

Chairman Gosar Opening Statement

Today, the Subcommittee will consider three bills related to onshore energy development on Federal lands: H.R. 2661, the State Mineral Revenue Protection Act; H.R. 2907, the Planning for American Energy Act; and H.R. 3565, the Federal Land Freedom Act. Each of these bills seeks to facilitate responsible onshore energy production and promote economic development and diversification in energy producing States across the country.

Under the Mineral Leasing Act, mineral revenues are to be shared evenly between the Federal Government and the States, with the exception of Alaska. However, the States have been forced to pay a 2 percent fee for the collection, valuation and disbursement of these revenues for many years. In fiscal year 2016, this fee amounted to approximately \$26 million in lost payments to the States.

Representative Cheney's State Mineral Revenue Protection Act, would enable States to manage the collection of these revenues without the Federal government serving as the middleman. This change in the law will eliminate the need for a Federally imposed administrative fee, enabling the States to maintain stewardship over their share of mineral revenues and utilize it for the benefit of their citizens.

HR 2907, the Planning for American Energy Act, sponsored by Representative Scott Tipton, would direct the Secretary of Interior to develop an all-of-the-above energy production strategy for onshore Federal lands. Oil, natural gas, coal and renewable energy resources each have an important role to play in achieving energy independence. Ensuring the nation's long-term energy security will depend heavily on the safe and responsible development of these resources, along with the requisite investments in innovative technologies.

Federal regulations pertaining to onshore energy resources are fraught with inefficiencies and redundant requirements. Without a coherent strategy for developing energy resources on public lands, these impediments will continue to hamper production and threaten our energy security. H.R. 2907 seeks to address these challenges by implementing the Quadrennial Federal Onshore Energy Production Strategy. This strategy, to be published every 4 years, would identify specific actions the Federal government should take to meet the nation's long-term energy needs.

Finally, the Federal Land Freedom Act, HR 3565, sponsored by Representative Diane Black, would allow States to seek primacy for the implementation of federal leasing, permitting, and regulatory responsibilities for oil and gas development on Federal lands within their borders. The Federal government has imposed a one-size-fits-all regulatory scheme for oil and gas development that fails to recognize the unique geography, resources and environmental challenges of each State. For too long, duplicative environmental reviews, frivolous protests and unnecessary permitting delays at the Federal level have discouraged producers from developing Federal lands.

Meanwhile, the States have developed extensive regulatory frameworks for permitting oil and gas development on State lands. H.R. 3565 would allow the States to assume primacy over the regulation of oil and gas development on Federal land, eliminating the uncertainty and

significant costs associated with the Federal regulatory process. Moreover, allowing the States to assume these responsibilities will enable the BLM to focus on the agency's core mission of managing Federal lands.

Today, the Subcommittee will hear from witnesses who will provide valuable insight regarding the States' ability to manage regulatory programs governing onshore oil and gas development on Federal lands, as well as their ability to collect mineral revenues produced on those lands. We will also discuss the benefits that the oil and gas industry provides for the States and how the Federal government can better plan for future energy needs.