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

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Date: Wednesday, April 19, 2023

Subject: Oversight Hearing on "Examining the President's FY 2024 Budget Request for the

Department of the Interior"

The Committee on Natural Resources will hold an oversight hearing entitled "Examining the President's FY 2024 Budget Request for the Department of the Interior" on Wednesday, April 19, 2023, at 10:00 a.m. in Room 1324 Longworth House Office Building.

Member offices are requested to notify Sophia Varnasidis (sophia@mail.house.gov) and Madeline Bryant (Madeline.Bryant@mail.house.gov) by 4:30 p.m. on Monday, April 17 if their Member intends to participate in the hearing.

I. KEY MESSAGES

- This is the first time Secretary Haaland has appeared before the House Committee on Natural Resources in nearly two years.
- The Biden administration implemented policies designed to lock up America's lands and resources. At the same time, it has funneled staggering amounts of money to the Department of the Interior but has yet to implement any kind of oversight on how these taxpayer dollars are being spent. We look forward to the opportunity to hold Secretary Haaland accountable for the administration's preservationist policies and hear from her how exactly her department will be utilizing its funding going forward.
- The Department of the Interior continues its relentless war on American energy and mineral security, with recent actions including the Boundary Waters mineral withdrawal and ending lease sales in parts of Alaska. These blanket bans on energy production and mining have inflated energy prices and increased American dependence on adversaries like China, Iran and Russia.
- House Natural Resources Committee Republicans are committed to making America energy independent, strengthening supply chains, securing our Southern border, promoting access to our natural resources, conservation with a purpose, and holding the Biden administration accountable.

II. WITNESSES

• The Honorable Deb Haaland, Secretary, Department of the Interior, Washington, DC

III. BACKGROUND

Budget Top-Line

For the first time in nearly two years, Secretary Haaland is appearing before the House Committee on Natural Resources to defend the Biden administration's budget request for the Department of the Interior (DOI). DOI's fiscal year (FY) 2024 budget requests \$34.5 billion in discretionary funding, a decrease of \$524.4 million (1.5 percent) over FY 2023 enacted levels.

Specific agency breakdowns are below (note: only main accounts included; for a full breakdown please contact Committee staff).

Agency	FY 2022 Actual	FY 2023 Enacted	FY 2024 Request	Change From FY 2023 to FY 2024
Bureau of Land Management (BLM)	\$2.06 billion	\$2.09 billion	\$2.09 billion	\$354 million (+0.02%)
Bureau of Ocean Energy Management (BOEM)	\$164.45 million	\$175.32 million	\$211.24 million	\$35.92 million (+20.5%)
Bureau of Safety and Environmental Enforcement (BSEE)	\$156.85 million	\$168.01 million	\$190.95 million	\$22.93 million (+13.6%)
Office of Surface Mining Reclamation and Enforcement (OSMRE)	\$12.39 billion	\$1.48 billion	\$1.59 billion	\$105.17 million (+7.1%)
U.S. Geological Survey (USGS)	\$1.68 billion	\$1.61 billion	\$1.85 billion	\$247.29 million (+15.4%)
U.S. Fish and Wildlife Service (FWS)	\$4.09 billion	\$4.25 billion	\$4.17 billion	-\$79.9 million (-1.9%)
National Park Service (NPS)	\$5.37 billion	\$6.19 billion	\$4.96 billion	-\$1.23 billion (-19.9%)
Bureau of Indian Affairs (BIA)	\$5.16 billion	\$2.9 billion	\$3.59 billion	\$684.01 million (+23.6%)
Bureau of Trust Funds Administration (BTFA)	\$1.77 billion	\$323.27 million	\$323.1 million	-\$174,000 (-0.05%)
Office of Insular Affairs (OIA)	\$661.7 million	\$748.02 million	\$711.06 million	-\$37.0 million (-4.9%)
Bureau of Reclamation (BOR)	\$8.92 billion	\$3.84 billion	\$3.4 billion	-\$444.14 million (-11.6%)
Total DOI	\$59.0 billion	\$35.05 billion	\$34.52 billion	-\$524.42 million (-1.5%)

Importantly, since Secretary Haaland's last appearance before the House Committee on Natural Resources, DOI has received massive influxes in funding through both the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA). The IIJA provided the Department with \$28.1 billion while the IRA provided \$6.6 billion. For comparison, this totals \$7.5 billion more than DOI received for all of FY 2021, the year immediately preceding the enactment of the IIJA. The Committee intends to conduct vigorous oversight this Congress of these funds, as well as all other discretionary and mandatory funds provided to DOI.

This briefing paper focuses on the FY 2024 proposed budget within the context of four main Republican policy themes: 1) Making America energy independent and strengthening supply chains; 2) Defending America's national security; 3) Access to our natural resources and conservation with a purpose; and 4) Transparency and holding the Biden administration accountable.

Making America Energy Independent and Strengthening Supply Chains

Federal Onshore and Offshore Oil and Gas – President Biden issued Executive Order 14008 on January 27, 2021, imposing an indefinite pause on new oil and natural gas leasing on U.S. federal lands and waters "pending completion of a comprehensive review." On June 15, 2021, Judge Terry Doughty of the U.S. District Court for the Western District of Louisiana issued a nationwide preliminary injunction on the leasing ban.

The Biden administration did not hold an onshore lease sale until June of 2022. The watered-down sale only offered 20 percent of the parcels originally included, and implemented a 50 percent royalty hike.³ As a result, only 110 square miles of the 200 square miles received bids.⁴ The so-called Inflation Reduction Act attempted to address this by requiring DOI to offer at least two million acres of federal land or 50 percent of the acreage for which expressions of interest have been submitted for lease every year for the next decade as a prerequisite for approving renewable energy permits on federal lands.⁵ However, the administration continues to circumvent Congress' mandate by counting acreage considered in the process but not offered in a lease sale.⁶ The BLM plans to conduct two lease sales later this year in New Mexico and Wyoming, but it remains unclear if these sales will be watered down like the sale held in 2022.⁷

The Biden administration recently took new regulatory actions that could impede production on federal lands. These include a new supplemental environmental assessment (EA) analyzing greenhouse gas emissions that could result from 3,600 oil and natural gas leases sold between

¹ IIJA (P.L. 117-58) and IRA (P.L. 117-169).

