

109TH CONGRESS
1ST SESSION

H. R. 485

IN THE SENATE OF THE UNITED STATES

MAY 17, 2005

Received; read twice and referred to the Committee on Energy and Natural
Resources

AN ACT

To provide that the royalty rate on the output from Federal lands of potassium and potassium compounds from the mineral sylvite in the 5-year period beginning on the date of the enactment of this Act shall be reduced to 1.0 percent, 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 **TITLE I—POTASH ROYALTY**
4 **REDUCTION**

5 **SEC. 101. SHORT TITLE.**

6 This title may be cited as the “Potash Royalty Reduc-
7 tion Act of 2005”.

8 **SEC. 102. POTASSIUM AND POTASSIUM COMPOUNDS FROM**
9 **SYLVITE.**

10 (a) **ROYALTY RATE.**—Notwithstanding section
11 102(a)(9) of the Federal Land Policy and Management
12 Act of 1976 (43 U.S.C. 1701(a)(9)), section 2 of the Act
13 of February 7, 1927 (30 U.S.C. 282) and the term of any
14 lease issued under such section 2, the royalty rate on the
15 quantity or gross value of the output from Federal lands
16 of potassium and potassium compounds from the mineral
17 sylvite at the point of shipment to market in the 5-year
18 period beginning on the date of the enactment of this Act
19 shall be 1.0 percent.

20 (b) **RECLAMATION FUND.**—Fifty percentum of any
21 royalties paid pursuant to this title during the 5-year pe-
22 riod referred to in subsection (a), together with any inter-
23 est earned from the date of payment, shall be paid by the
24 Secretary of the Treasury to the payor of the royalties
25 to be used solely for land reclamation purposes in accord-

1 ance with a schedule to implement a reclamation plan for
2 the lands for which the royalties are paid. No payment
3 shall be made by the Secretary of the Treasury pursuant
4 to this subsection until the Secretary of the Interior re-
5 ceives from the payor of the royalties, and approves, the
6 reclamation plan and schedule, and submits the approved
7 schedule to the Secretary of the Treasury. The share of
8 royalties held by the Secretary of the Treasury pursuant
9 to this subsection, and interest earned thereon, shall be
10 available until paid pursuant to this subsection, without
11 further appropriation; shall not be considered as money
12 received under section 35 of the Mineral Leasing Act (30
13 U.S.C. 191) for the purpose of revenue allocation; and
14 shall not be reduced by any administrative or other costs
15 incurred by the United States.

16 (c) **STUDY AND REPORT.**—After the end of the 4-
17 year period beginning on the date of the enactment of this
18 Act, and before the end of the 5-year period beginning
19 on that date, the Secretary of the Interior shall report to
20 the Congress on the effects of the royalty reduction under
21 this title, including a recommendation on whether the re-
22 duced royalty rate for potassium from sylvite should apply
23 after the end of the 5-year period.

1 **TITLE II—SODA ASH ROYALTY**
2 **REDUCTION**

3 **SEC. 201. SHORT TITLE.**

4 This title may be cited as the “Soda Ash Royalty Re-
5 duction Act of 2005”.

6 **SEC. 202. FINDINGS.**

7 The Congress finds the following:

8 (1) The combination of global competitive pres-
9 sures, flat domestic demand, and spiraling costs of
10 production threaten the future of the United States
11 soda ash industry.

12 (2) Despite booming world demand, growth in
13 United States exports of soda ash since 1997 has
14 been flat, with most of the world’s largest markets
15 for such growth, including Brazil, the People’s Re-
16 public of China, India, the countries of eastern Eu-
17 rope, and the Republic of South Africa, have been
18 closed by protectionist policies.

19 (3) The People’s Republic of China is the prime
20 competitor of the United States in soda ash produc-
21 tion, and recently supplanted the United States as
22 the largest producer of soda ash in the world.

23 (4) Over 700 jobs have been lost in the United
24 States soda ash industry since the Department of

1 the Interior increased the royalty rate on soda ash
2 produced on Federal land, in 1996.

3 (5) Reduction of the royalty rate on soda ash
4 produced on Federal land will provide needed relief
5 to the United States soda ash industry and allow it
6 to increase export growth and competitiveness in
7 emerging world markets, and create new jobs in the
8 United States.

9 **SEC. 203. REDUCTION IN ROYALTY RATE ON SODA ASH.**

10 Notwithstanding section 102(a)(9) of the Federal
11 Land Policy Management Act of 1976 (43 U.S.C.
12 1701(a)(9)), section 24 of the Mineral Leasing Act (30
13 U.S.C. 262), and the terms of any lease under that Act,
14 the royalty rate on the quantity or gross value of the out-
15 put of sodium compounds and related products at the
16 point of shipment to market from Federal land in the 5-
17 year period beginning on the date of the enactment of this
18 Act shall be 2 percent.

19 **SEC. 204. STUDY.**

20 After the end of the 4-year period beginning on the
21 date of the enactment of this Act, and before the end of
22 the 5-year period beginning on that date, the Secretary
23 of the Interior shall report to the Congress on the effects
24 of the royalty reduction under this title, including—

1 (1) the amount of sodium compounds and re-
2 lated products at the point of shipment to market
3 from Federal land during that 4-year period;

4 (2) the number of jobs that have been created
5 or maintained during the royalty reduction period;

6 (3) the total amount of royalty paid to the
7 United States on the quantity or gross value of the
8 output of sodium compounds and related products at
9 the point of shipment to market produced during
10 that 4-year period, and the portion of such royalty
11 paid to States; and

12 (4) a recommendation of whether the reduced
13 royalty rate should apply after the end of the 5-year
14 period beginning on the date of the enactment of
15 this Act.

Passed the House of Representatives May 16, 2005.

Attest:

JEFF TRANDAHL,

Clerk.