploration, development, mining, extraction,  
23       milling, beneficiation, processing, or storage of  
24       mined or processed materials.

(B) Any reclamation activity for any locatable mineral.

18       (b) EXCLUSION.—Any claim located prior to any  
19 withdrawal—

(1) is excluded from withdrawal or other action:

21 (2) shall be considered to be—

(A) valid for the purposes of mining or mineral activity; and

(B) a valid existing right until such time as the Secretary successfully contests the validity of such a claim.

(c) BURDEN OF PROOF.—With respect to a contest described in subsection (b)(2)(B), any burden of proof or costs shall be the responsibility of the Secretary.

7       (d) APPLICATION.—Any law (including regulations)  
8 or Federal action that applies to a claim located within  
9 an area of Federal land subject to a withdrawal or other  
10 action shall not apply to a claim described in subsection  
11 (b).

## 12 SEC. 403. ANILCA CLARIFICATION: LIMITATION ON LAND

## 13 USE DESIGNATIONS.

14       Section 1326 of the Alaska National Interest Lands  
15 Conservation Act (16 U.S.C. 3213) is amended by adding  
16 at the end the following:

17        "(c) LIMITATION ON LAND USE DESIGNATIONS.—

18                 “(1) IN GENERAL.—Consistent with the intent  
19                 of Congress expressed in section 101(d), no execu-  
20                 tive branch action described in paragraph (2) shall  
21                 be effective unless the requirements of paragraph (3)  
22                 are met with respect to the executive branch action.

“(2) DESCRIPTION OF EXECUTIVE BRANCH ACTION.—An executive branch action referred to in paragraph (1) is any executive branch action that—

1                 “(A) designates more than 5,000 acres of  
2                 public lands within the State; and

3                 “(B) limits, or has the effect of limiting or  
4                 impeding, activities and uses allowed on public  
5                 lands as of the date of enactment of this sub-  
6                 section, including designations and management  
7                 of public lands as a wilderness study area, a  
8                 component of the National Wild and Scenic  
9                 Rivers System, a critical habitat under the En-  
10                 dangered Species Act of 1973 (16 U.S.C. 1531  
11                 et seq.), an area of critical environmental con-  
12                 cern (as defined in section 103 of the Federal  
13                 Land Policy and Management Act of 1976 (43  
14                 U.S.C. 1702)), and any similar land use des-  
15                 ignation or management of public lands pursu-  
16                 ant to any Federal land use law.

17                 “(3) REQUIREMENTS.—

18                 “(A) IN GENERAL.—The President or the  
19                 Secretary may only take an executive branch  
20                 action described in paragraph (2) with respect  
21                 to public lands in the State pursuant to any  
22                 Federal law after providing notice of the des-  
23                 ignation in the Federal Register and to Con-  
24                 gress.

1                 “(B) TERMINATION.—Any action taken  
2                 under subparagraph (A) shall terminate unless,  
3                 not later than 1 year after the date on which  
4                 notice of the action has been submitted to Con-  
5                 gress under that subparagraph, Congress  
6                 passes a joint resolution of approval of the exec-  
7                 utive branch action.

8                 “(d) REVOCATION OF DESIGNATIONS OF AREAS OF  
9 CRITICAL ENVIRONMENTAL CONCERN.—Each designation  
10 of an area within the State as an area of critical environ-  
11 mental concern in effect on the date of enactment of this  
12 subsection is revoked.”.

## 13                 **TITLE V—FORESTRY**

### 14                 **SEC. 501. ROADLESS AREA CONSERVATION RULE EXEMP-** 15                 **TION.**

16                 The Roadless Area Conservation Rule established  
17 under part 294 of title 36, Code of Federal Regulations  
18 (or successor regulations), shall not apply with respect to  
19 any National Forest System land in the State of Alaska.

### 20                 **SEC. 502. ALASKA MENTAL HEALTH TRUST LAND EX-** 21                 **CHANGE.**

#### 22                 (a) FINDING; PURPOSE.—

23                 (1) FINDING.—Congress finds that the ex-  
24 change of land between the Alaska Mental Health

1 Trust and the Secretary of Agriculture authorized  
2 and directed by this section is in the public interest.

3 (2) PURPOSE.—The purpose of this section is  
4 to provide for the exchange of land between the  
5 Alaska Mental Health Trust and the Secretary of  
6 Agriculture—

7 (A) to preserve the scenic and visual back-  
8 drops of southeastern Alaska communities,  
9 while creating economic opportunities in more  
10 remote areas of the State of Alaska;

11 (B) to secure Federal ownership and pro-  
12 tection of non-Federal land in the State of  
13 Alaska that has significant natural, scenic, rec-  
14 reational, and other public values; and

15 (C) to contribute to the goals and objec-  
16 tives of timber management in the Tongass Na-  
17 tional Forest.