² Exec. Order 14008, 86 Fed. Reg. 19, 7619 (Jan. 27, 2021).

³ Energy in Depth, FIRST BIDEN ADMINISTRATION ONSHORE LEASE SALES BRING IN NEARLY \$22 MILLION, 7/1/22, https://www.energyindepth.org/first-biden-administration-onshore-lease-sales-bring-in-nearly-22-million/.

⁴ Associated Press, Matthew Brown, First oil sales on public land under Biden bring \$22 million, June 30, 2022, https://apnews.com/article/biden-billings-climate-and-environment-government-politics-e2d9bb381672f26ea985c65407c728ae.

⁵ Public Law 117-169, Sec. 50265.

⁶ Kathleen Sgamma, Testimony before House Committee on Natural Resources. February 8, 2023. https://naturalresources.house.gov/uploadedfiles/testimony_sgamma.pdf.

⁷ Interior Department Moves Forward with Leasing Provisions Mandated in Inflation Reduction Act, 10/6/22, https://www.doi.gov/pressreleases/interior-department-moves-forward-leasing-provisions-mandated-inflation-reduction-act.

2015-2020,⁸ seven new Instruction Memoranda related to leasing on federal lands,⁹ and a proposed rule regulating emissions from oil and natural gas production on federal lands.¹⁰

The budget request continues the administration's war on domestic energy production and small businesses by requesting a new onshore inspection fee, repealing the enhanced oil recovery credit and the marginal well credit, and by proposing to end expensing of intangible drilling costs and the use of percentage depletion with respect to oil and gas development. The President's Budget does not explain how BLM will address the permitting backlogs for oil and gas drilling permits, which stood at 5075 pending permits at the end of January.¹¹

President Biden's anti-energy agenda is further apparent in the failure of BOEM to release the 2023-2028 National Outer Continental Shelf Oil and Gas Leasing Program. This failure is a serious violation of the Outer Continental Shelf Lands Act. DOI allowed the previous five-year plan to expire on June 30, 2022, without implementing a new plan and BOEM has yet to publish a new final five-year program. The IRA requires BOEM to offer oil and gas lease sales of at least 60 million acres in the year preceding offshore wind lease sales, meaning BOEM's refusal to issue the 2023-2028 five-year program could impede offshore wind development as well. The Department has claimed the plan will be finalized and published September 2023¹³ but has made (and failed to keep) similar promises before. Here the sales are sales of the sales and published September 2023¹³ but has made (and failed to keep) similar promises before.

DOI has failed to follow the law and hold offshore lease sales unless explicitly required by Congress and the courts. Lease Sale 257, held in the Gulf of Mexico in November 2021, was initially vacated by a U.S. district court but Congress later directed DOI to award leases to the highest bidders, resulting in 307 new leases covering over 1.7 million acres and \$189 million in bonus payments. Lease Sale 258, held in Alaska's Cook Inlet in December 2022 per direction in the IRA, resulted in a new lease awarded in March 2023. Lease Sale 259, held in the Gulf of Mexico, also mandated in the IRA, generated \$263,801,783 in high bids for 313 tracts covering 1.6 million acres. Revenues from these lease sales will be directed to the U.S. Treasury, Gulf Coast states, the Land and Water Conservation Fund (LWCF), and the Historic Preservation Fund.

Coal Leasing – While the June 2021 preliminary injunction applies specifically to the oil and gas leasing program, the administration continued its ban on coal leasing. On August 15, 2022, a

⁸ BLM REQUESTS PUBLIC INPUT ON REVISED GREENHOUSE GAS LEASING ANALYSIS, Nov. 9, 2022, https://www.blm.gov/press-release/blm-requests-public-input-revised-greenhouse-gas-leasing-analysis.

The BLM issues updated oil and gas leasing guidance, https://www.blm.gov/sites/default/files/docs/2022-07

^{11/}Fact%20Sheet_Oil%20and%20Gas%20Leasing%20Guidance_%2011.21.22.pdf.

 ⁸⁷ FR 73588, https://www.federalregister.gov/documents/2022/11/30/2022-25345/waste-prevention-production-subject-to-royalties-and-resource-conservation.
 Application for Permit to Drill Status Report: 1/1/2023 to 1/31/2023, Bureau of Land Management,

¹¹ Application for Permit to Drill Status Report: 1/1/2023 to 1/31/2023, Bureau of Land Management, https://www.blm.gov/sites/default/files/docs/2023-02/FY%202023%20APD%20Status%20Report%20January.pdf.

¹² U.S. Dep't of the Interior, Bureau of Ocean Energy Mgmt., National OCS Oil and Gas Leasing Program for 2023–2028 (last visited Mar. 20, 2022)

¹³ Haaland Confirms 5-Year Offshore Plan Release in September. Politico Pro, March 2023.

 $[\]underline{https://subscriber.politicopro.com/article/2023/03/haaland-confirms-5-year-offshore-plan-release-in-september-00089176.}$

¹⁴ Richards, Heather, Haaland Promises New 5-Year Offshore Leasing Plan By June, March 2022 E&E News, https://www.eenews.net/articles/haaland-promises-new-5-year-offshore-leasing-plan-by-june/.

¹⁵ BOEM, Lease Sale 257, https://www.boem.gov/oil-gas-energy/leasing/regional-leasing/lease-sale-257.

¹⁶ BOEM, Lease Sale 258, https://www.boem.gov/oil-gas-energy/leasing/lease-sale-258.

¹⁷ BOEM, Lease Sale 259, https://www.boem.gov/newsroom/press-releases/gulf-mexico-oil-and-gas-lease-sale-results-announced.

federal judge fully reinstated the coal moratorium on new leasing. ¹⁸ Even expansions of existing coal leases, which are not subject to the moratorium, have struggled to acquire needed authorizations from the Biden administration.

Critical Minerals – The budget request supports *locating* critical minerals but does not support actually mining those minerals. The budget request calls for an increase of \$22.5 million for the USGS Mineral Resources Program, which conducts critical mineral supply chain research, mine waste research, analyses of mineral recovery from reclamation, and assessments of potential new sources of critical minerals. A \$24 million increase is also included for the Energy Resources Program, which provides publicly available estimates of the nation's energy resources and analyzes the potential of technically recoverable geological reserves in the U.S.

