

Born in Rochester, New York, Charlie enlisted in the Navy while still in high school. On one fateful morning at 17 years old he awoke to the Japanese attack on Pearl Harbor. Rather than running for cover or choosing self-preservation, Charlie chose to fight back and led a counter-offensive on a nearby rooftop. Armed with only a rifle and dressed only in his T-shirt and boxer shorts, he fired some of the first shots against the Japanese on that day which ended up claiming the lives of 2,403 American servicemembers, 14 of which were Montanans.

Charlie Dowd went on to become a high school teacher where he taught the next generations of great Americans to become patriots who were inspired by his acts of courage and selfless service.

An avid sportsman, Charlie moved to Anaconda, Montana and continued his active membership in the Pearl Harbor Survivors Association.

While in Montana, Charlie leaned into his passion as a sportsman by spending time hunting, fishing, and writing a weekly column named 'The Wild Side' which became a staple for the Anaconda Deer Lodge community as well as Western Montana as a whole.

I remember visiting with him over the years and even 70 years after Pearl Harbor, at 99 years old, he could still tap the messages he sent as a radioman in Morse code.

Charlie was one of the last living survivors of the attack on Pearl Harbor, a Montana legend, and a true American hero. By renaming this clinic in his honor, we pay tribute to his legacy and ensure that future generations of veterans receive the care they deserve.

Let us pass this bill with unanimous consent, demonstrating our unwavering support for our veterans, their families, and the memory of Charlie Dowd.

The SPEAKER pro tempore (Mr. MEUSER). The question is on the motion offered by the gentleman from Illinois (Mr. BOST) that the House suspend the rules and pass the bill, S. 3285.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□ 1615

ROYALTY RESILIENCY ACT

Mr. WESTERMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7377) to amend the Federal Oil and Gas Royalty Management Act of 1982 to improve the management of royalties from oil and gas leases, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 7377

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Royalty Resiliency Act".

SEC. 2. DETERMINATION OF ALLOCATIONS OF PRODUCTION FOR UNITS AND COMMUNITIZATION AGREEMENTS.

Section 111(j) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1721(j)), as amended by the Federal Oil and Gas Royalty Simplification and Fairness Act of 1996 (Public Law 104-185), is amended to read as follows:

"(j) The Secretary shall issue all determinations of allocations of production for units and communitization agreements within 120 days of a request for determination. Until the Secretary issues the determination, the lessee or its designee of a lease in a unit or communitization agreement shall report and pay royalties on oil and gas production for each production month in accordance with the terms of the proposed allocation of production for the unit or communitization agreement. After the Secretary issues the determination, the lessee or its designee shall, as necessary, correct such reports and the amount of royalties paid on oil and gas production under the unit or communitization agreement by not later than the end of the third month following the month in which the lessee or its designee receives the determination from the Secretary. Subject to the full and timely monthly payment of royalties to all parties in accordance with the terms of the proposed allocation of production for the unit or communitization agreement, the Secretary shall waive interest due on obligations subject to the determination until the end of the third month following the month in which the lessee or its designee receives the determination from the Secretary. This subsection shall not apply to unit or communitization agreements containing Indian lands."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arkansas (Mr. WESTERMAN) and the gentlewoman from New Mexico (Ms. LEGER FERNANDEZ) each will control 20 minutes.

The Chair recognizes the gentleman from Arkansas.

GENERAL LEAVE

Mr. WESTERMAN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and to include extraneous material on H.R. 7377, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. WESTERMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 7377, the Royalty Resiliency Act. H.R. 7377, introduced by Congressman HUNT, addresses issues in existing law with respect to how oil and gas royalties are paid to the Federal Government.

When an oil and gas project involving a Federal lease cannot be independently developed because of other State or private assets, the Bureau of Land Management utilizes communitization agreements, or CAs.

Although the BLM is required by law to approve CAs within 120 days of receipt, the agency has failed to meet this standard, with operators experiencing wait times of up to 3 years.

Currently, the Office of Natural Resources Revenue, often referred to as ONRR, requires oil and gas operators to pay a 100 percent royalty for projects all while they await BLM approval of a CA, even if only a fraction of their project involves Federal lands or minerals. As a result, many operators end up significantly overpaying royalties while they wait years for BLM approval.