18 (b) DEFINITIONS.—In this section:

19 (1) ALASKA MENTAL HEALTH TRUST.—The  
20 term “Alaska Mental Health Trust” means the Alas-  
21 ka Mental Health Trust Authority, an agency of the  
22 State.

23 (2) FEDERAL LAND.—The term “Federal land”  
24 means the National Forest System land depicted on  
25 the maps in Exhibit B of the agreement between the

1 Forest Service and the Alaska Mental Health Trust  
2 entitled “Alaska Mental Health Land Exchange,  
3 Agreement to Initiate, Case No. 5x-18”.

4 (3) NON-FEDERAL LAND.—The term “non-Fed-  
5 eral land” means the parcels of Alaska Mental  
6 Health Trust land that are depicted on the maps in  
7 Exhibit A of the agreement between the Forest  
8 Service and the Alaska Mental Health Trust entitled  
9 “Alaska Mental Health Land Exchange, Agreement  
10 to Initiate, Case No. 5x-18”.

11 (4) SECRETARY.—The term “Secretary” means  
12 the Secretary of Agriculture.

13 (5) STATE.—The term “State” means the State  
14 of Alaska.

15 (c) LAND EXCHANGE.—

16 (1) IN GENERAL.—If the Alaska Mental Health  
17 Trust offers to convey to the Secretary all right,  
18 title, and interest of the Alaska Mental Health Trust  
19 in and to the non-Federal land—

20 (A) the Secretary, on completion of the en-  
21 vironmental reviews described in paragraph (2),  
22 shall convey to the Alaska Mental Health Trust  
23 all right, title, and interest of the United States  
24 in and to the Federal land; and



(B) conforms to the title approval standards of the attorney general applicable to land acquisitions by the Federal Government.

#### 4 (4) APPRAISALS.—

## 10 (B) REQUIREMENTS.—

**21 (ii) FINAL APPRAISED VALUE.—**

6 (II) EXCHANGE AGREEMENT.—

7 After the date on which an exchange  
8 agreement is entered into by the Alas-  
9 ka Mental Health Trust and the Sec-  
10 retary in accordance with section  
11 254.14 of title 36, Code of Federal  
12 Regulations (or a successor regula-  
13 tion), no reappraisal or updates to the  
14 final appraised values of the Federal  
15 land and non-Federal land approved  
16 by the Secretary shall be required.

22 (5) EQUAL VALUE LAND EXCHANGE.—

(i) be equal; or

(ii) be equalized in accordance with

this paragraph.

4 (B) SURPLUS OF FEDERAL LAND

## 5 VALUE.—

(i) IN GENERAL.—If the final ap-

the final appraised value of the non-Fed-

9                   eral land, the Alaska Mental Health Trust

(I) convey additional non-Federal

land in the State to the Secretary,

consistent with the requirements of

this section;

(II) make a cash payment to the

## United States; or

(III) use a combination of the

methods described in subclauses (I)

and (II), as agreed to by the Alaska

## Mental Health Trust and the Sec-

retary.

(ii) AMOUNT OF PAYMENT.—Notwith-

standing section 206(b) of the Federal

## **Land Policy and Management Act of 1976**

(43 U.S.C. 1716(b)), the Secretary may

1           accept a payment under clause (i) in excess  
2           of 25 percent of the total value of the Fed-  
3           eral land or Federal interests conveyed.

4           (C) SURPLUS OF NON-FEDERAL LAND.—If  
5           the final appraised value of the non-Federal  
6           land exceeds the value of the Federal land, par-  
7           cels of the non-Federal land may be excluded  
8           from the exchange in a quantity sufficient to re-  
9           sult in an equal value exchange.

10          (6) COSTS.—As a condition of the exchange of  
11           Federal land and non-Federal land authorized under  
12           paragraph (1), the Alaska Mental Health Trust shall  
13           agree to pay, without compensation, all costs that  
14           are associated with the exchange.