While no recommendations for streamlining the permitting process for new hardrock mines are included in the budget request, DOI continues to work on a report from the Interagency Working Group on Mining Reform, which is expected to include policy recommendations for new hardrock mining on federal lands. The Committee encourages DOI to carefully consider the major demand increases anticipated for mineral commodities when making such recommendations.

The Biden administration has notably acted to preemptively reject promising mining proposals on federal lands. For example, the Biden administration canceled¹⁹ the two decades-old mineral leases held by Twin Metals Minnesota in January 2022, and simultaneously began the withdrawal process of over 225,000 acres of mineral-rich land in the same area.²⁰ The finalized withdrawal went into effect on January 31, 2023.²¹ This withdrawal prohibits the new extraction of any mineral (including copper, nickel, cobalt, platinum, and iron ore) in 225,504 acres of the Superior National Forest for 20 years. When questioned during a recent hearing before the House Committee on Appropriations Subcommittee on Interior, Environment and Related Agencies, Secretary Haaland testified that she did not know what minerals are located in the withdrawal area.²²

Plugging Orphaned Wells and Reclaiming Abandoned Mine Lands – The budget request provides \$311 million to remediate orphaned oil and gas wells and reclaim abandoned mine lands (AML) on federal and non-federal lands.²³ This is in addition to the funding provided by the IIJA, which included \$4.7 billion to plug orphaned wells and \$11.3 billion in AML reclamation grants to states and tribes.²⁴

¹⁸ Clark Mindock, "Judge reinstates Obama-era coal-leasing ban," Reuters, August 15, 2022, https://www.reuters.com/legal/litigation/judge-reinstates-obama-era-coal-leasing-ban-2022-08-13/.

¹⁹ Decision of Tommy Beaudreau, Deputy Secretary of the Interior, January 26, 2022, https://www.blm.gov/sites/blm.gov/files/docs/2022-01/2022.01.26%20Twin%20Metals%20Lease%20Cancellation%20Decision_0.pdf.

²⁰ U.S. Department of the Interior, "Biden Administration Takes Action to Complete Study of Boundary Waters Area Watershed," Press Release, October 20, 2021, https://www.doi.gov/pressreleases/biden-administration-takes-action-complete-study-boundary-waters-area-watershed.

Office of Guy Reschenthaler. Press Release. https://reschenthaler.house.gov/media/press-releases/reschenthaler-grillsbidens-interior-secretary-on-green-new-deal-agenda-deepening-americas-dependence-on-china March 28, 2023.
 Budget of the U.S. Government: FISCAL YEAR 2024, Office of Management and Budget, P. 93, https://www.whitehouse.gov/wp-

²³ Budget of the U.S. Government: FISCAL YEAR 2024, Office of Management and Budget, P. 93, https://www.whitehouse.gov/wp-content/uploads/2023/03/budget_fy2024.pdf

²⁴ Public Law No. 117-58, Sec. 40601.

The IIJA authorized separate programs to clean up orphaned wells on federal lands and on tribal lands, as well as state grants for clean up on state and private lands. Earlier this year, DOI issued guidance²⁵ on implementation of the orphaned well provisions included in the IIJA. This guidance has received criticism, including from the Railroad Commission of Texas²⁶ who argue that the guidance exceeds the statutory authority of the IIJA, is unclear, and creates unnecessary administrative burdens which will result in less funding for reclamation activities.²⁷

The IIJA reauthorized the coal mine reclamation fee, which funds State AML clean-up programs through September 30, 2034, and lowered the fee amounts by 20 percent beginning in FY 2022. While the new IIJA funding for states and tribes described above presents an opportunity to remediate coal AML sites across the nation, onerous guidance has emerged from DOI and OSMRE that has raised concerns from the states about how to best select reclamation projects. For offshore energy, BSEE's request includes \$27 million in new funding to address orphaned wells and decommission pipelines on the outer continental shelf (OCS). BSEE's inclusion represents a 900 percent increase compared to FY 2023 enacted funding levels.²⁸

The recently enacted funding for plugging orphaned wells and cleaning up abandoned mines, along with sharp increases in agency funding requested in the FY 2024 budget request, warrant significant Congressional oversight to ensure responsible stewardship of taxpayer dollars. Further, the budget request fails to include or recommend market-based or cost-saving mechanisms for addressing these concerns. Enabling innovation in finding cost-effective solutions to address orphaned infrastructure is key to addressing these challenges in the longterm.

Tribal and Insular Energy – The FY 2024 budget request for the BIA includes a \$12 million increase for the Minerals and Mining Projects Program and specifically mentions continued focus on clean energy programs, instead of supporting tribal self-determination through an all-ofthe-above energy approach. The budget requests an increase in job placement and training by \$2 million which is earmarked to support only "training programs focused on clean energy," once again limiting support for tribes unless they deploy clean energy technologies.²⁹ The budget also continues funding to the Tribal Climate Resilience Program, which primarily supports only climate adaptation activity planning and does nothing to promote or provide tools tribes may use to address environmental changes in their communities.³⁰

The budget justification for the Office of Insular Affairs (OIA) continues to pick winners and losers in the energy sector by promoting taxpayer money for renewable energy. While there are no budget increases for FY 2024 to the \$15 million proposed for the Energizing Insular Communities (EIC) Program, the administration continues to bypass the all-of-the-above-energy

²⁵ Bipartisan Infrastructure Law Sec. 40601 Orphaned Well Program: Phase 1 (Fiscal Year 2023) State Formula Grant Guidance, United States Department of the Interior, https://www.doi.gov/sites/doi.gov/files/draft-state-formula-guidance-2023123-eop-final-for-eop-approval.pdf.

²⁶ Soraghan, Mike, "Texas Slams Interior Plan for Plugging Oil Wells," EnergyWire, March 3,2023,

https://subscriber.politicopro.com/article/eenews/2023/03/03/texas-protests-well-plugging-rules-00084843.

7 Railroad Commission of Texas, Letter to Kimbra Davis Director of the Orphaned Wells Program Office, February 24, 2023, https://subscriber.politicopro.com/eenews/f/eenews/?id=00000186-9a04-d967-a396-de6c45290001.

