

# GOVERNMENTAL AFFAIRS REPORT

## Highlights At-A-Glance

### FEDERAL – Legislative

**S. 947 – Lower Energy Costs Act.** On April 12, official bill text was made available for [S. 947](#), known as the Lower Energy Costs Act. Sponsored by Sen. John Kennedy (R-LA), the bill would “lower energy costs by increasing American energy production, exports, infrastructure, and critical minerals processing, by promoting transparency, accountability, permitting, and production of American resources, and by improving water quality certification and energy projects.” According to Sen. Kennedy, “Energy production is the key to America’s national security and economic success. Louisiana has always served our country by helping bring affordable, sustainable energy to market, and this bill would remove the burdensome, bureaucratic handcuffs that have been hurting the industry and millions of Americans.” [Access a complete 30-point bill summary here.](#)

**S. 879 – Energy Freedom Act.** On April 7, official bill text was made available for [S. 879](#), known as the Energy Freedom Act. Sponsored by Sen. Ted Cruz (R-TX), the bill would accelerate “federal permitting for energy projects and pipelines, mandating new onshore and offshore oil and gas lease sales, approving pending liquified natural gas (LNG) export licenses, and generally speeding up solar, wind, and geothermal development.” According to Sen. Cruz, “One study found \$157 billion in energy investment is tied up in the federal permitting process. I’m reintroducing the Energy Freedom Act to reverse Biden’s actions so we don’t have to resort to tapping the Strategic Petroleum Reserve. The Energy Freedom Act would put a stop to the Biden administration’s sabotage of the American energy industry, and Congress should take it up without delay.” [Read more.](#)

**S. 373 – Reinvesting in Shoreline Economies and Ecosystems Act of 2023.** On April 6, official bill text was made available for [S. 373](#), known as the Reinvesting in Shoreline Economies and Ecosystems Act of 2023 or the RISEE Act of 2023. This bipartisan measure would lift the cap on federal offshore energy revenue returns to 38 coastal states, including those lining the Great Lakes, which is currently subject to a combined cap of about \$375 million per year. The bill would also establish an offshore wind revenue sharing model; dedicate funding to the National Oceans and Coastal Security Fund; and eliminate an administrative fee under the Mineral Leasing Act to revert “the royalty structure under the Mineral Leasing Act back to an equal split between the federal government and inland energy producing states by eliminating a 2 percent fee that the Department of the Interior collects to administer the onshore revenue sharing program.” [Read a complete bill summary here.](#) A bipartisan House version, [H.R. 913](#), has also been introduced. [Read more.](#)

**H.J. Res. 46 – Endangered Species Act Resolution of Disapproval.** On March 30, a group of Republican lawmakers, led by Rep. Cliff Bentz (R-OR), introduced [H.J. Res. 46](#), a resolution of disapproval “to retain the regulatory definition of habitat within the Endangered Species Act (ESA).” A Senate companion version has also been introduced by Sen. James Lankford (R-OK) and Sen. Cynthia Lummis (R-WY). [Read more.](#) “The Biden Administration, when it rescinded the Trump Critical Habitat Rule, gave Washington bureaucrats the green light to designate critical habitat where the species in question had not been seen in decades,” said Rep. Bentz. “This action by the Biden Administration was not about conserving or protecting at risk species. It was about preventing human activities that the Biden Administration disagrees with, like forest management, livestock grazing, and other multiple uses of our public

lands and waters in and upon millions of acres of public land. The Trump Administration's definition of habitat is scientifically based and meets the needs of both our environment and the people living within it. This measure will help to restore sanity to the implementation of the ESA and will provide at least some certainty to millions of Americans who are impacted by at risk species." The resolution of disapproval seeks to rescind the Biden administration rulemaking through use of the Congressional Review Act process. According to Sen. Lankford, "The Critical Habitat rule gives the Biden Administration free rein to interpret any geographic area across the country—not just the one a listed species currently occupies—as a 'critical habitat' in need of federal protection under the ESA. This radical environmentalist proposal potentially impacts landowners, a variety of industries crucial to Oklahoma, jobs, and existing wildlife recovery efforts nationwide [...] I want to protect our plants and wildlife, but I stand firmly against this rule." [Read more.](#)