15          (7) INTENT OF CONGRESS.—It is the intent of  
16           Congress that the land exchange authorized and di-  
17           rected under paragraph (1) shall be completed not  
18           later than 1 year after the date of enactment of this  
19           Act.

20          (d) MANAGEMENT OF NON-FEDERAL LAND.—

21           (1) IN GENERAL.—On acquisition of the non-  
22           Federal land by the Secretary under subsection (c),  
23           the non-Federal land shall—

24           (A) become part of the Tongass National  
25           Forest; and

(B) be administered in accordance with the laws applicable to the National Forest System.

15           (e) WITHDRAWAL.—Subject to valid existing rights,  
16 the non-Federal land acquired by the Secretary under sub-  
17 section (c) is withdrawn from all forms of—

18                   (1) entry, appropriation, or disposal under the  
19                   public laws;

20 (2) location, entry, and patent under the mining  
21 laws; and

**24 (f) MISCELLANEOUS PROVISIONS —**

**(1) REVOCATION OF OBDEBS: WITHDRAWAL—**

1                             (A) REVOCATION OF ORDERS.—Any public  
2                             land order that withdraws the Federal land  
3                             from appropriation or disposal under a public  
4                             land law shall be revoked to the extent nec-  
5                             essary to permit conveyance of the land.

6                             (B) WITHDRAWAL.—

7                                 (i) IN GENERAL.—If the Federal land  
8                             or any Federal interest in the non-Federal  
9                             land to be exchanged under this section is  
10                            not withdrawn or segregated from entry  
11                            and appropriation under a public land law  
12                            (including logging and mineral leasing laws  
13                            and the Geothermal Steam Act of 1970  
14                            (30 U.S.C. 1001 et seq.)) as of the date of  
15                            enactment of this Act, the Federal land or  
16                            Federal interest in the non-Federal land  
17                            shall be withdrawn, without further action  
18                            by the Secretary, from entry and appro-  
19                            priation on the date of enactment of this  
20                            Act.

21                                 (ii) TERMINATION.—The withdrawal  
22                             under clause (i) shall be terminated—

23                                     (I) on the date of the completion  
24                                     of the exchange of Federal land and

non-Federal land under subsection  
(c); or  
(II) if the Alaska Mental Health  
Trust notifies the Secretary in writing  
that the Alaska Mental Health Trust  
elects to withdraw from the land ex-  
change under section 206(d) of the  
Federal Land Policy and Management  
Act of 1976 (43 U.S.C. 1716(d)), on  
the date on which the Secretary re-  
ceives the notice of the election.

## (2) MAPS, ESTIMATES, AND DESCRIPTIONS.—

### **3 SEC. 503. TONGASS STATE FOREST FACILITATION.**

4 (a) DEFINITIONS.—In this section:

12 (b) TONGASS NATIONAL FOREST LAND CONVEY-  
13 ANCE.—

(2) DESCRIPTION OF ELIGIBLE LAND.—The eligible land referred to in paragraph (1) is Federal

1       land in the Tongass National Forest in the State,  
2       other than—

3                     (A) land located within the boundaries  
4                     of—

5                         (i) a component of the National Wil-  
6                         derness Preservation System;

7                         (ii) a National Monument; or

8                         (iii) a unit of the National Park Sys-  
9                         tem;

10                     (B) a research natural area, experimental  
11                     forest, or similar area designated for special  
12                     management; or

13                     (C) an administrative site (as defined in  
14                     section 502 of the Forest Service Facility Re-  
15                     alignment and Enhancement Act of 2005 (16  
16                     U.S.C. 580d note; title V of Public Law 109–  
17                     54).

18                     (3) DEADLINE FOR REQUEST.—To be valid, a  
19                     request for a conveyance under paragraph (1) shall  
20                     be submitted by the date that is 3 years after the  
21                     date of enactment of this Act.

22                     (4) COSTS OF CONVEYANCE.—As consideration  
23                     for the conveyance of the Federal land to the State  
24                     under paragraph (1)—



1                         (A) the National Environmental Policy Act  
2                         of 1969 (42 U.S.C. 4321 et seq.); or

3                         (B) section 1508.4 of title 40, Code of  
4                         Federal Regulations (or a successor regulation).

5                         (7) NOTICE, COMMENT, AND APPEALS.—Any  
6                         land conveyance under this subsection shall not be  
7                         subject to the notice, comment, and appeal proce-  
8                         dures of part 215 of title 36, Code of Federal Regu-  
9                         lations (or successor regulations).

○