²⁸ FY 2024 Budget Justification, Bureau of Safety and Environmental Enforcement, March 9, 2023,

 $[\]underline{https://www.doi.gov/sites/doi.gov/files/fy2024-bsee-greenbook.pdf-508.pdf.}$

²⁹ Bureau of Indian Affairs FY 2024 budget justification at IA-CED-3.

³⁰ Bureau of Indian Affairs FY 2024 budget justification at IA-TNR-26, stating the program supports communities "through the Relocation, Managed Retreat, and Protect-in-Place Awards programs."

strategy by electing to prioritize "renewable energy and grid infrastructure."³¹ The Committee believes this program should be expanded to include all forms of energy sources for electricity generation, ultimately supporting Insular Area self-determination.

As noted in the budget justification, OIA's EIC Program has and will continue to "adjust accordingly" to assist in the Biden Administration's efforts to transition the territories to renewables, such as solar and battery power. ³² Unfortunately, this provision would also force Insular Areas to increase electricity generated from renewable sources while ignoring liquefied natural gas (LNG), nuclear, biomass, and other options that are more reliable than intermittent renewable sources. Additionally, there is no mention of addressing energy security and reliability from baseload sources for Insular Areas that suffer from frequent outages.

Defending America's National Security

Biden Border Crisis – President Biden's policies continue to exacerbate the crisis at the Southern border. Some of the most dangerous areas along the Southern border are the estimated 607.7 miles of DOI land, representing approximately 30.9 percent of the total length of the border.³³ Federal lands along the border are specifically targeted by criminals, drug smugglers, and human traffickers because they are remote, uninhabited, and less frequently patrolled. The violence associated with high levels of cross-border violators (CBVs) deprives the public of access to federally owned lands and causes significant damage to local environments. In FY 2022, Customs and Border Protection (CBP) encountered over 2.2 million people trying to illegally cross the border, up 33 percent from the previous fiscal year. This continues a dangerous trend of illegal encounters at the border for the Biden administration. The average CBP illegal encounters at the border averaged just under 495,000 people from FY 2017 to 2019.³⁴

There are devastating environmental consequences of illegal immigration. Illegal immigrants leave behind trash, including human waste, medical products, abandoned vehicles, and plastic. The illegal dumping of trash threatens wildlife, destroys habitat, and attracts disease carrying insects such as mosquitoes and flies. Human waste contaminates the drinking water for nearby residents. In FY 2021, BLM district offices cleaned up 235 sites, collecting over 193 tons of garbage.³⁵ Additionally, illegal trails and wildfires sparked by CBV's campfires contribute to the destruction of wildlife habitat throughout federal borderlands.

In addition to trash, illegal cannabis cultivation sites have become a major problem on federal lands and forests, resulting in environmental degradation, harm to wildlife, increased crime, and catastrophic wildfires. In one national park in California alone, officials have eradicated 270,000 marijuana plants with an estimated value of \$911 million since the early 2000s. ³⁶ Cleaning up illegal sites after a bust is a difficult and costly process. Illegal grow sites often contain large

³¹ Office of Insular Affairs FY 2024 budget justification at 55. https://www.doi.gov/sites/doi.gov/files/fy2024-oia-greenbook.pdf-508.pdf.

³³ Congressional Research Service, Federal and Indian Lands on the U.S.-Mexico Border, Carol Hardy Vincent, February 21, 2018, https://www.crs.gov/Reports/IF10832.

³⁴ U.S. Customs and Border Protection, CBP Enforcement Statistics Fiscal Year 2023, March 10, 2023, https://www.cbp.gov/newsroom/stats/cbp-enforcement-statistics.

³⁵ Data provided by Bureau of Land Management to Committee Staff, February 6, 2023.

³⁶ Sequoia and Kings Canyon National Park, "\$7.5 Million Worth of Illegal Marijuana Eradicated from Sequoia National Park," October 12, 2016, https://www.nps.gov/seki/learn/news/illegal-marijuana-eradicated-from-sequoia-national-park.htm.

piles of trash, toxic and illegal chemicals, and human waste. The cost for cleaning up these sites has been roughly \$40,000 per site.³⁷

Despite the increasing severity of the Biden Border Crisis, the word "border" appears just three times in the entire 244-page Department of the Interior (DOI) budget document, specifically with reference to a \$1 million investment in water infrastructure along the Texas border and a \$10 million *reduction* in requested funds for "Unites States/Mexico Border Issues – Technical Support." In contrast, the word "climate" appears 124 times and the word "justice" appears 30 times (primarily in reference to racial and environmental justice). ³⁸

In prior Congresses, Committee Republicans investigated challenges faced by Border Patrol agents on federal borderlands and the environmental impact of illegal border crossings and drug smuggling.³⁹ The House Committee on Natural Resource oversees land negatively impacted by an unsecure border. Securing the border and combating illegal immigration will take a whole of government approach and the federal land management agencies will be held accountable for failure to combat the consequences of illegal immigration.

Compacts of Free Association – The United States holds compact agreements with three sovereign pacific island countries, the Federated States of Micronesia (FSM), Republic of Marshall Islands (RMI), and the Republic of Palau (Palau), also known as the Freely Associated States (FAS). Through these agreements, the U.S. gains security and defense rights over these nations in exchange for U.S. economic assistance and defense guarantees. These rights allow the U.S. to establish military facilities on the islands and to exercise strategic denial, in which the U.S. can deny foreign military access to FAS territory. The importance of these rights and relationships cannot be understated as the FAS maritime space provides a critical buffer between China and the U.S. These compact agreements are integral to United States' ability to exercise peace through strength with our allies to counter increasing global threats. With the compacts with Marshall Islands and Micronesia due to expire in FY 2023 and Palau in FY 2024, the Biden administration is undergoing renewal negotiations with all three FAS countries and is expected to submit a budget proposal before the end of calendar year 2023.

The budget proposal for the Compacts of Free Association is expected to amount to a total of \$7.1 billion, of which \$6.5 billion is for economic assistance and \$634 million is for services provided by the U.S. Postal Service to the FAS over the course of twenty years. ⁴¹ The cost of the compact has not yet been included within the OIA's FY 2024 budget request as the compact negotiations are still underway. ⁴² The total cost of the compacts will impact U.S. government deficit and spending levels. As such, Committee Republicans believe that compact spending must be fiscally responsible and reflective of U.S. security interests.