**Congressional Request for Transparency from the DOE and EPA for Infrastructure, Investment, and Jobs Act Spending.** On April 13, "House Energy and Commerce Committee Chair Cathy McMorris Rodgers (R-WA), Energy, Climate, and Grid Security Subcommittee Chair Jeff Duncan (R-SC), and Environment, Manufacturing, and Critical Materials Subcommittee Chair Bill Johnson (R-OH) [...] sent letters to the Department of Energy (DOE) and the Environmental Protection Agency (EPA) calling on the administration to be completely transparent on its record-spending in the Infrastructure, Investment, and Jobs Act (IIJA), which is contributing to President Joe Biden's energy and inflation crisis and making America more reliant on China." The letter writers call on the DOE and EPA to provide receipts of expenditures tied to IIJA funds and programs. [Read more.](#)

**Congressional Letter Regarding the Strategic Petroleum Reserve Drawdown.** On April 6, Rep. Vicente Gonzalez (D-TX) sent a letter to President Biden expressing "grave concern regarding the Administration's inaction to replenish the Strategic Petroleum Reserve (SPR) after the sell down of crude oil conducted to relieve oil prices that increased after

Russia invaded Ukraine." In the letter, Rep. Gonzalez calls upon the administration to answer a set of questions regarding replenishment of the SPR, writing, "I encourage you to promptly follow through on your promise to repurchase crude oil to replenish the Strategic Petroleum Reserve." [Read the letter here.](#) In related news, on April 12, U.S. Energy Secretary Jennifer Granholm said, "The Biden administration plans to refill the U.S. Strategic Petroleum Reserve soon, and hopes to refill it at lower oil prices if it's advantageous to taxpayers during the rest of the year." [Read more.](#)

## **FEDERAL – Regulatory**

**Interior Department Proposed Plan to Guide the Balanced Management of Public Lands.** On April 3, the Interior Department published a proposed rule, *Conservation and Landscape Health* ([88 Fed. Reg. 19583](#)), "to guide the balanced management of America's public lands for the benefit of current and future generations. The proposed Public Lands Rule provides tools for the Bureau of Land Management (BLM) to improve the resilience of public lands in the face of a changing climate; conserve important wildlife habitat and intact landscapes; plan for development; and better recognize unique cultural and natural resources on public lands." According to the Interior Department announcement, "The proposal is consistent with strategies used by other state and federal land management agencies to ensure the federal government has tools and direction to identify areas in need of restoration or conservation, as well as the ability to encourage investments in public lands to help balance the impacts of development. It will increase access to outdoor recreation by putting conservation on equal footing with other uses, consistent with the BLM's multiple use and sustained yield mission." [Read more.](#) As reported, "The proposed rule would apply land-health standards to all of the 245 million acres that BLM manages, instead of limiting them to federal livestock grazing allotments. The rule would also designate conservation as a formal use of public lands, on par with energy development, grazing and recreation. Energy developers, mining companies and other land users

could purchase conservation leases and use them as compensatory mitigation to offset project impacts as a condition of permit approval. The proposed rule would also allow for nongovernment groups to buy these leases and pay to conduct restoration work on the land." Public comments are due by June 20, 2023, or 15 days after the last public meeting, for which dates have not yet been released. [Read more.](#)

**BLM Solar Leasing – Nevada.** On April 11, the BLM published a *Notice of Competitive Offer and Notice of Segregation for Solar Energy Development on Public Land, Nye County, Nevada* ([88 Fed. Reg. 21708](#)), announcing that the "Pahrump Field Office will accept competitive bids on four parcels of public lands in Nye County, Nevada, for photovoltaic solar energy development: two parcels located within the Amargosa Valley Solar Energy Zone offered for lease, and two parcels to determine preferred right-of-way applicants. The BLM also announces the segregation of the two parcels of public lands outside the Amargosa Valley Solar Energy Zone from appropriation under the public land laws, including the Mining Law, but not the Mineral Leasing or Material Sales Acts, for a period of 2 years from the date of publication of this notice, subject to valid existing rights. This segregation will facilitate the orderly administration of the public lands while the BLM considers potential solar development on the two described parcels." The BLM will hold the competitive live auction for all parcels on June 27, 2023. [Read more.](#)

