

To: House Committee on Natural Resources Republican Members **From:** House Committee on Natural Resources Republican Staff

Date: September 12, 2022

Subject: Hybrid Markup of 5 Resolutions of Inquiry: H.Res. 1247, H.Res. 1248, H.Res.

1251, H.Res. 1252, and H.Res. 1253.

The Committee on Natural Resources will hold a hybrid markup on **Thursday, September 15**, **2022**, **at 10:00 a.m. EDT** in room 1324 Longworth House Office Building and via Cisco WebEx. The Committee will consider H.Res. 1247 (Graves), H.Res. 1248 (Herrell), H.Res. 1251 (Stauber), H.Res. 1252 (Stauber), and H.Res. 1253 (Westerman).

Republican Members are encouraged to take advantage of the opportunity to participate in person.

Member offices are requested to notify Will Layden (<u>Will.Layden@mail.house.gov</u>) and Baylee Seeman (<u>Baylee.Seeman@mail.house.gov</u>) no later than **4:30 p.m. EDT on Wednesday**, **September 14, 2022**, if their Member intends to participate in person in the hearing room or remotely via his/her laptop from another location.

Submissions for the hearing record must be submitted through the Committee's electronic repository at HNRCDocs@mail.house.gov. Please contact David DeMarco (David.DeMarco@mail.house.gov) should any technical difficulties arise.

I. KEY MESSAGES

• This markup is an opportunity to discuss Republican priorities on which Committee Democrats have failed to hold hearings or consider legislation.

- The five Republican-authored House resolutions reiterate some areas of the law that the Biden administration has chosen not to follow and some unsatisfactorily unanswered direct requests for information from Committee Republicans. Following the Biden administration's failure to respond to Committee requests, Committee Republicans introduced these Resolutions of Inquiry, which are privileged under the House Rules and require Democrats to act on them.
- Resolutions of Inquiry (ROIs) are simple House resolutions that seek factual information from the Executive Branch. ROIs have privileged status under House rules. After an

¹ Clause 7, Rule XIII of the House Rules (117th Cong.).

ROI is introduced and referred to a committee, the committee may mark it up like it would any other resolution or bill: voting on it and reporting it favorably or adversely. If a committee does not report an ROI within 14 legislative days (exclusive of the days of introduction and discharge), the sponsor of the ROI may make a motion on the House floor to discharge the committee from consideration and call up the measure before the House.²

- When Democrats changed the House Rules to allow remote participation during COVID, they also restricted ROIs, motions to instruct (MTIs), and the Committee of the Whole. After 791 days of lockdown, Democrats again changed the Rules of the House and allowed these functions to operate again, sneaking these changes in a resolution during the week of July 18th, when the Rules Committee was also holding hearings on drought, wildfire, marriage, and contraception.³
- ROIs provide the minority with the opportunity to trigger action by the Majority on issues
 of their choosing that may not otherwise receive a hearing, markup, or recorded vote.
 While it is rare for ROIs to make it to the House floor, they are a tool for the minority to
 highlight important requests for information that have gone unanswered by the
 Administration, and provide the opportunity for a recorded vote to place the majority on
 record for these issues.⁴

II. EXPECTED LEGISLATION

H.Res. 1247 (Graves)

H.Res. 1247 would direct the Secretary of the Interior to transmit communications regarding the 2023 to 2028 Five-Year Plan for Offshore Leasing, including:

- Interim plans and the proposed program plan for 2023-2028;
- Compliance with the Outer Continental Shelf Lands Act (OCSLA; 43 U.S.C. 1331 et seq.) requirement to develop a five-year plan for offshore leasing;
- References to cancelling planned lease sales under the 2017-2022 Five-Year Plan;
- References to the administration's choice not to appeal the judgment vacating Lease Sale 257, which was included in the 2017-2022 Five-Year Plan;
- References to the administration's choice not to allow the 2017-2022 plan to expire without creating a final 2023-2028 Five-Year Plan;
- Secretary Haaland's commitment to release a proposed program by June 30, 2022;
- Funding implications of the proposed program; and
- The administration's work with environmental advocacy groups relating to the 2023-2028 Five-Year Plan.

