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OPENING STATEMENT OF
RANKING REPUBLICAN REP. DOUG LAMBORN (CO)
BEFORE
NATURAL RESOURCES COMMITTEE
SUBCOMMITTEE ON ENERGY AND MINERAL RESOURCES
1324 LONGWORTH HOUSE OFFICE BUILDING
MARCH 25, 2010 AT 10:00 P.M.

RESCHEDULED OVERSIGHT HEARING ON:
FY 2011 Administration Budget for MMS, BLM, OSM, USGS, and USFS

Thank you, Mr. Chairman; I want to thank you for rescheduling this hearing today. We cannot understate the importance of our oversight mission, and we all appreciate the opportunity to examine the administration's budget and priorities.

JOBS

Mr. Chairman, as we end March our country continues to face near double-digit unemployment and we just lost an additional 36,000 jobs in February.

As I said last month, Americans all across the country are hoping that Congress will focus on job creation. Sitting before us are the federal agencies that could be the architects of the renewal of the American economy if we would only allow the private sector access to the energy and mineral resources that are trapped by either bureaucratic inaction or outright opposition. Unfortunately, the President's budget proposal only makes the development of our domestic resources more difficult.

DOI JOBS REPORT

A new report from the Department of Interior last month reported that 726,000 jobs are related to the energy and mineral development on our federal lands, more than half the jobs identified in the Department's report.

Furthermore, that report reaches a conclusion that many of us have known for a long time. I quote, "the [Department of the] Interior supported approximately \$370 billion in economic activity. Most of these revenues were produced by Interior's management of natural resources on Federal lands, including leasing mineral rights....significantly impact the national economy because they enable private industry to create wealth and jobs."

While it is true that our federal lands offer opportunities for the private sector to invest in the creation of new wealth for our nation and high paying jobs for our people. It is equally true that the Department can destroy jobs. Increased fees and taxes, limited access, regulatory and bureaucratic uncertainty all combine to stop development and job creation.

OCS

One example of job killing action is the failed development of a new 5 year OCS plan. It has been 21 months since the MMS initiated the development of a new 5 year OCS leasing plan.

That process normally takes 2 years, and yet we appear to be years from completion of a new plan. Although the Department extended the public comment period by 6 months, if media reports are accurate, they have actively worked to hide and ignore the results of the public's outcry in favor of more leasing.

Now, according to the Secretary a new plan will not be in place until 2012 at the earliest, meaning it is unlikely that a single lease will be offered in the former moratoria areas during the entire Obama administration.

In 2008, Congress acted in an open and bipartisan manner to end the moratorium on OCS leasing and open an additional 500 million acres of the OCS for leasing, exploration and development. Unfortunately, although the OCS holds tremendous promise to significantly impact the national economy by enabling private industry to create wealth and jobs, that opportunity is being stifled by delay and inaction from the Department.

STOPPING ALL-of-the ABOVE ENERGY

And it isn't just the OCS, in my home state of Colorado, just a few years ago we had 20 applicants for research leases for oil shale development. In the latest round of research leases, offered by this administration there were just 3, an 85% reduction in interest.

The administration has moved to limit solar activity to only 2% of the prospective lands in the Southwest, and that 2% is only a study area, not actual lands proposed or available for solar development.

Although the MMS has spent more than \$30 million on renewable energy, and is asking for an increase of \$24 million today, we have yet to see a single commercial lease for OCS wind activity. In fact, the one OCS wind project closest to approval will likely to be rejected next month.

In the current OCS 5 Year plan, the single sale off the Atlantic coast that was scheduled for 2011 now is unlikely to be held any earlier than 2012 or 2013, as a result of a letter from the Chairman of the Democratic Party, former Virginia Gov. Tim Kaine. Even more concerning is the Administration's disdain for conducting the environmental and seismic work necessary to conduct any new leasing in the OCS.

Onshore oil and gas leasing activity has reached record low levels, and leases once issued have been withdrawn or canceled by bureaucratic whim. Meanwhile, industry waits while the department considers radical changes to the current leasing process. Just last week, the Secretary committed to examine radical new lease conditions for onshore oil and gas that would expand federal control to state water management.

Numerous prospective coal mines across our country have been put on hold and workers lay idle while agencies debate jurisdiction and policy, meanwhile spending time finger pointing at each other for the cause of delay. To quote, West Virginia Governor Joe Manchin, "You can't produce energy this nation needs with that uncertainty."

CLOSE

As you know Mr. Chairman, we need not sit idly by and let the uncertainty and inaction of this administration rule the day. As the Department of the Interior says, we have the ability to significantly impact our national economy by enabling the private sector to create wealth and jobs by simply utilizing our natural resources. We have the ability to end the uncertainty and act to create jobs, secure our energy independence and generate revenue for the American treasury.

Once again, I want to thank you for rescheduling this hearing, I welcome our witnesses and I look forward to hearing their testimony. Mr. Chairman I yield back.

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