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³⁷ Prine, Carl, "FEDERAL FOREST BUST HIGHLIGHTS DEBATE OVER CALIFORNIA MARIJUANA FARMS," August 22, 2022, https://coffeeordie.com/california-marijuana-farms-forest/.

³⁸ DOI, Fiscal Year 2024 The Interior Budget in Brief, March 2023, https://www.doi.gov/sites/doi.gov/files/fy2024-bib-entire-book-508.pdf.

³⁹ Subcommittee on Oversight and Investigations, The Costs of Denying Border Patrol Access: Our Environment and Security, February 15, 2018, https://www.govinfo.gov/content/pkg/CHRG-115hhrg28683/pdf/CHRG-115hhrg28683.pdf.

⁴⁰ Bureau of Insular Affairs FY 2024 budget justification at GS-1. https://www.doi.gov/sites/doi.gov/files/fy2024-oia-greenbook.pdf.

⁴¹ Lee, Matthew, "Biden budget aims at China with billions for Pacific islands," AP News, March 9, 2023, https://apnews.com/article/biden-budget-us-china-marshall-islands-micronesia-palau-9a3dd6c94b1287bdb015449af00cd654.

⁴² Bureau of Insular Affairs FY 2024 budget justification at GS-2. https://www.doi.gov/sites/doi.gov/files/fy2024-oia-greenbook.pdf.

Access to our Natural Resources and Conservation with a Purpose

Drought and Water Infrastructure – Since the Committee's last budget hearing with the Secretary in 2021, the BOR has been the beneficiary of additional IIJA and IRA funding. The IIJA allocated \$8.3 billion for water infrastructure and \$2.5 billion for authorized Indian water rights settlements. The IRA included \$4 billion in funding, specifically for water management and conservation efforts in the Colorado River Basin and other areas experiencing similar levels of drought. While these two laws are not a part of the budget request, the Committee plans to exercise oversight over the spending plans for these funds in order to understand how the FY 2024 request fits into these programs.

Over the past few years, drought conditions have devastated the Western United States. Reclamation's FY 2024 budget request does little to increase the water storage capacity in states like California, where recent atmospheric rivers have flooded many parts of the state. In fact, Reclamation's press release claims that the budget has "\$200.3 million to find long-term, comprehensive water supply solutions for farmers, families, and communities in California." Yet, of that figure, more than half is for environmental initiatives. 44

In addition, Reclamation plans to spend almost the same amount on its Dam Safety Program (\$210 million⁴⁵) as on its Endangered Species Act (ESA) compliance (\$209.5 million for Fish and Wildlife Management and Development⁴⁶), which includes funding that could fundamentally re-write Biological Opinions in California and elsewhere that were finalized during the Trump administration. To that effect, Reclamation specifically noted that its Columbia-Pacific Northwest region includes "funds for any possible re-consultation and litigation support."⁴⁷

Forest and Rangeland Health and Wildland Firefighting – The DOI budget requests \$1.93 billion for the Wildland Fire Management Program, compared to \$1.86 billion in FY 2023 enacted levels (a 9.5 percent increase). The majority of this funding is for Preparedness and Suppression Operations (including the Wildfire Suppression Operations Reserve Fund), which totals \$1.33 billion. Of this, \$72 million is identified for a legislative proposal to provide a permanent increase in pay for wildland firefighters. According to DOI, this proposal would: 1) establish a special base rate salary table for wildland firefighters; 2) create a new premium pay category; and 3) provide for a streamlined pay cap waiver. While our brave wildland firefighters deserve better and fair pay, the budget request fails to identify any long-term funding sources for this pay increase. Further, the budget fails to pair these pay reforms with the forest management reforms that are necessary to protect wildland firefighter health and safety by decreasing the scale and severity of the wildland fire on the landscape.

⁴³ USBR, Press Release: *President's Fiscal Year 2024 Budget Requests \$1.4 Billion for the Bureau of Reclamation*, March 9, 2023. https://www.usbr.gov/newsroom/news-release/4441.

⁴⁴ "Budget Justifications and Performance Information Fiscal Year 2024." The United States Department of the Interior. U.S. Bureau of Reclamation at 378. https://www.usbr.gov/budget/2024/FY-2024-Bureau-of-Reclamation-Budget-Justifications.pdf.

⁴⁵ *Id.* at 31.

⁴⁶ *Id.* at 18.

⁴⁷ *Id.* at 318.

 $^{{}^{48}\,}DOI,\,FY\,2024\,Budget\,Justification,\,"Wildland\,Fire\,Management,"\,\underline{https://www.doi.gov/sites/doi.gov/files/fy2024-wfm-greenbook.pdf-\underline{508.pdf}.}$

DOI's budget requests substantial increases in funding for hazardous fuels reduction without actually committing to treating any additional acreage of fire-prone lands. Approximately 7.5 million acres of land burned last year, with roughly 27 percent (over 2 million acres) being lands administered by DOI. 49 To address the growing wildfire crisis, on April 4, 2022, DOI announced their "Wildfire Risk Five-Year Monitoring, Maintenance, and Treatment Plan," as a complement to the U.S. Forest Service's 10-Year "Confronting the Wildfire Crisis" Strategy. 50 However, unlike the Forest Service's strategy, DOI did not set a goal of additional acres to treat annually despite identifying more than 7.1 million acres of DOI lands in firesheds with a high or very high likelihood of wildfire exposure. 51 The budget justification for Wildland Fire Management makes no explicit mention of this five year plan and requests \$293.27 million for Fuels Management to support treatments on approximately 2 million acres of land. Concerningly, despite requesting a 29.2 percent increase in the Fuels Management account over FY 2022 levels, DOI is planning to treat the exact same amount of acreage as in FY 2022. Similarly, despite requesting a 33.3 percent increase over FY 2021 levels, DOI is planning to increase acreage treated by only 5.3 percent. While this falls far short of the true paradigm shift needed to fully confront the wildfire crisis, the budget does propose extending Good Neighbor Authority and stewardship contracting authorities to NPS and FWS, which would help increase capacity to address fire-prone lands.