**BLM Oil and Gas Lease Sale – Nevada.** On April 4, the BLM "Nevada State Office released an environmental assessment analyzing four parcels (4,720 acres) for the proposed July 2023, Competitive Oil and Gas Lease Sale. This includes four parcels located within Nye County, Nevada (4,270 acres). The release of this environmental assessment starts a 30-day public comment period, which will end on May 4, 2023." [Read more.](#)

**BLM Approves Western Transmission Line.** On April 11, the BLM announced it "has issued a notice to proceed for construction of the 732-mile TransWest Express Project, a high-voltage transmission line

that will extend from south-central Wyoming through northwestern Colorado and central Utah, ending in southern Nevada. Over 1,000 jobs will be created during construction and once complete, the line will provide 3,000 megawatts of new transmission capacity." The transmission line will support greater expansion of solar and wind energy development and production throughout the West. [Read more.](#)

**BLM Awards Orphaned Wells Contracts.** On April 5, the BLM announced it "has awarded multiple contracts, supported through funding from President Biden's Bipartisan Infrastructure Law to plug and remediate orphaned oil and gas wells on America's public lands. The Indefinite Delivery Indefinite Quantity contracts will go to six small businesses from across the country to provide environmental support services including project planning, evaluation, and regulatory compliance in support of orphaned oil and gas well plugging operations." [Read more.](#)

**BLM Information Collection; Oil and Gas Facility Site Security.** On April 7, the BLM published a notice of information collection, *Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Oil and Gas Facility Site Security* ([88 Fed. Reg. 20904](#)). According to the BLM, this information collection "enables the BLM to collect information about Federal and Indian (except Osage Tribe) onshore oil and gas leases. The information facilitates accurate measurement of oil and gas, production accountability, payment of royalties that are due, and prevention of theft and loss." The public comment period is open through May 8, 2023. [Read more.](#)

**BLM Information Collection; Measurement of Gas.** On April 7, the BLM published a notice of information collection, *Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Measurement of Gas* ([88 Fed. Reg. 20903](#)). According to the BLM, this notice is "requesting renewal of a control number that pertains to the accurate measurement and proper reporting of all-natural gas removed or sold from Federal and Indian leases, units, unit participating areas, and areas

subject to communitization agreements.” The public comment period is open through May 8, 2023.

[Read more.](#)

#### **BLM Information Collection; Measurement of Oil.**

On April 5, the BLM published a notice of information collection, *Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Measurement of Oil* ([88 Fed. Reg. 20180](#)). According to the BLM, “This collection of information enables the BLM to ensure compliance with standards for the measurement of oil produced from Federal and Indian (except Osage Tribe) leases and compliance with pertinent statutes.” The public comment period is open through May 5, 2023.

[Read more.](#)

#### **BLM Resource Advisory Council Meeting – Montana.**

On April 5, the BLM published a *Notice of Western Montana Resource Advisory Council Meeting* ([88 Fed. Reg. 20181](#)). The RAC “will hold an in-person meeting on Wednesday, April 26, 2023, in Butte, Montana. The meeting will start at 9 a.m. and conclude at 4 p.m. A virtual participation option will also be available.” RAC meetings are open to the public. Per the BLM, “The Council provides recommendations to the Secretary of the Interior concerning the planning and management of the public land resources located within the BLM’s Western Montana District and offers advice on the implementation of the comprehensive, long-range plan for management, use, development, and protection of the public lands within the District. Agenda topics for the upcoming meetings include a discussion of RAC objectives and responsibilities; reports from the managers of the Butte, Dillon, and Missoula BLM Field Offices about activities in their areas; and other resource management issues the Council may raise. Written comments may also be sent in advance of the meeting.” [Read more.](#)

