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**Committee on Natural Resources**  
**Washington, DC 20515**

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**Opening Statement of  
Chairman Doc Hastings  
Before the Full Natural Resources Committee  
Oversight Hearing on:  
“Department of the Interior Spending and the President’s  
Fiscal Year 2012 Budget Proposal.”  
Wednesday, February 15, 2012, at 10:00 a.m.**

Thank you Secretary Salazar for being here today to discuss the Interior Department’s budget proposal for Fiscal Year 2013.

I note, the President’s budget includes a one percent increase in funding for the Interior Department. But it also contains more tax and spend policies that are detrimental to job creation and economic growth.

FY2013 will mark the fourth straight year of over trillion dollar budget deficits. Increasing taxes on American families and businesses is not the solution, and simply freezing and holding the line on spending is not enough. We must set priorities and make tough choices on how to cut spending and where to best direct scarce taxpayer dollars.

For instance, like last year, I must again question the need to increase funding for the federal government to purchase more federal land. While the request for land acquisition was cut in half from last year, it still represents a \$160 million spending increase compared to when President Obama took office. The Interior Department continues to have a maintenance backlog on federal lands that measures into the billions. The bottom line is that we should not be increasing spending for land acquisition when the government cannot maintain the land it already owns.

I also have serious concerns about the tax and fee increases on American energy production. We all know that energy production is one of America’s best job-creators and economic boosters. That’s why it’s baffling that the President’s budget would include over \$45 billion in tax and fee increases on American energy. Increasing taxes on energy production is misguided policy that will increase energy costs. Gasoline prices are once again on the rise. The national average has gone up \$1.68 since President Obama took office. The last thing families and small businesses need is to pay even higher prices due to this administration tax increases.

At today’s hearing we will also examine a number of other important Interior Department policies that directly impact American jobs.

The Interior Department continues to pursue sweeping changes to coal regulations that could cost thousands of jobs and have significant economic impacts throughout the country. But what's frustrating is the Department's lack of fully cooperating with this Committee's' document requests regarding their conduct of this regulatory rewrite.

The Department is also pursuing new regulations on hydraulic fracturing on public land. Based on a draft document that was made public, it appears these new regulations will add significant barriers and delays to natural gas production and job creation on federal lands.

The Department is in the process of finalizing the new five-year offshore leasing plan. There is bipartisan concern over the President's plan to close the majority of the Outer Continental Shelf to new energy production. The Administration's plan effectively reinstates the drilling moratoria that were lifted in 2008 by Congress and the President when gasoline prices soared to over \$4 a gallon. By locking-up the Atlantic, Pacific and parts of the Arctic, the Obama Administration is forfeiting the production of new American energy, the creation of over a million new American jobs and the generation of new revenue.

I look forward to hearing from the Secretary today and further discussing these important issues.