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H.S. House of Representatives Committee on Natural Resources Washington, DC 20515

October 14, 2011

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Sen. Patty Murray, Co-Chair Joint Select Committee on Deficit Reduction 448 Russell Senate Office Building Washington, D.C. 20510

Dear Co-Chairs Hensarling and Murray:

The Natural Resources Committee is committed to addressing our Nation's record debt and deficit levels and doing its part to contribute to the Joint Select Committee's efforts to cut at least \$1.5 trillion in federal government spending from Fiscal Year 2012 to Fiscal Year 2021. Our growing debt stands in the way of long-term job creation and our economic competitiveness. Real reductions in spending must occur now and they must be coupled with responsible policies to harness our natural resources in order to create jobs and increase federal revenue.

It is important to remember that in addition to making tough choices to reduce and prioritize spending, there are ways to generate new revenue without job-destroying tax increases. There is an opportunity to do just that with the policies and programs under this Committee's jurisdiction.

The Committee also believes it is essential that any recommendation reduce the deficit in a way that creates, not destroys, American jobs. With near double-digit unemployment and an economy that is still struggling, the negative economic impacts of any policy that would cost jobs far outweigh any benefit that would come from deficit reduction.

Based on these criteria, here are the recommendations to the Joint Select Committee on matters under the jurisdiction of the Natural Resources Committee:

• Energy Production in 1002 Area of ANWR. The North Slope of Alaska represents the single greatest potential for new American energy production. Developing less than three percent of ANWR's total acreage, in an area specifically set aside for oil and natural gas development, would provide access to an estimated 10.4 billion barrels of oil. This new energy production would create tens of thousands of jobs and generate hundreds of

billions in new government revenue over the life of production. Furthermore, advancements in technology allow us to safely and responsibly harness the energy resources with minimal environmental impact.

- Increased Offshore Energy Production. In 2008, both Congress and the President lifted the longstanding moratorium on new offshore drilling. Since January 2009, the vast majority of our offshore oil and natural gas resources have again been placed off-limits to new energy production through canceled and delayed offshore lease sales, as well as a refusal to include new areas in future leasing plans. Lifting this effective ban on new offshore drilling would create over a million new jobs and would generate billions in new federal revenue.
- Increased Onshore Energy Production. As with offshore public lands, there are vast amounts of energy resources onshore that are not being harnessed to benefit the American people. Energy production is an opportunity to create new jobs, generate new revenue, and strengthen our national security by reducing our dependence on foreign oil. We should do everything we can to unlock America's onshore energy resources and promote new production.
- Surplus Facilities and Federal Lands. On June 10, 2010, President Obama issued a memorandum directing federal agencies to identify and sell unneeded federal real estate. The President stated that doing so would "eliminate wasteful spending of taxpayer dollars." Following the President's lead, disposing of truly surplus facilities and non-essential federal lands would also generate new revenues, save taxpayer dollars and help reduce the Department of the Interior's operations and maintenance spending backlog. Our great National Parks and other lands prized by the American people can better be cared for if surplus, excess lands identified by the Department of the Interior and Forest Service, such as is done through the regular land use planning processes, are sold or transferred out of federal ownership.
- Increase Access to Resources on Public Lands. In addition to energy production, federal revenues can also be boosted through careful, safe and more active management of our timber and mineral resources on federal lands. Over-regulation blocks access to our resources and is harming our economic competitiveness. The federal government should pursue policies that create jobs and promote a balanced, multi-use approach to our public lands. By harnessing our vast natural resources in a safe, environmentally responsible way, we can create and keep jobs here in America, grow our economy and ensure that we are not dependent on foreign countries for the energy, minerals, water and timber resources that are vital to our economy.

Each of these recommendations would reduce the debt while still responsibly maintaining our commitment to protecting and caring for our federal lands. Taken together, these recommendations can help the Joint Committee to lower the national debt and get Americans back to work. They have received bipartisan support in the Congress and they merit your strong consideration.

Sincerely,

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Doc Hastings Jeff Duncan Glenn Thompson Scott Tipton Kristi Noem Bill Johnson Paul Broun John Fleming David Rivera Tom McClintock Paul Gosar Andy Harris **Bill Flores** Steve Southerland Mike Coffman Louie Gohmert John Duncan Jeff Denham Robert Wittman Don Young Doug Lamborn Rob Bishop Jeff Landry