#### **BLM Resource Advisory Council Meeting – Utah.**

On April 11, the BLM published a *Notice of Public Meetings, Utah Resource Advisory Council, Utah* ([88 Fed. Reg. 21707](#)). The announcement provides for multiple Resource Advisory Council (RAC) meetings which are all open to the public. According to the BLM,

“The Utah RAC provides recommendations to the Secretary of the Interior, through the BLM, on a variety of public lands issues. Agenda topics for the August meeting include updates and overview of BLM district and state planning efforts, and other issues as appropriate.” [Read more.](#)

#### **EPA Methane Emissions Proposed Rulemaking.**

*(Update to 3/6/23 Report)* On April 11, Republican members of the U.S. Senate Committee on Environment and Public Works delivered a letter to EPA Administrator Michael Regan expressing their opposition to proposed EPA methane emissions rules targeting the oil and gas industry. [Read the letter here.](#) As previously reported, the supplemental proposal, *Standards of Performance for New, Reconstructed, and Modified Sources: Oil and Natural Gas Sector Climate Review* ([87 Fed. Reg. 74702](#)), aims to “update, strengthen, and expand the standards proposed on November 15, 2021 (November 2021 proposal), which are intended to significantly reduce emissions of greenhouse gases (GHGs) and other harmful air pollutants from the Crude Oil and Natural Gas source category.” The lawmakers expressed concern that the rulemaking, if finalized, “would reduce annual domestic crude oil production by about 21 million barrels and natural gas production by 358 million Mcf in 2026.” Further, the rulemaking analysis “estimates total compliance costs at \$15 to \$19 billion over ten years without even accounting for other expenses nor the negative economic consequences from lost tax and royalty revenues, lost jobs, increased energy prices, and energy security implications [and] [b]urdening American producers with excessive and duplicative regulations under the pretense of fighting global climate change only serves to shrink production, raise costs for consumers, and transfer the Administration’s climate guilt to foreign polluters whose environmental regulations are a pale shadow of American standards.” The letter calls for the EPA “to reverse course on this onerous rule, fully engage with producers, and listen to the states that must bear the brunt of these regulations.” [Read more.](#)

#### **EPA Methane Emissions Proposed Rulemaking**

**Listening Sessions.** Related to the above, on April 12,

the EPA announced it “is holding a series of national listening sessions for the public to share their comments on the design of the Methane Emissions Reduction Program.” The sessions will be held virtually online and the public is invited to attend. The first session will be held on May 2, 2023. For more information on session dates and instructions on how to attend sessions and make oral comments, [Read more here](#).

#### **Executive Order on Modernizing Regulatory Review.**

On April 6, President Biden issued an executive order, “to modernize the regulatory process to advance policies that promote the public interest and address national priorities.” [Read the executive order here](#). The order would increase the threshold for the White House Office of Office of Information and Regulatory Affairs (OIRA) to conduct regulatory analysis up to \$200 million, from the current \$100 million. The order also provides for OIRA to possibly limit stakeholder meetings in the development of rulemaking as well as to “recognize distributive impacts and equity.” The order also updates 2003 guidance (OMB Circular A-4) on how the White House Office of Management and Budget could calculate rulemaking costs and benefits. [Read the draft revisions to OMB Circular A-4 here](#). The White House has also released *Draft Guidance Implementing Section 2(e) of the Executive Order of April 6, 2023 (Modernizing Regulatory Review)* which provides a Q&A on the modernizing process and how OIRA will implement this process in the future. Early analysis of the releases indicate that the Biden administration could justify a more burdensome regulatory scheme by pushing costs and benefits out over a longer period of time, while also reducing public input in certain instances which, if implemented, would be a departure from long standing procedures under both Republican and Democrat administrations. [Read a copy of the draft guidance here](#).