30x30 Initiative – The Biden budget continues to support the 30x30 Initiative, which underwent a failed re-brand as the "America the Beautiful Initiative." Despite years of unanswered Congressional inquiries, the administration has routinely failed to address basic, fundamental questions about 30x30, including the baseline for what is considered conserved and what the term 'conservation' means. On May 6, 2021, DOI and other federal departments released an "interim" report titled "Conserving and Restoring America the Beautiful," which outlined a 10-year campaign to preserve 30 percent of U.S. lands and waters by 2030. The administration proposed an American Conservation and Stewardship Atlas in this report to set transparent baseline metrics; nearly two years after the fact, USGS is now including a \$25.5 million request in their budget to develop this Atlas, despite the fact that DOI has already been implementing whatever it considers to be 30x30. Given the administration's track record on this Initiative, this Atlas will likely be used as yet another excuse to lock up even more lands under restrictive designations (i.e., national monuments, wilderness areas, etc.) that impede multiple use. Further, there are concerns that this Atlas could encompass private lands against the wishes of private property owners.

Visitor Services and Safety Disruptions at National Parks – On March 17, 2023, in response to a request from Appropriations Committee Ranking Member DeLauro, Secretary Haaland sent a letter outlining the "very real and damaging impacts" of freezing DOI spending at FY 2022

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⁴⁹ National Interagency Coordination Center, "Wildland Fire Summary and Statistics Annual Report," 2022, https://www.predictiveservices.nifc.gov/intelligence/2022_statssumm/annual_report_2022.pdf.

⁵⁰ DOI and U.S. Department of Agriculture, "Wildfire Risk Five-Year Monitoring, Maintenance, and Treatment Plan," April 2022, https://www.doi.gov/sites/doi.gov/files/bil-5-year-wildfire-risk-mmt-plan.04.2022.owf_final_.pdf.

⁵² DOI, "Conserving and Restoring America the Beautiful," 2021, https://www.doi.gov/sites/doi.gov/files/report-conserving-and-restoring-america-the-beautiful-2021.pdf.

levels.⁵³ In discussing a 22 percent reduction⁵⁴ to funding compared to FY 2023 levels, Secretary Haaland stated that national parks "would need to reduce hours, close visitor centers, reduce trash collection and facility cleaning, as well as ranger-led programming," ultimately impacting visitor services and safety.⁵⁵ The Secretary also suggested that access to crown jewels like Yosemite National Park might restrict winter access and lay off 25 percent of its staff.⁵⁶ The Secretary concluded her letter stating that Congressional Republicans' "unprecedented cuts" would have severe and "significant impacts" on the ability of DOI to carry out its mission.⁵⁷

What the Secretary did not address in her letter was that NPS's own budget proposes a cut of nearly 20 percent compared to FY 2023 levels. It is unclear why Congressional Republicans' proposal of a 4 percent reduction in funding would cause catastrophic failures in visitor services and safety, yet the Biden administration's 20 percent reduction in funding would somehow still provide "investments essential for the NPS's continued success in its second century, while remaining committed to the daily mission of ensuring that all Americans can access, enjoy, and learn in every national park." The Biden administration's intellectually dishonest and blatantly partisan attacks against legitimate proposals to reduce frivolous spending and lower financial burdens on future generations do little to advance NPS's mission and will only entrench our nation deeper in debt.

Endangered Species Act – In its FY 2024 budget request, the FWS requested \$27.1 million for species listing (a \$3.66 million increase). Since Congress enacted the ESA in 1973, approximately 1,700 species have been listed as threatened or endangered, not counting experimental populations. Only three percent of these species have been considered recovered and delisted. In the past year, the FWS made controversial decisions to list species such as the lesser prairie chicken and up-list the northern long-eared bat from threatened to endangered status. In addition, there are pending listing decisions for the monarch butterfly and potential relisting of the gray wolf in the Northern Rockies that could have large detrimental economic and environmental impacts.

The FWS also requested \$171.37 million for planning and consultation services for clean energy projects (a \$50.5 million increase), but has not proposed National Environmental Policy Act

⁵³ Secretary Haaland, Letter to Ranking Member Rosa DeLauro, March 17, 2023, https://democrats-appropriations.house.gov/sites/democrats.appropriations.house.gov/files/Department%20of%20Interior%20Letter%20-%20Impact%20of%20Spending%20Cuts.pdf.

 ⁴ A 22 percent cut (-\$3.7 billion) assumes only non-defense discretionary spending is reduced. Freezing funding at FY 2023 levels across the board would be a 4 percent cut for DOI (-\$611 million).
 55 Id.

⁵⁶ *Id*.

⁵⁷ *Id*.

⁵⁸ Statement of NPS Director Chuck Sams, "President proposes \$3.8 billion for National Park Service budget in Fiscal Year 2024," NPS, March 9, 2023,

 $[\]frac{https://www.nps.gov/orgs/1207/budgetproposalfy24.htm\#:\sim:text=President\%20proposes\%20\%243.8\%20billion\%20for\%20National\%20Park\%20Service\%20budget\%20in\%20Fiscal\%20Year\%202024,-Visitors\%20enjoy\%20a.$

⁵⁹ DOI, "Budget Justifications and Performance Information Fiscal Year 2024," U.S. Fish and Wildlife Service, <u>fy2024-fws-greenbook.pdf-508.pdf.</u>

⁶⁰ 16 U.S.C. 1531 et seq.

^{61 &}quot;Endangered Species, can they be saved from extinction." Sarah Glazer. CO Researcher. Endangered Species: COR (cgpress.com).

⁶² "Endangered Species Act Petitions Received by Fish and Wildlife Service." Environmental Conservation Online System. <u>ECOS: Endangered Species Act Petitions Received by Fish and Wildlife Service (fws.gov).</u>

⁶³ "Endangered Species Act Petitions Received by Fish and Wildlife Service." Environmental Conservation Online System. <u>ECOS: Endangered Species Act Petitions Received by Fish and Wildlife Service (fws.gov).</u>

(NEPA) and ESA reforms to streamline the existing permitting processes.⁶⁴ On March 29, 2023, the FWS submitted a report to Congress outlining the issues it is having with the ESA consultation process.⁶⁵ Included in the report and in the budget request is the legislative proposal that the FWS be given the ability to receive transfer funding from other agencies to better carry out the ESA consultation process.⁶⁶ This request focuses on funding ESA, rather than proposing much needed administrative and statutory reforms to the statute.