This bill provides a commonsense fix that would allow operators to pay a royalty to ONRR that is based on the apportionment in their proposed CA.

This bill would not reduce the obligation owed by companies but would prevent overpayments that unnecessarily lock up capital and create a bureaucratic mess for the Department of the Interior. Furthermore, in the rare case that a proposed royalty is found to be incorrect when a CA is approved, the bill requires the lessee to pay the government within 3 months.

I would also like to note that the Committee on Natural Resources worked with the BLM to finalize this bill, and it is supported by the Department of the Interior.

This bill will benefit operators as well as Federal and State Governments while ensuring a fair and more predictable regulatory environment.

Mr. Speaker, I urge my colleagues to join me in support of H.R. 7377, and I reserve the balance of my time.

Ms. LEGER FERNANDEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to join my colleague, Chairman WESTERMAN, in support of H.R. 7377, the Royalty Resiliency Act, sponsored by my colleague, Representative HUNT.

I have to say that not many oil and gas bills can make it through the Natural Resources Committee by unanimous consent and to the floor on suspension, so I commend my colleague for working on this reasonable, technical fix that has the support of the Biden administration.

This represents how we should, in fact, get things done, where we come together, where we work things out, and where we include the BLM so that we understand how to get the technical fix done.

As noted, under current law, oil and gas lessees who are on land that is partially Federally owned and partially owned by the State or private owners need to get a communitization agreement, or CA, approved by the Department of the Interior, which outlines how much of the royalty payments should be paid to each landowner.

While a lessee is waiting for approval on that CA from the Department of the Interior, they pay 100 percent of the royalties to the Federal Government, even in cases where the Federal Government does not own 100 percent of the land.

When the CA is finally approved, then the State or private landowners get reimbursed for their share of the

royalty payments. However, some Bureau of Land Management field offices are so understaffed right now that they have reportedly taken 800 days, in some cases, to approve a CA, resulting in a delay or loss of royalties to States who rightfully deserve those funds.

For an example, in New Mexico, we have hundreds of oil and gas lessees on Federal lands and State lands. Many of those are in my district in the San Juan and Permian Basin. Indeed, 54 percent of production in New Mexico impacts Federal land. This bill represents a technical fix that would make sure that royalties flow to the State of New Mexico or the State of Colorado or the Dakotas or Texas or the many other places where we have these shared land ownership arrangements, because do you know what, Mr. Speaker?

Our schools and our schoolchildren need that money to flow to them as quickly as possible.

Under the bill, rather than paying 100 percent to the Federal Government while waiting approval, a lessee would pay royalties to each landowner in accordance with the lessee's proposal. If that proposal proves to be wrong, the lessee is then required to backpay any missing royalty revenue.

While I believe we need to work together to find an off-ramp for States and communities that are overly dependent on fossil fuel revenue and we need to work on diversifying our economies, this legislation is straightforward and commonsense.

Mr. Speaker, I support the bill. I urge my colleagues to support the bill, and I reserve the balance of my time.

Mr. WESTERMAN. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. HUNT), who is the lead sponsor of the bill.

Mr. HUNT. Mr. Speaker, I rise today in support of my bill, H.R. 7377, the Royalty Resiliency Act.

This legislation is a commonsense fix to an accounting problem that has plagued both energy operators and personnel at the Department of the Interior for years.

Due to a myriad of reasons, including staff shortages and burdensome oversight, the BLM has encountered significant delays in approving communitization agreements, costing both the Federal Government and private industry billions of dollars.

Ensuring the Department of the Interior completes CAs in a timely fashion is something my office and the administration are continuing to work on, but this piece of legislation fixes an erroneous accounting issue that has been plaguing the Department of the Interior.

We all know that the Federal Government is not the best at returning your money, and the Department of the Interior realizes that timely and accurate royalty allocations are not only good for development but, more importantly, are the fairest way of conducting business.

That is why during a March 6, 2024, House of Representatives Natural Resources Committee hearing, Benjamin Gruber, Deputy Assistant Director for Energy, Minerals, and Realty Management supported my legislation.

Mr. Gruber stated: "The department recognizes the importance of timely approval of units and CAs and supports H.R. 7377."