**GAO Report on Utility-Scale Energy Storage.** On March 30, the U.S. Government Accountability Office (GAO) released a report, [Utility-Scale Energy Storage Technologies and Challenges for an Evolving Grid \(GAO-23-105583\)](#), highlighting the challenges in deploying utility-scale energy storage for power grid integration. Some of the energy storage technologies challenges highlighted are planning, regulation,

standardization, and valuation. In the report, “GAO developed six high-level policy options in response to these challenges. These policy options are provided to inform policymakers of potential actions to address the policy challenges identified in this technology assessment. They identify possible actions by policymakers, which include Congress, federal agencies, state and local governments, academic and research institutions, and industry. The status quo option illustrates a scenario in which policymakers do not intervene with ongoing efforts.” According to the GAO, the study could, in part, “enable the growth of solar and wind energy generation.” [Read more](#).

#### **FEDERAL – Judicial**

**Social Cost of Greenhouse Gases – Fifth Circuit (Louisiana).** On April 5, the U.S. Court of Appeals for the Fifth Circuit, on appeal from the U.S. District Court for the Western District of Louisiana, ruled against a group of Republican-led states regarding a challenge to the Biden administration’s use of climate metrics to estimate the costs of greenhouse gas emissions because the group did not have standing to pursue those claims. Louisiana, Texas, and eight other states argued they would be harmed as a result of the application of the social cost of carbon in agency determinations calculating costs of impacts resulting from greenhouse gas emissions. In [Louisiana v. Biden](#) (Case No. 22-30087), the court wrote, “Plaintiffs’ allegations of ‘injury in fact’ rely on a chain of hypotheticals: federal agencies may (or may not) premise their actions on the Interim Estimates in a manner that may (or may not) burden the States. Such injuries do not flow from the Interim Estimates but instead from potential future regulations, i.e., final rules that are subject to their own legislated avenues of scrutiny, dialogue, and judicial review on an appropriately developed record.” In sum, the court held, “Plaintiffs contemplate harms that are several steps removed from—and are not guaranteed by—the challenged Executive Order or the Interim Estimates. The states cannot do away with their alleged parade of horrors in a single swipe at the duly elected executive. Although the ‘case-by-case approach that this requires is understandably frustrating [to

plaintiffs],’ this remains ‘the traditional, and remains the normal, mode of operation of the courts.’” For background, the dispute involved an executive order signed by President Joe Biden on his first day in office “that revived an agency, formed during the Obama administration but disbanded during the Trump administration, known as the Interagency Working Group on the Social Cost of Greenhouse Gases. The executive order gave the working group the power to issue estimates on the ‘social costs’ of greenhouse gases and required federal agencies to include these estimates in each cost-benefit analysis for new regulations.” [Read more.](#)

**Mountain Valley Pipeline – Virginia.** (*Update to 4/3/23 Report*) On April 3, the Mountain Valley pipeline faced a major setback when the U.S. Court of Appeals for the Fourth Circuit (Virginia) rejected the West Virginia Department of Environmental Protection’s water permit for the project citing “139 state stormwater permit violations” and at least 46 “narrative water quality standards violations.” Of the latest decision, Sen. Joe Manchin (D-WV) said, “It is infuriating to see the same 4th Circuit Court panel deal yet another setback for the Mountain Valley Pipeline project and once again side with activists who seem hell-bent on killing any fossil energy that will make our country energy independent and secure.” [Read more.](#) The ruling comes just days after the same court “unanimously denied environmentalists’ challenge to a Virginia water permit for the planned natural gas project.” For background, on March 29, in [Sierra Club v. State Water Control Board](#) (Case No. 21-2425), the court held that “Because it is clear from the record that DEQ considered a variety of factors in determining that the construction and operation of the Pipeline would comply with Virginia’s narrative water quality standard, we conclude that the Agencies did not act arbitrarily and capriciously by determining that the Pipeline will comply with Virginia’s narrative water quality standard.” [Read more.](#) The March 29 decision would have brought the Equitrans Midstream Corporation’s 303-mile Mountain Valley natural gas pipeline – to run through Virginia and West Virginia – closer to construction resumption. [Read more.](#)

## STATE – Legislative

### **Methane Seepage in the Raton Basin – Colorado.**

On April 10, SB23-186 passed the Senate and has been referred to the House. Sponsored by Sen. Rod Pelton (R), concerning methane seepage in the Raton basin of Colorado, the bill would require the Colorado Oil and Gas Conservation Commission to complete a study. “The bill also requires the commission to implement a regulatory category for methane recovery in the Raton basin, which category includes consideration of enforcement, financial assurance, flow lines, forms, operator guidance, orphan well programs, rules, and policies and allows for beneficial uses deemed prudent by local governments.” [Read more.](#)