Managing Our Lands for Conservation – President Biden has recently designated several new national monuments using authorities under the Antiquities Act of 1906, most recently in Colorado and Nevada. Alarmingly, this trend shows no signs of slowing down as the BLM budget requests a \$3.0 million increase for the "Increasing Representation in our Public Lands initiative, which will support recent or potential new designations that preserve important places." In comparison, the entire BLM Rangeland Management and Public Domain Forestry Management accounts only request a \$2.4 million and \$1.4 million increase, respectively. These accounts are vital to sustaining the BLM's multiple use mandate, promoting forest health, and promoting economic opportunities such as grazing. Instead of focusing on locking up new lands, the BLM should focus on carrying out its multiple use and sustained yield mission.

The budget is also replete with examples of misplaced priorities justified under the guise of conservation or climate. For example, the BLM is proposing more than 10 percent of its budget for Deferred Maintenance and Capital Improvements be used to install electric vehicle charging infrastructure. This is part of an overall request of \$53.6 million to transition DOI to an allelectric fleet of vehicles. Other climate proposals from the Department include \$48 million for a loosely defined BIA tribal climate adaptation grant program to assess climate resiliency needs and increased funding for the Tribal Youth Corps for training opportunities related to conservation and resilience in tribal communities. This is \$13 million over FY 2023 enacted funding.⁶⁸

National Wildlife Refuge System – In its FY 2024 budget request, the FWS requested \$624.9 million for the National Wildlife Refuge System (a \$83.3 million increase). ⁶⁹ This funding request is in part to address the management challenges that exist at refuges, such as understaffing and the management challenges that causes. ⁷⁰ The FWS currently estimates that the refuge system has lost 25 percent of its workforce over the last ten years. ⁷¹ The request does not identify other remedies outside of increased funding to address staffing issues, such as greater coordination with states or the private sector.

The FWS is one of the many federal agencies receiving funding as a part of the IIJA and IRA. FWS will receive \$91 million annually through FY 2026 from the IIJA for Resource Management account activities, including fish and wildlife passage restoration and regional

⁶⁴ "Budget Justifications and Performance Information Fiscal Year 2024." The United States Department of the Interior. U.S. Fish and Wildlife Service. fy2024-fws-greenbook.pdf-508.pdf.

^{65 &}quot;Report to Congress Review of the ESA Interagency Section 7 Consultation Process and Recommendations for Improving the Process." U.S. Fish and Wildlife Service. 3/29/2023. https://naturalresources.house.gov/uploadedfiles/fws_sect.7_report.3.29.2023.pdf.

⁶⁷ BLM, Budget in Brief, FY 2024, https://www.doi.gov/sites/doi.gov/files/fy2024-bib-blm-508.pdf.pdf.

⁶⁸ Bureau of Indian Affairs FY 2024 budget justification at IA-TNR-5.

⁶⁹ *Id*.

⁷⁰ *Id*.

⁷¹ *Id*.

ecosystem restoration.⁷² The FWS will also receive \$36 million annually authorized by the IIJA from the Federal Transportation Program.⁷³ The IRA appropriated \$250.0 million in mandatory appropriations for the FWS. Of this amount, \$125.0 million was for ESA recovery plan development and implementation, \$121.3 million was for rebuilding and restoring National Wildlife Refuge System units and state wildlife management areas, and \$3.8 million was for associated administrative expenses.⁷⁴ This money is available for the FWS to spend until September 30, 2026.⁷⁵

Transparency and Holding the Biden Administration Accountable

Respect for Congressional Oversight – During the 118th Congress, the House Committee on Natural Resources continues to focus on rebalancing the scales of Congressional oversight in order to ensure that taxpayers are protected from government waste, fraud, and abuse. During the 117th Congress, the Committee sent 31 letters sent to DO1 with 193 document requests. Many of these requests were either insufficiently addressed or just ignored completely. Since retaking the Majority, House Republican Committee members sent a total of eight oversight letters.⁷⁶ Numerous individual staff and member briefings have taken place, with additional oversight requests and letters in the works.

As the Oversight and Investigations Subcommittee escalates its oversight activities, committee members and staff will continue to hold the Biden administration accountable for executive overreach, inefficient use of taxpaver dollars, attempts to provide inadequate responses or evasive answers to Congressional inquiries, and/or ignoring deadlines for document production. In doing so, the Oversight and Investigations Subcommittee will ensure administration officials, at a minimum, comply with their own standards of conduct. For example, in the 116th Congress, then-Representative Haaland questioned then-Solicitor Dan Jorjani over DOI's document production. When discussing an incomplete production from DOI, she asked, "Is this simply incompetence, do you think, on the part of the Department, or do you think they are purposefully withholding information from us?"⁷⁷ The Oversight and Investigations Subcommittee now asks the same of Secretary Haaland given the history of DOI stonewalling Congressional inquiry under her leadership. The Committee looks forward to a robust commitment from the Secretary on Congressional oversight and document production during the 118th Congress, particularly given Secretary Haaland's past position on the necessity and importance of robust congressional oversight and investigations.

Great American Outdoors Act – DOI's budget includes \$681.9 million for LWCF, including \$306.2 million for land acquisition and \$375.7 for grant programs. For land acquisition, which the budget explicitly identifies as being consistent with 30x30, the NPS and the FWS are the largest recipients with \$109.0 million and \$104.32 million allocated, respectively. In total, this

⁷² "U.S. Fish and Wildlife Service: FY2023 Appropriations." Pervaze A. Sheikh and Elisabeth Lohre. 9/30/2022. U.S. Fish and Wildlife Service: FY2023 Appropriations (congress.gov). 73 *Id*.

^{74 &}quot;Inflation Reduction Act – Advancing Climate Resiliency and Conservation." U.S. Fish and Wildlife Service. Inflation Reduction Act — Advancing Climate Resiliency and Conservation | U.S. Fish & Wildlife Service (fws.gov).

⁷⁶ Letter total up to date as of April 6, 2023.

