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## BUDGET WATCH: President’s Budget Shows Declining Revenues from Offshore Drilling

Facts are stubborn things and the facts in President Obama’s Fiscal Year 2013 budget regarding future lease sales for offshore energy reflect this President’s true position on expanding offshore energy production. The five year offshore lease plan implemented under the previous Administration is soon to expire and be replaced by President Obama’s new [draft five year plan](#) that places a majority of the Outer Continental Shelf (OCS) off-limits to energy production and destroys American jobs. But don’t take our word for it; look no further than the OCS rents and bonuses figures in the President’s own FY13 budget proposal. Revenue collected from rents and bonuses is a primary indicator of OCS lease activity.

According to the President’s own budget, in 2011, the federal government collected \$1 billion in OCS rents and bonuses from lease sales<sup>i</sup>. In 2012—the last year of the current five year plan, the budget anticipates collecting over \$2 billion in rents and bonuses.

In the first year of President Obama’s five year plan, rents and bonuses fall by 58 percent to only \$852 million. By the last year of President Obama’s five year plan, the government is only collecting \$569 million—a 72 percent drop from 2012 anticipated returns.

Table 16–5 OFFSETTING RECEIPTS BYTYPE—Continued  
(In millions of dollars)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Subtotal, Distributed by Agency ..	191,597	156,406	130,664	126,008	122,743	119,066	116,932	115,199	116,931	120,463	123,744	127,676
<b>II. Undistributed by Agency</b>												
<b>Outer Continental Shelf</b>												
Outer Continental Shelf rents and bonuses .....	1,042	2,031	852	925	740	740	589	735	732	743	752	759
Proposed Legislation (PAYGO) .....			13	29	42	55	67	82	99	115	132	149
Outer Continental Shelf royalties .....	5,341	5,848	6,052	6,303	6,729	7,182	7,553	7,827	8,194	8,490	9,084	9,570
Proposed Legislation (PAYGO) .....			50	50								
Subtotal, Outer Continental Shelf ....	6,383	7,879	6,967	7,307	7,511	7,977	8,189	8,644	9,025	9,348	9,968	10,478

This is more of President Obama’s pro-energy rhetoric followed by anti-energy actions. The American people are still asking, **“where are the jobs?”** and soon, thanks to President Obama’s restrictive energy policies; they’ll also be asking **“where is the energy?”** and **“why is gasoline so expensive?”**

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<sup>i</sup> FY2013 Analytical Perspectives, pg 244, Table 16-5