### **Corrections to Real Estate Recordings; Landman Definition – New Mexico.** (*Update to 2/6/23 Report*)

On April 5, Gov. Michelle Lujan Grisham (D) signed HB 250 into law. Sponsored by Rep. Greg Nibert (R), the bill amends existing law regarding corrections to real property recordings and adds to the code that a “land professional who is certified or registered by a nationally recognized land professional organization and who filled in the form or provided the description for the original instrument” may execute a scrivener’s error affidavit. The Act takes effect 90 days after session adjournment on March 18, 2023. [Read more.](#)

**Notarial Acts – New Mexico.** On April 4, Gov. Michelle Lujan Grisham (D) signed SB 246 into law. Sponsored by Sen. Daniel Ivey-Soto (D), the bill amends the Revised Uniform Law on Notarial Acts, specifically defining “automatic notarial officers” and “judicial officers”; redefining roles of notarial officers and notaries public; amending personal appearance requirements; prohibiting acts of discrimination as grounds to refuse to perform notarial acts; providing for notarial acts to be performed by notarial officers and others authorized by state law; recognizing notarial acts performed by an Indian nation, tribe or pueblo; requiring an official stamp in specified circumstances; clarifying official stamp requirements; providing requirements for a certificate of notarial acts; amending continuing legal education credit

requirements; making technical and conforming changes; [and] providing grounds to deny, refuse to renew, revoke, suspend or condition the commission of a notarial officer. The Act takes effect 90 days after session adjournment on March 18, 2023. [Read more.](#)

**Post-Production Royalty Oversight Program – North Dakota.** (*Update to 1/23/23 Report*) On April 12, Gov. Doug Burgum (R) signed SB 2194 into law. Sponsored by Sen. Brad Bekkedahl (R), the bill “creates a post-production royalty oversight program with a procurement exemption. It also amends section 38 of NDCC relating to the oil and gas well plugging and site reclamation fund and provides a report.” The Act is effective on August 1, 2023. [Read more.](#)

**Oil Extraction Tax Exemption on Production from a Restimulation Well – North Dakota.** (*Update to 1/23/23 Report*) On April 12, Gov. Doug Burgum (R) signed HB 1427 into law. Sponsored by Rep. Jason Dockter (R), the bill creates an oil extraction tax exemption on production from a restimulation well as provided. This Act is effective for taxable production beginning after June 30, 2023. [Read more.](#)

**Community Solar Projects – Pennsylvania.** On March 13, HB 330 was referred to committee following introduction by Rep. Perry Stambaugh (R). The bill would authorize local solar energy development in Pennsylvania by expanding “access to solar power through a local and voluntary offering that has been competitively bid and ensures adequate ratepayer protection by not permitting any cross-subsidization.” In short, the bill aims to create a community solar program. [Read more.](#)

**Closed-Loop Geothermal Injection Wells Regulatory Jurisdiction – Texas.** On April 13, SB 786 passed the Senate and has been transmitted to the House. Sponsored by Sen. Brian Birdwell (R), the bill resolves “a current conflict in Texas law regarding the wells associated with geothermal energy. The Texas Railroad Commission (RRC) and the Texas Commission on Environmental Quality (TCEQ) are both required to regulate these wells. The wells associated with geothermal energy include geothermal

closed loop injection wells which are a Class V injection well under the jurisdiction of TCEQ per Section 27.011, Water Code. However, RRC is also given the responsibility to regulate the exploration, development, and production of geothermal energy and associated resources under Section 141.011, Natural Resources Code. If a geothermal generator is using a closed loop injection well for power generation, the well is also regulated by RRC in current statute. This bill would remove closed-loop geothermal injection wells from the regulative authority of TCEQ and place them solely under the regulatory authority of RRC. This clarification would provide certainty to potential operators seeking to produce geothermal energy.” [Read more.](#)