⁷⁷ The Department of the Interior's Failure to Cooperate with Congressional Oversight Requests: Hearing Before H. Comm. on Natural Resources, 116th Cong. (2019).

will add 122,758 acres to the more than 640-million-acre federal estate. While the cost per acre varies, some proposed acquisitions are as high as \$930,000 per acre. The Department's budget also calls for \$12 million for the creation of a new loosely defined Tribal LWCF land acquisition program for conservation and recreation access aimed to further the administration's climate goals. In essence, this would be a tribal set aside within the discretionary LWCF funds. Using LWCF funds to purchase lands limits the use of the lands, as the use must be consistent with the LWCF. This could limit future tribal decision making about lands and how they should be best used to support the cultural, spiritual, and economic befits for a tribal community.

Since the Secretary's last appearance before the Committee and despite billions of dollars of investment in reducing deferred maintenance backlogs, the NPS's backlog increased by over \$10 billion to \$22.7 billion.⁷⁹ The President's FY 2024 Budget request allocates \$1.6 billion to NPS, BLM, FWS, and the Bureau of Indian Education (BIE) through the National Parks and Public Land Legacy Restoration Fund to reduce deferred maintenance. 24 percent of these funds are for program administration and contingency funds that will do nothing to reduce the backlog at the NPS. Another 27 percent is taken up by two projects at Yosemite National Park and Grand Canyon National Park. While these are important projects, that leaves less than half of the funding available to address deferred maintenance needs at the remaining NPS units. Committee Republicans are concerned with how Great American Outdoors Act (GAOA) funds have been utilized, and intend to conduct vigorous oversight of how this money is spent this Congress. The day before this hearing, the Federal Lands Subcommittee will hold a hearing investigating the implementation of GAOA with a specific focus towards NPS's rising backlog.

Eco-grief – On March 14, 2023, Chairman Westerman sent a letter along with 16 other committee members questioning the use of taxpayer dollars by the FWS to fund "eco-grief" trainings for employees.⁸⁰ These trainings seek to "normalize the wide range of emotional responses that conservationists experience while empowering participants to act while taking care of themselves." FWS responded to the committee on March 31, 2023, stating the training had a total cost of \$11,600 and that no further trainings were planned.⁸²

Payments for Tribal Leases and Tribal Contract Support Costs – The Indian Self-Determination and Education Assistance Act (ISDEAA) provides that tribes and tribal organizations carrying out federal functions under a self-determination contract may enter into a lease agreement with DOI for the tribally owned or rented facility used to carry out those functions. ⁸³ These costs are legally required to be paid under ISDEAA and Salazar v. Ramah Navajo Chapter and have, since 2012, been included in appropriations bills as ongoing, indefinite appropriations. ⁸⁴

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⁷⁸ Bureau of Indian Affairs FY 2024 budget justification at IA-LWCF-3, 4.

⁷⁹ "DOI Deferred Maintenance and Repairs by Asset Class as Reported in the Agency Financial Report,"

https://naturalresources.house.gov/uploadedfiles/doi-fy2021-deferred-maintenance-backlog-as-reported-in-the-afr-and-comparison-to-fy202-0-pdf

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⁸⁰ Bruce Westerman. 3/14/2023. eco-grief_letter.pdf (house.gov).

^{81 &}quot;A world of hurt: Workshops aim to help federal employees cope with "ecogrief"." Stephen Dinan. The Washington Times. 2/15/23. Ecogrief: Interior Department pays to help employees deal with emotional trauma of climate change - Washington Times.

⁸³ P.L. 93-638.

^{84 567} U.S. 182 (2012).

For FY 2023, Congress estimated that \$30 million would be used for tribal leases at BIA. ⁸⁵ The President's Budget for FY 2024 requested an increase of \$27 million above the FY 2023 enacted level of \$55.4 million, bringing the account up to an estimated \$82.5 million. The FY 2024 budget continues to contain a tone-deaf proposal to reclassify these payments from discretionary to mandatory spending. The budget also continues to propose reclassifying contract support costs from discretionary to mandatory. For FY 2023, Congress estimated that \$328 million would be used for contract support costs at the BIA. ⁸⁶ The President's Budget for FY 2024 requested an increase of \$22.3 million above the FY 2023 enacted level of \$404 million, bringing the account up to an estimated \$426.3 million.

Indian Trusts and Land Consolidation – The BIA continues the Land Buy Back Program under a different name: the Indian Land Consolidation Program. The FY 2024 budget includes a proposal for a \$30.5 million for the land consolidation program (a \$22.5 million increase over FY 2023 enacted levels) with an emphasis on plans for adaptation to climate change. The proposal contains metrics or requirements that the Department focus on consolidation of highly fractionated lands. Previous land consolidation efforts by the Obama administration did little to have an impact on land fractionization.

The FY 2024 budget also continues to include a legislative proposal for the *Carcieri* "fix." In 2009, the Supreme Court held in *Carcieri v. Salazar* that the Secretary of the Interior may not acquire land for Indians pursuant to the Indian Reorganization Act unless they are members of a tribe that was "under federal jurisdiction" in 1934. While there is support for tribes to have land in trust, there are concerns about how enactment of this provision could lead to more offreservation gaming. Because of outstanding concerns, any attempts to address *Carcieri* should be done through regular order in the appropriate authorizing committees of jurisdiction.

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⁸⁵ House of Representatives, Committee Print of the Committee on Appropriations, H.R. 2617 / P.L. 117-328 [Legislative Text and Explanatory Statement] Book 2 at 1553. Available at: https://www.congress.gov/117/cprt/HPRT50348/CPRT-117HPRT50348.pdf.

⁸⁷ Bureau of Indian Affairs FY 2024 budget justification at IA-ES-5.

⁸⁸ FY 2024 Budget Appendix at 719. https://www.whitehouse.gov/wp-content/uploads/2021/05/int_fy22.pdf.

⁸⁹ Carcieri v. Salazar, 555 U.S. 379 (2009). FY 2024 Budget Appendix at 689 . https://www.whitehouse.gov/wp-content/uploads/2023/03/int_fy2024.pdf.

⁹⁰ Act of June 18, 1934, 48 Stat. 985 (25 U.S.C. 465), amended by P.L. 100-581, 102 Stat. 2941.