The Biden administration has not issued a single new offshore oil and gas lease since taking

 $^{^{2}}$ Id.

a.

³ H.Res. 1230, Adopting changes to the standing rules (117th Cong.)

⁴ Congressional Research Service, *Resolutions of Inquiry: An Analysis of Their Use in the House*, R40879 (Nov. 9, 2017), https://crsreports.congress.gov/product/pdf/R/40879.

office. The Bureau of Ocean Energy Management (BOEM) cancelled the three remaining sales in the 2017-2022 five-year plan and allowed that plan to lapse on June 30, 2022, without a new plan in place, causing an unprecedented gap in offshore five-year plans. OCSLA requires the Department of the Interior (DOI) to finalize a five-year plan for offshore leasing before conducting offshore lease sales and directs DOI to develop a plan that will "best meet national energy needs for the five year period following its approval." BOEM finally released a proposed plan for 2023-2028 in July of this year, and shortly thereafter the Director of BOEM advised that the final plan may contain zero lease sales.

Congressional Republicans sent letters to Secretary Haaland requesting information regarding the administration of the offshore leasing program on March 26, 2021, January 13, 2022 and March 9, 2022 and have not yet received substantive responses. Committee Republicans also held forums to discuss these issues on April 16, 2021, July 29, 2021, March 18, 2022, and June 24, 2022.

<u>Staff contacts</u>: Ashley Nichols (<u>Ashley.Nichols@mail.house.gov</u>) and Sang Yi (<u>Sang.Yi@mail.house.gov</u>).

H.Res. 1248 (Herrell)

H. Res. 1248 would direct the Secretary of the Interior to transmit communications relating to the Mineral Leasing Act (MLA; 30 U.S.C. 181 et seq.), including:

- Quarterly lease sale activities;
- Applications for Permit to Drill (APDs) activities; and
- Economic implications of failing to abide by the MLA's requirements.

The Biden administration issued an Executive Order on January 27, 2021, placing an indefinite moratorium on oil and gas leasing.¹¹ The unlawful moratorium on new leasing was ended by an injunction in June 2022,¹² but the administration found ways to avoid issuing leases despite the court ruling. The Bureau of Land Management (BLM) finally held a series of onshore oil and gas lease sales in Western states after a 17-month delay in June of 2022.¹³ This delay was in direct violation of the Mineral Leasing Act, which requires the Secretary to hold quarterly lease sales in

⁷ BOEM Director Amanda Lefton. Briefing to Congressional Staff (July 5, 2022).

⁵ Bureau of Ocean Energy Management, *Lease Sales*, https://www.boem.gov/oil-gas-energy/lease-sales.

^{6 43} U.S.C. § 1337.

⁸ See Letter from Rep. Bruce Westerman et. Al., Ranking Member, H. Comm. on Nat. Res., to Secretary Debra Haaland, U.S. Department of the Interior (March 26, 2021) (on file with Comm.).

⁹See Letter from Rep. Bruce Westerman et. Al., Ranking Member, H. Comm. on Nat. Res., to Secretary Debra Haaland, U.S. Department of the Interior (January 13, 2022) (on file with Comm.).

¹⁰ *See* Letter from Rep. Bruce Westerman et. Al., Ranking Member, H. Comm. on Nat. Res., to Secretary Debra Haaland, U.S. Department of the Interior (March 9, 2022) (on file with Comm.).

¹¹ E.O. 14008.

¹² Joshua Partlow and Juliet Eilperin, *Louisiana judge blocks Biden administration's oil and gas leasing pause*, WASH. POST, https://www.washingtonpost.com/climate-environment/2021/06/15/louisiana-judge-blocks-biden-administrations-oil-gas-leasing-pause/.