**Royalty Interest Taxation – Texas.** (*Update to 3/20/23 Report*) On April 5, HB 456 passed the House and has been transmitted to the Senate. Sponsored by Rep. Tom Craddick (R), the bill would exempt the value of royalty interests owned by charitable organizations from ad valorem taxation of real property. [Read more.](#)

**Office of Oil and Gas in the Department of Environmental Protection – West Virginia.** (*Update to 3/20/23 Report*) On March 29, Gov. Jim Justice (R) signed HB 3110 into law. Sponsored by Del. Bill Anderson (R), “relating to funding the Office of Oil and Gas in the Department of Environmental Protection; provid[es] for the apportionment of three fourths of one percent of oil and gas severance taxes not to exceed \$1,200,000 to Office of Oil and Gas; establishing two tiers of annual oversight fees for wells producing more than 60,000 cubic feet of gas per day; increasing the expedited permit modification fee by \$2500 over the current level; eliminating the one million dollar cap on deposits to the Oil and Gas Operating Permit and Processing Fund from collections of fees for expedited permits and expedited permit modifications; providing that those fees, if not used for other purposes, may be moved to the Oil and Gas Reclamation Fund; and making technical corrections.” The Act takes effect on June 9, 2023. [Read more.](#)

## STATE – Regulatory

**Ballot Initiative – Colorado.** Last week, a coalition of Colorado environmentalists and residents filed a ballot initiative seeking to phase out oil and gas production in Colorado by 2030. The potential 2024 ballot measure would require “the Colorado Oil and Gas Conservation Commission to phase out oil and gas expansion by 2030 through a gradual decrease in the issuance of new oil and gas permits, prioritizing reduction of new oil and gas permits in disproportionately impacted communities, protecting public health, safety, welfare, the environment and wildlife from existing oil and gas operations, transitioning the Commission’s duties after 2030 to monitoring, plugging and remediating previously permitted oil and gas operations, and providing assistance to workers and communities most impacted by the reduction in new oil and gas operations.” [Read the ballot measure here.](#) As reported, “Supporters of the plan say it’s not only designed to rein in drilling and hydraulic fracturing across the state. It’s also meant as a referendum on Gov. Jared Polis’ approach to climate change, which has focused on regulating pollution from oil and gas operations instead of phasing them out over time.” The ballot initiative must go through a number of stages before it is certified to make it onto the 2024 general election ballot. [Read more.](#) We will keep AAPL members informed as this ballot initiative process moves forward into next year. [Read more.](#)

**New Mexico Environment Department Air Quality Bureau Stakeholder Meeting – New Mexico.** On April 6, the New Mexico Environment Department (NMED) Air Quality Bureau announced they will hold a stakeholder engagement webinar on April 27, 2023. According to the NMED, “The upcoming webinar will focus on NM’s review and progress on Step 3 and 4 (of EPA guidance) and also touch on other stakeholder engagement opportunities.” For more information, [Read more.](#)

## STATE – Judicial

**State Lands Development – Ohio.** UPDATE: On April 13, an Ohio judge denied an environmentalist

group’s petition to halt expanded state land drilling under a new Ohio law. [Read more.](#) For background, on April 6, environmental groups filed suit against the state of Ohio in an attempt to halt implementation of [H.B. 507](#), a bill “which Republicans passed in the final days of the last legislative session, [and] changed Ohio’s code to require rather than authorize state agencies to lease the lands they own for oil and gas development. And it directed the Oil and Gas Land Management Commission to develop a set of rules for applications.” The bill also defined “natural gas” as “green energy” which angered environmentalists seeking to stop natural gas drilling in the state. In [Ohio Environmental Council v. Ohio](#), the litigants sought a preliminary injunction “to stop the leasing of Ohio state parks and other public lands to the oil and gas industry.” [Read more.](#) According to the Ohio Environmental Council plaintiff, “House Bill 507’s ‘mandatory leasing provision’ would require the State to lease state parks to the oil and gas industry. Companies are already circling Ohio’s state parks, ready to take advantage of the upcoming open drilling season.” [Read more.](#)

