



Congress of the United States

House of Representatives

June 28, 2010

The Honorable Ken Salazar
Secretary
Department of the Interior
1849 C Street, NW
Washington, DC 20240

Dear Secretary Salazar,

I am writing to follow up on my June 17th letter regarding the Department of Interior's (DOI) sudden and unexplained delay in Fiscal Year 2010 (FY2010) Payment in Lieu of Taxes (PILT) disbursements.

A June 18th Interior Department press release entitled "Interior Announces FY2010 PILT Payment Schedule" offered a vague and inadequate explanation for the month-long delay of these essential payments to rural communities. The press release asserted "late reporting by some entities and the complexity of evaluating prior year payments authorized by the Mineral Leasing Act and the Secure Rural Schools and Roads Act" as the reasons for the sudden delay. This fails as an adequate explanation and I reiterate my initial request that a detailed explanation be promptly and publicly provided.

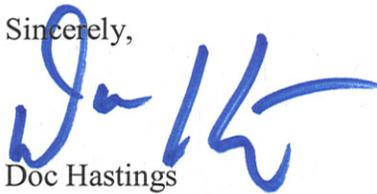
As the Ranking Member of the Committee of jurisdiction over PILT, the Mineral Leasing Act and the Secure Rural Schools Act, it is imperative that we learn exactly what caused this delay. We must know whether the problem rests with PILT's administration by Department officials, the late-reporting of certain entities, or with the laws themselves. This requires that the Department be open, transparent and thorough in providing the facts about this situation. A satisfactory explanation will include 1) a complete list of the late-reporting entities and the reasons for the delinquency, 2) citations of the specific complexities in the law that may have contributed to the delay, 3) a detailed description of all of the "unavoidable circumstances" that the Department originally cited as the cause of the delay, 4) information on whether the actions of any Department official or staff caused, contributed to, or could have avoided this delay, 5) what corrective actions will be implemented to eliminate any risk of future delays, and 6) the reason why PILT recipients and Congress were not notified immediately and directly about the Department's delaying of payments from June until July.

The Hon. Ken Salazar
June 28, 2010
Page 2

Finally, while it is helpful that the Department has since moved the expected late-payment date forward from "late July" to "not later than July 15," this will still impose hardships on many rural communities. Unlike the federal government that has made a habit of running extraordinary deficits, or this Congress that has simply abdicated its duty to write a budget for next year, small local governments must carefully plan for the coming year's operating costs. These expenses include funding for services that are essential to community safety, education, transportation and local economies. Such essential services should not be put in jeopardy or complicated because of the actions, especially the unexplained actions, of the federal bureaucracy. For these reasons, the Department must do everything in its power to ensure its delay in making FY2010 payments is measured in days, not weeks.

I look forward to a prompt reply to my letters and answers to these questions. Thank you.

Sincerely,



Doc Hastings
Ranking Member
Committee on Natural Resources