¹³ Bureau of Land Management. *Leasing Reform*, https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/leasing

each State with eligible lands for which parcels are nominated. The BLM has also delayed in approving applications for permit to drill (APDs) in a timely manner and currently has a backlog of over 4,400 permits, despite a statutory requirement to issue permits that have completed environmental review within 30 days.¹⁴

Congressional Republicans sent letters to Secretary Haaland requesting information regarding the administration of the onshore leasing program on March 26, 2021¹⁵ and January 13, 2022¹⁶ and have not yet received substantive responses. Committee Republicans also held forums to discuss these issues on April 16, 2021, July 29, 2021, March 18, 2022, and June 24, 2022.

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H.Res. 1251 (Stauber)

H. Res. 1251 would direct the Secretary of Agriculture to transmit communications relating to the mineral withdrawal within the Superior National Forest and composition of the Duluth Complex, including:

- References to minerals and critical minerals found;
- References to initiating the mineral withdrawal process;
- Impacts of the mineral withdrawal on Twin Metals operation, including job losses and economic impacts;
- Impacts of the two-year pause on mineral activity in Superior National Forest, including to national security, mineral supply chain stability, and economic loss;
- Information regarding the administration's work with environmental advocacy groups relating to the mineral withdrawal; and
- Items related to the Environmental Assessment recommending a mineral withdrawal.

The Duluth Complex in Northern Minnesota contains nearly 8 billion tons of copper, nickel, cobalt, and platinum group metals. If developed, the Duluth Complex could constitute 95 percent of U.S. nickel reserves, 88 percent of U.S. cobalt reserves and 75 percent of U.S. platinum-group reserves — minerals that will be in even higher demand as batteries and electric vehicles rapidly expand.

On October 21, 2021, the U.S. Forest Service filed an application to the BLM for a withdrawal of 225,378 acres in Northern Minnesota's Rainy River watershed, where the Duluth Complex is located, from mineral development for 20 years. The submission of this application immediately triggered a two-year pause on operations in the area while the administration began analysis of the proposed withdrawal. In response, Committee Republicans and the Congressional Western

 $^{^{14} \} Bureau \ of \ Land \ Management, \textit{Applications for Permit to Drill for May 2022}, \\ \underline{https://www.blm.gov/sites/default/files/docs/2022-06/FY\%202022\%20APD\%20Status\%20Report\%20May.pdf}.$

¹⁵ See Letter from Rep. Bruce Westerman et. Al., Ranking Member, H. Comm. on Nat. Res., to Secretary Debra Haaland, U.S. Department of the Interior (March 26, 2021) (on file with Comm.).

¹⁶ See Letter from Rep. Bruce Westerman et. Al., Ranking Member, H. Comm. on Nat. Res., to Secretary Debra Haaland, U.S. Department of the Interior (January 13, 2022) (on file with Comm.).

Caucus hosted a <u>forum</u> on January 13, 2022, titled "Minnesota Mining and American Potential: An Opportunity for a Brighter and More Secure Future," where affected parties and multiple Members of Congress discussed the negative ramifications of this withdrawal on the economy of the region and the security of American mineral supply chains. Committee Republicans expressed their concerns again during the <u>legislative hearing</u> before the Subcommittee on Natural Resources on May 24, 2022, concerning H.R. 2794 (McCollum), a bill to withdraw the area in perpetuity.