## INDUSTRY NEWS FLASH

► **OPEC+ announces surprise oil production cut.** On April 2, OPEC+ nations “stunned the oil market, announcing additional surprise production cuts until the end of this year.” As reported, “The surprise cut made one thing clear—OPEC is firmly in control of the oil market and has the arsenal of rhetoric, surprise announcements, and actual production cuts to lift oil prices whenever they feel they are not getting enough money for their crude.” [Read more.](#)

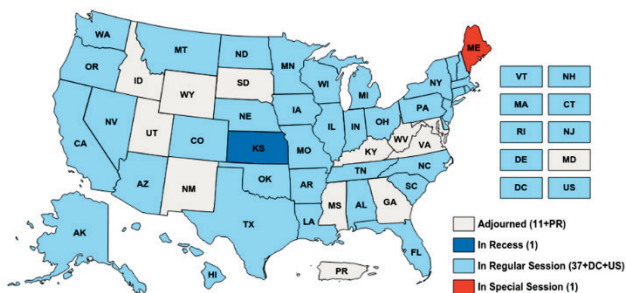
► **New York City’s two largest pension funds to divest from some upstream natural gas, oil, and coal companies.** On April 13, New York City pension trustees approved a plan to divest two of the largest state pension funds from some upstream natural gas, oil, and coal companies by 2025. This is part of a plan to achieve net-zero emissions by 2040 in the New York City Employees’ Retirement System and the Teachers’ Retirement System investment



portfolios, some of the largest funds by asset class in the nation. [Read more.](#)

## LEGISLATIVE SESSION OVERVIEW

### States in Session



**Session Notes:** Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Hawaii, Illinois, Indiana, Iowa, Louisiana, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Washington, and Wisconsin are in regular session. The U.S. Congress is back in session on April 17, following its recent Spring Recess.

**Maryland** adjourned their 2023 legislative session on April 10.

**Kansas** lawmakers recessed on April 6, reports [The Kansas City Star](#). They are scheduled to return on April 24 to finish up the omnibus budget as well as consider any potential vetoes from Democratic Gov. Laura Kelly after which they are scheduled to adjourn sine die for the year.

The following states are scheduled to adjourn their 2023 legislative sessions on the dates provided: **Arizona** (April 19), **Washington** (April 24), **Montana** (April 27), **Iowa** and **North Dakota** (April 28) and **Indiana** (April 29).

**Signing Deadlines** (by date): **New Mexico** Democratic Gov. Michelle Lujan Grisham had until April 7 to act on legislation or it was pocket vetoed. **South Dakota** Republican Gov. Kristi Noem had until April 11 to act on legislation or it became law without signature. **Idaho** Republican Gov. Brad Little has until April 18 to act on legislation or it becomes law without signature. **Georgia** Republican Gov. Brian Kemp has until May 8 to act on legislation or it becomes law without signature. **Kentucky** Democratic Gov. Andy Beshear has 10 days from presentment to act on legislation, Sundays excepted, or it becomes law without signature. **Maryland** Democratic Gov. Wes Moore has 30 days from presentment to act on legislation or it becomes law without signature. **Mississippi** Republican Gov. Tate Reeves has 14 days from presentment to act on legislation, Sundays excepted, or it is pocket vetoed. ■

---

This report is provided exclusively for AAPL members. If you have received this report as a non-member, please contact AAPL member services to learn more about joining AAPL. For more information, email [membership@landman.org](mailto:membership@landman.org) or call us at: 817-847-7700.

---

CONTENT DISCLAIMER: Information and/or website sources provided in this report may be among the many resources available to you. This report does not endorse nor advocate for any particular attorney or law firm, nor other private entity, unless expressly stated. Any legal, financial, and/or tax information contained herein is provided solely for informational purposes and does not represent legal, financial, or tax advice on behalf of AAPL and/or its affiliates. Links to outside sources are provided for reference only and any cited outside source is derived solely from material published by its author for public use. Any copyrighted material remains the property of its respective owner and no use or distribution authorization is granted herein.

© 2023 AAPL