

104TH CONGRESS
1ST SESSION

H. R. 887

To amend title 10, United States Code, to require the Secretary of Energy to sell the naval petroleum reserves since such reserves are no longer necessary for the national security of the United States.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 9, 1995

Mr. ZIMMER (for himself and Mr. KLUG) introduced the following bill; which was referred to the Committee on National Security and, in addition, to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 10, United States Code, to require the Secretary of Energy to sell the naval petroleum reserves since such reserves are no longer necessary for the national security of the United States.

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. SALE OF NAVAL PETROLEUM RESERVES.**

4 (a) SALE REQUIRED.—Chapter 641 of title 10, Unit-
5 ed States Code, is amended by inserting after section 7421
6 the following new section:

1 **“§ 7421a. Sale of naval petroleum reserves**

2 “(a) SALE REQUIRED.—Notwithstanding any other
3 provision of this chapter, the Secretary shall sell all right,
4 title, and interest of the United States in and to the naval
5 petroleum reserves beginning on the date of the enactment
6 of this section.

7 “(b) TIME FOR SALES.—The Secretary shall com-
8 plete the sale of the naval petroleum reserves not later
9 than one year after the date of the enactment of this sec-
10 tion unless, as a result of the conditions specified in sub-
11 section (c), the Secretary determines a longer sale period
12 is necessary. The Secretary shall notify Congress of any
13 extension of the sale period.

14 “(c) CONDITIONS ON SALE.— Sales of the naval pe-
15 troleum reserves under subsection (a) may not be for less
16 than fair market value, as determined by the Secretary.
17 The Secretary shall conduct sales using competitive proce-
18 dures. The Secretary may establish such bidding terms
19 and conditions as the Secretary considers to be necessary
20 and appropriate, including the establishment of sale units
21 and minimum bids.

22 “(d) PURCHASER TO BE HELD HARMLESS.—A pur-
23 chaser of any right, title, or interest of the United States
24 in the naval petroleum reserves shall be held harmless for
25 any claim of liability arising exclusively from or during
26 the ownership of the interest by the United States. Such

1 a claim of liability may be asserted against the United
2 States only to the extent and in the manner provided by
3 law.

4 “(e) REQUIREMENTS REGARDING CONSULTATION
5 AND APPROVAL.—The Congressional consultation and
6 Presidential approval requirements of section 7431(a) of
7 this title regarding each individual sale of a portion of the
8 naval petroleum reserves shall not apply to sales under
9 this section.”.

10 (b) CLERICAL AMENDMENT.—The table of sections
11 at the beginning of such chapter is amended by inserting
12 after the item relating to section 7421 the following new
13 item:

“7421a. Sale of naval petroleum reserves.”.

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