Despite the concerns expressed by multiple Members of Congress and a breadth of local and national stakeholders, the U.S. Forest Service (USFS) announced that public comment would begin on June 28, 2022, on an Environmental Assessment of the proposed withdrawal. . Concerns about the negative impacts of this withdrawal were repeated once again at the Committee on Natural Resources markup of July 13, 2022, during debate of H.R. 2794. On August 3, 2022, Congressman Stauber submitted comments to DOI and the Department of Agriculture on the Environmental Assessment of the withdrawal, detailing his opposition to this proposed action in the context of national, international, and local level impacts. ¹⁷

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H.Res. 1252 (Stauber)

H. Res. 1252 would direct the Secretary of the Interior to transmit communications relating to the mineral withdrawal within the Superior National Forest and composition of the Duluth Complex, including:

- References to minerals and critical minerals found;
- References to initiating the mineral withdrawal process;
- Impacts of the mineral withdrawal on Twin Metals' operation, including job losses and economic impacts;
- Analysis of Twin Metals' mining operation plan;
- Impacts of the two-year pause on mineral activity in the Superior National Forest, including to national security, mineral supply chain stability, and economic loss; and
- Information regarding the administration's work with environmental advocacy groups relating to the mineral withdrawal.

Committee Republicans sent a letter to DOI highlighting the benefits of developing the proposed Twin Metals mine in Northern Minnesota on October 15, 2021, and asking Secretary Haaland to commit to keeping the two federal mineral leases in place and meet with all impacted stakeholders before making a decision. Another letter was sent on December 20, 2021,

¹⁷ *See* Comment Submission from Rep. Pete Stauber, Ranking Member, Subcomm. on Energy and Mineral Resources, H. Comm. on Nat. Res., to Secretary Debra Haaland, U.S. Department of the Interior and Secretary Tom Vilsack, U.S. Department of Agriculture (August 3, 2022) (on file with Comm.).

¹⁸ See Letter from Rep. Bruce Westerman, Ranking Member, H. Comm. on Nat. Res., and Rep. Pete Stauber, Ranking Member, Subcomm. on Energy and Mineral Resources, H. Comm. on Nat. Res., to Secretary Debra Haaland, U.S. Department of the Interior (October 15, 2021) (on file with Comm.).

personally inviting Secretary Haaland to Northern Minnesota to view mining operations in the region. ¹⁹ Despite this correspondence, DOI announced on January 26, 2022, that it would cancel federal leases held by Twin Metals Minnesota, even though the leases have been in place since 1966 and have been renewed multiple times by DOI. On May 10, 2022, BLM Director Tracy Stone-Manning finally responded to the letter of October 15, 2021, with a simple summary of agency actions that had taken place thus far, and a reassertion of the Biden administration's position that cancellation of the mineral leases is a "final agency action," with "no further process steps for the Department or the BLM to take…".²⁰

Blocking this project and the development of the Duluth Complex in Minnesota could contribute to increased dependence on foreign-sourced minerals that are often produced overseas without regard for labor and environmental standards.

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H.Res. 1253 (Westerman)

H. Res. 1253 would direct the Secretary of the Interior to transmit communications regarding the operation of DOI's Departmental Ethics Office (DEO) on the creation of ethics guidance, including:

- Creating Ethics Guidance on Recusal Obligations;
- Creating Ethics Recusal and Screening Arrangements;
- Collecting and verifying information from political appointees;
- Requests, denials, and grants of ethics waivers from political appointees; and
- The DEO's work with the Designated Agency Ethics Official when drafting and finalizing ethics guidance.

Over the past 14 months, Committee Republicans expressed concern about DOI political appointees' compliance with their ethical obligations. Beginning in June of 2021, Committee Republicans <u>requested information</u> from the DEO regarding Elizabeth Klein's, Senior Counselor to the Secretary, compliance with her ethical obligations. ²¹ Between June of 2021 and May of 2022, Committee Republicans continued to inquire about specific political appointees' adherence

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¹⁹ See Letter from Rep. Bruce Westerman, Ranking Member, H. Comm. on Nat. Res., and Rep. Pete Stauber, Ranking Member, Subcomm. on Energy and Mineral Resources, H. Comm. on Nat. Res., to Secretary Debra Haaland, U.S. Department of the Interior (December 20, 2021) (on file with Comm.).