I would also like to take a moment to recognize and thank my team on Natural Resources along with Eric Haley, who is on my staff.

Ms. LEGER FERNANDEZ. Mr. Speaker, during the Biden administration, we have had historic oil and gas production with many more leases coming online, and so this kind of legislation is precisely needed to make sure that we get the royalty revenues to where they should go, especially with all of the new leases that have come on.

Mr. Speaker, I have no further requests for time, and I am prepared to close. I urge my colleagues to support the legislation, and I yield back the balance of my time.

Mr. WESTERMAN. Mr. Speaker, I thank my colleague from Texas (Mr. HUNT) for his work on the bill. H.R. 7377 will provide regulatory certainty and fairness in royalty management. I also thank the minority for their cooperation in passing this commonsense bill.

Mr. Speaker, I urge my colleagues to join us in supporting H.R. 7377, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arkansas (Mr. WESTERMAN) that the House suspend the rules and pass the bill, H.R. 7377, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

FINANCIAL TECHNOLOGY PROTECTION ACT OF 2023

Mr. NUNN of Iowa. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2969) to establish an Independent Financial Technology Working Group to Combat Terrorism and Illicit Financing, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2969

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Financial Technology Protection Act of 2023".

SEC. 2. INDEPENDENT FINANCIAL TECHNOLOGY WORKING GROUP TO COMBAT TERRORISM AND ILLICIT FINANCING.

(a) ESTABLISHMENT.—There is established the Independent Financial Technology Working Group to Combat Terrorism and Illicit Financing (in this section referred to as

the "Working Group"), which shall consist of the following:

(1) The Secretary of the Treasury, acting through the Under Secretary for Terrorism and Financial Intelligence, who shall serve as the chair of the Working Group.

(2) A senior-level representative from each of the following:

(A) Each of the following components of the Department of the Treasury:

(i) The Financial Crimes Enforcement Network.

(ii) The Internal Revenue Service.

(iii) The Office of Foreign Assets Control.

(B) The Department of Justice and each of the following components of the Department:

(i) The Federal Bureau of Investigation.

(ii) The Drug Enforcement Administration.

(C) The Department of Homeland Security and the United States Secret Service.

(D) The Department of State.

(E) The Central Intelligence Agency.

(3) Five individuals appointed by the Under Secretary for Terrorism and Financial Intelligence to represent the following:

(A) Financial technology companies.

(B) Blockchain intelligence companies.

(C) Financial institutions.

(D) Institutions or organizations engaged in research.

(E) Institutions or organizations focused on individual privacy and civil liberties.

(b) DUTIES.—The Working Group shall—

(1) conduct research on terrorist and illicit use of new financial technologies, including digital assets; and

(2) develop legislative and regulatory proposals to improve anti-money laundering, counter-terrorist, and other counter-illicit financing efforts in the United States.

(c) REPORTS.—

(1) IN GENERAL.—Not later than one year after the date of the enactment of this Act, and annually for the 3 years thereafter, the Working Group shall submit to the Secretary of the Treasury, the heads of each agency represented in the Working Group pursuant to subsection (a)(2), and the appropriate congressional committees a report containing the findings and determinations made by the Working Group in the previous year and any legislative and regulatory proposals developed by the Working Group.

(2) FINAL REPORT.—Before the date on which the Working Group terminates under subsection (d)(1), the Working Group shall submit to the appropriate congressional committees a final report detailing the findings, recommendations, and activities of the Working Group.

(d) SUNSET.—

(1) IN GENERAL.—The Working Group shall, subject to paragraph (3), terminate on the date that is 4 years after the date of the enactment of this Act.

(2) EXPIRATION AND RETURN OF APPROPRIATED FUNDS.—On the date on which the Working Group terminates under paragraph (1)—

(A) all authorities granted to the Working Group under this section shall expire, subject to paragraph (3); and

(B) any funds appropriated for the Working Group that are available for obligation as of that date shall be returned to the Treasury.

(3) AUTHORITY TO WIND UP ACTIVITIES.—The termination of the Working Group under paragraph (1) and the expiration of authorities under paragraph (2) shall not affect any research, proposals, or other related activities of the Working Group ongoing as of the date on which the Working Group terminates under paragraph (1). Such research, proposals, and other related activities may continue until their completion.