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Witnesses Express Concern over Obama Admin's Increased Taxes, Fees and Regulations that Will Reduce American Energy Production

WASHINGTON, D.C. – Today, the House Natural Resources Subcommittee on Energy and Mineral Resources held an <u>oversight hearing</u> to examine the job and economic impacts of the President's FY 2013 Budget and Legislative Proposals for the Bureau of Land Management and the U.S. Forest Service's Energy and Minerals Programs.

"An effective energy and mineral program within the BLM and Forest Service is imperative for the creation of American jobs, increasing national security through our domestic energy and critical and strategic mineral resources, and increasing revenue into federal, state and local treasuries," <u>said Subcommittee Chairman Doug Lamborn (CA-05)</u>. "Unfortunately, the policies of the current Administration will not create jobs or produce American energy. The Administration's policies instead have and will lead to American job loss, further dependence on foreign sources for our country's energy and mineral needs and severely limit the revenue stream from the development of federal mineral resources."

At the hearing, committee Members heard from stakeholders who expressed concern over the increased taxes, fees and regulations on federal oil and natural gas production included in President Obama's FY 2013 budget.

Laura Skaer, Executive Director of the Northwest Mining Association, detailed multiple Administration mining policies that, *"will result in less domestic energy and minerals production, adversely impact private sector job creation, and increase the United States' dangerous reliance on foreign sources of strategic and critical minerals."* Skaer noted that the Administration often likes to say one thing, while doing the exact opposite, *"While the Administration talks the job creation talk, their proposals clearly do not walk the job creation walk."*

<u>Michael McKee</u>, Uintah County Commissioner, Uintah, UT, reminded Members of actions taken by the Obama Administration almost immediate after taking office to block American energy production. *"Within several weeks they had cancelled 77 previously approved oil and gas leases…years of work and hundreds and thousands of County dollars wasted as this administration systematically dismantles the RMP [Resource Management Plan]." McKee concluded by noting, "given the importance of energy to our national security we do not believe it wise to lock up our lands. The economy is struggling nationally. We have the opportunity to create thousands of high paying jobs and at the same time strengthen our national security with a strong domestic energy supply."*

Erik Milito, Group Director of Upstream and Industry Operations at the American Petroleum Institute, cited a Congressional Research Service (CRS) report that said, "the Administration's tax proposals would, 'make oil and natural gas more expensive for U.S. consumers and likely increase foreign dependence." Milito countered Administration arguments that leasing is up, "Lease sales in the West, which has been a very important region for U.S. oil and gas development are down 70 percent in 2011 as compared to 2008." Miltio said that despite what the President Obama claims is happening on federal lands, "The administration has been restricting where oil and natural gas development may occur, leasing less often, shortening lease terms, going slow on permit approvals, and increasing or threatening to increase industry's development costs through higher taxes, higher royalty rates, higher minimum lease bids, and overlays of new regulations."

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