²⁰²⁰ See Letter from Dir. Tracy Stone-Manning, Bureau of Land Management, U.S. Department of the Interior, to Rep. Bruce Westerman, Ranking Member, H. Comm. on Nat. Res. (May 10, 2022) (on file with Comm.).

²¹ See Letter from Rep. Bruce Westerman, Ranking Member, H. Comm. on Nat. Res., Rep. Paul Gosar, Ranking Member, Subcomm. on Oversight and Investigations, H. Comm. on Nat. Res., and Rep. Lauren Boebert, to Ms. Elizabeth Klein, Senior Counselor to the Sec'y, U.S. Dep't of the Interior and Ms. Heather Gottry, Dir. and Designated Agency Ethics Official, Departmental Ethics Office, U.S. Dep't of the Interior (June 3, 2021) (on file with Comm.), Letter from Rep. Bruce Westerman, Ranking Member, H. Comm. on Nat. Res., Rep. Paul Gosar, Ranking Member, Subcomm. on Oversight and Investigations, H. Comm. on Nat. Res., and Rep. Lauren Boebert, to Ms. Elizabeth Klein, Senior Counselor to the Sec'y, U.S. Dep't of the Interior and Ms. Heather Gottry, Dir. and Designated Agency Ethics Official, Departmental Ethics Office, U.S. Dep't of the Interior (June 22, 2021) (on file with Comm.).

to ethical parameters. Letters were sent requesting documents about BLM Deputy Director Nada Culver, Deputy Secretary Tommy Beaudreau, Daniel Cordalis, Deputy Solicitor for Water Resources, BLM Director Tracy Stone-Manning, Rose Petoskey, Senior Counselor to the Assistant Secretary, Bureau of Indian Affairs (BIA), Stephanie Sfiridis, Senior Counselor to the Assistant Secretary, BIA, and Janea Scott, Counselor to the Assistant Secretary for Lands and Minerals Management.²²

In total, Committee Republicans made 60 document requests related to political appointees' ethical compliance. DOI has not yet satisfied all these requests. The information DOI did produce, however, raised significant questions about DEO's procedures for creating ethics guidance. Therefore, on <u>January 24, 2022</u>, and again on <u>July 28, 2022</u>, Committee Republicans sent letters to DOI's Office of Inspector General (OIG) requesting an audit of DOI's DEO. The letters urged the OIG to examine DEO's processes for creating ethics materials, the timeliness of ethics materials creation, the collection and verification of information from political appointees, and compliance of political appointees with their ethical obligations.²³

An OIG report issued August 18, 2022, reenforced the reasons Republicans have called for further visibility into the DEO.²⁴ The report described that while the DEO relied on a BLM official to verify the accuracy of interim guidance, the BLM official deferred to the DEO to

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migration/WebRedacted_BLMEthicsPledgeViolation.pdf.

