112TH CONGRESS 2D SESSION

H. R. 4325

To provide that the Secretary of the Interior may accept bids on any new oil and gas leases of Federal lands (including submerged lands) only from bidders certifying that all oil produced pursuant to such leases, and all refined petroleum products produced from such oil, shall be offered for sale only in the United States, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

March 29, 2012

Mr. Markey (for himself, Mr. Holt, Mr. Owens, Ms. Woolsey, and Mr. Welch) introduced the following bill; which was referred to the Committee on Natural Resources

A BILL

To provide that the Secretary of the Interior may accept bids on any new oil and gas leases of Federal lands (including submerged lands) only from bidders certifying that all oil produced pursuant to such leases, and all refined petroleum products produced from such oil, shall be offered for sale only in the United States, 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,

1 SECTION 1. SHORT TITLE.

- This Act may be cited as the "Keep America's Oil
- 3 Here Act".

4 SEC. 2. FINDINGS.

- 5 The Congress finds the following:
- 6 (1) The United States is taking a number of 7 steps to reduce domestic consumption of oil, many of 8 which will soon take effect.
 - (2) In 2007, the Congress passed the Energy Independence and Security Act of 2007 (Public Law 110–140), which increased fuel economy standards to at least 35 miles per gallon by 2020 and established renewable fuel standards to ensure that enough renewable fuel is produced by 2022 to reduce the need for 1.6 million barrels of oil per day. These programs to reduce our domestic oil consumption have yet to be fully implemented.
 - (3) The administration of President Obama is accelerating the implementation of the fuel economy standards and greenhouse gas emission standards.
 - (4) In 2010, the President issued a rule that required increased fuel economy and decreased global warming emissions for light-duty vehicles produced in model years 2012–2016. This rule is in the process of being implemented, and will reduce the need for an additional 1.9 million barrels of oil per

- day by 2030 and reduce the need for 2.3 million barrels of oil per day by 2040.
 - (5) In 2011, the President issued a proposed rule to implement increased fuel economy and decreased global warming emissions for light duty vehicles produced in model years 2017–2025. This rule, once fully implemented, will reduce the need for an additional 1.5 million barrels of oil per day by 2030 and reduce the need for 2.4 million barrels of oil per day by 2040.
 - (6) These actions will help reduce domestic consumption of crude oil, which is an exhaustible natural resource. These measures represent only a portion of Federal Government efforts to assist economic growth and reduce economic pressures relating to high oil prices.
 - (7) As the result of actions undertaken by the Congress and the executive branch, domestic oil production has ramped up considerably. Oil production is currently at its highest level since 2003, while production of oil and natural gas liquids combined are at their highest level since 1997. Domestic oil production is expected to continue rising through 2020. Restrictions on exports of oil produced on public lands are a necessary and appropriate com-

| 1 | plement to energy efficiency measures and will help |
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| 2 | to ensure a reliable and affordable supply of such oil |
| 3 | and refined products from such oil. |
| 4 | SEC. 3. NO FOREIGN SALES OF OIL PRODUCED ON FED- |
| 5 | ERAL LANDS. |
| 6 | The Secretary of the Interior may accept bids on any |
| 7 | new oil and gas leases of Federal lands (including sub- |
| 8 | merged lands) under the Mineral Leasing Act (30 U.S.C. |
| 9 | 181 et seq.) or the Outer Continental Shelf Lands Act |
| 10 | (43 U.S.C. 1331 et seq.) only from bidders certifying that |
| 11 | all crude oil produced under such leases, and all refined |
| 12 | petroleum products produced from such crude oil, shall be |
| 13 | offered for sale only in the United States. |
| 14 | SEC. 4. WAIVER. |
| 15 | The President may provide for waiver of the applica- |
| 16 | tion of section 3 with respect to a lease in a case in |
| 17 | which— |
| 18 | (1) the President determines that such a waiver |
| 19 | is in the national interest because it— |
| 20 | (A) will not lead to an increase in domestic |
| 21 | consumption of crude oil obtained from coun- |
| 22 | tries hostile to United States interests or that |
| 23 | have political and economic instability that com- |
| 24 | promises energy supply security; |

| 1 | (B) will not lead to higher costs to oil re- |
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| 2 | finers that purchase the crude oil than such re- |
| 3 | finers would have to pay for crude oil in the ab- |
| 4 | sence of such a waiver; and |
| 5 | (C) will not lead to higher gasoline costs |
| 6 | paid by consumers than consumers would have |
| 7 | to pay in the absence of such a waiver; |
| 8 | (2) an exchange of crude oil or refined petro- |
| 9 | leum products provides for no net loss of crude oil |
| 10 | or refined petroleum products, respectively, con- |
| 11 | sumed domestically; |
| 12 | (3) a waiver is necessary under the Constitu- |
| 13 | tion, a law, or an international agreement; or |
| 14 | (4) a standing trade agreement with a North |
| 15 | American trading partner allows for such exports, |
| 16 | and all crude oil and refined petroleum products ex- |
| 17 | ported under such a waiver will be consumed in |
| 18 | North America. |
| 19 | SEC. 5. REFINED PETROLEUM PRODUCT DEFINED. |
| 20 | In this Act the term "refined petroleum product" |
| 21 | means any of the following: |
| 22 | (1) Finished reformulated or conventional |
| 23 | motor gasoline. |
| 24 | (2) Finished aviation gasoline. |
| 25 | (3) Kerosene-type jet fuel. |

- 1 (4) Kerosene.
- 2 (5) Distillate fuel oil.
- 3 (6) Residual fuel oil.
- 4 (7) Lubricants.
- 5 (8) Waxes.
- 6 (9) Petroleum coke.
- 7 (10) Asphalt and road oil.

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