²² See Letter from Rep. Bruce Westerman, Ranking Member, H. Comm. on Nat. Res. and Rep. Paul Gosar, Ranking Member, Subcomm. on Oversight and Investigations, H. Comm. on Nat. Res., to Ms. Nada Culver, Dep'y Dir., Policy and Programs, Bureau of Land Mgmt., U.S. Dep't of the Interior and Heather Gottry, Dir. and Designated Agency Ethics Official, Departmental Ethics Office, U.S. Dep't of the Interior (June 15, 2021) (on file with Comm.), Letter from Rep. Bruce Westerman, Ranking Member, H. Comm. on Nat. Res. and Rep. Paul Gosar, Ranking Member, Subcomm. on Oversight and Investigations, H. Comm. on Nat. Res., to Hon. Tommy Beaudreau, Deputy Sec'y, U.S. Dep't of the Interior and Ms. Heather Gottry, Dir. and Designated Agency Ethics Official, Departmental Ethics Office, U.S. Dep't of the Interior (June 28, 2021) (on file with Comm.), Letter from Rep. Bruce Westerman, Ranking Member, H. Comm. on Nat. Res. and Rep. Paul Gosar, Ranking Member, Subcomm. on Oversight and Investigations, H. Comm. on Nat. Res., to Mr. Daniel Cordalis, Deputy Solicitor, Water Resources, U.S. Dep't of the Interior and Ms. Heather Gottry, Dir. and Designated Agency Ethics Official, Departmental Ethics Office, U.S. Dep't of the Interior (July 20, 2021) (on file with Comm.), Letter from Rep. Bruce Westerman, Ranking Member, H. Comm. on Nat. Res., to Hon. Tracy Stone-Manning, Dir., Bureau of Land Mgmt., U.S. Dep't of the Interior and Ms. Heather Gottry, Dir. and Designated Agency Ethics Official, Departmental Ethics Office, U.S. Dep't of the Interior (Jan. 20, 2022) (on file with Comm.), Letter from Rep. Bruce Westerman, Ranking Member, H. Comm. on Nat. Res., to Ms. Rose Petoskey, Senior Counselor to the Ass't Sec'y, Bureau of Indian Affairs, U.S. Dep't of the Interior and Ms. Heather Gottry, Dir. and Designated Agency Ethics Official, Departmental Ethics Office, U.S. Dep't of the Interior (Jan. 19, 2022) (on file with Comm.), Letter from Rep. Bruce Westerman, Ranking Member, H. Comm. on Nat. Res., to Ms. Stephanie Sfiridis, Senior Counselor to the Ass't Sec'y, Bureau of Indian Affairs, U.S. Dep't of the Interior and Ms. Heather Gottry, Dir. and Designated Agency Ethics Official, Departmental Ethics Office, U.S. Dep't of the Interior (Jan. 19, 2022) (on file with Comm.), Letter from Rep. Bruce Westerman, Ranking Member, H. Comm. on Nat. Res., to Ms. Janea Scott, Senior Counselor to the Ass't Sec'y for Lands and Minerals Mgmt., U.S. Dep't of the Interior and Ms. Heather Gottry, Dir. and Designated Agency Ethics Official, Departmental Ethics Office, U.S. Dep't of the Interior (May 3, 2022) (on file with Comm.), ²³ See Letter from Rep. Bruce Westerman, Ranking Member, H. Comm. on Nat. Res. to the Hon. Mark Greenblatt, Inspector Gen., Office of Inspector Gen., Dep't of the Interior (Jan. 24, 2022) (on file with Comm.), Letter from Rep. Bruce Westerman, Ranking Member, H. Comm. on Nat. Res. to the Hon. Mark Greenblatt, Inspector Gen., Office of Inspector Gen., Dep't of the Interior (July 28, 2022) (on file with Comm.). ²⁴ U.S. Dep't of the Interior, Office of Inspector General, Rep. No. 21-0728, Bureau of Land Mgmt. Official Did Not Comply with the Federal Ethics Pledge (2022), available at https://www.doioig.gov/sites/default/files/2021-

provide accurate guidance.²⁵ As a result, the BLM official operated under inaccurate ethics guidance and ultimately violated their federal ethics pledge.²⁶ The DEO's failure to independently verify information, as well as their reliance on DOI employees to determine the completeness of ethics materials, calls into question whether the DEO is issuing accurate ethics guidance. The information requested will better enable to the Committee to assess whether the DEO is appropriately and accurately fulfilling its mandate to "promote an ethical culture among DOI employees."²⁷

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III.	CBO	SCO	DEC
111.	CDO	$\mathcal{S} \mathcal{C} \mathcal{U}$	

None.

IV. EFFECT ON CURRENT LAW (RAMSEYER)

None.

²⁵ *Id*. at 4.

²⁶ *Id*. at 1.

²⁷ U.S. Dep't of the Interior, *About DEO*, *available at* https://www.doi.gov/ethics/about.