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**Testimony Before the House Natural Resources Committee,  
Subcommittee on Oversight & Investigations**

***Transforming the Department of the Interior for the 21st Century*  
December 7, 2017**

Western Energy Alliance strongly supports efforts to move certain bureaus of the Department of the Interior (DOI) out West, especially the Bureau of Land Management (BLM). However, we do have some concerns with some DOI reorganization issues that are being floated, namely regions based on ecosystems or watersheds, and a rotating or multi-bureau, integrated command structure.

Western Energy Alliance represents over 300 companies engaged in all aspects of environmentally responsible exploration and production of oil and natural gas in the West. The Alliance represents independents, the majority of which are small businesses with an average of fifteen employees. With 700 million acres of the federal mineral estate managed by BLM, the vast majority of which is located in the West, it is nearly impossible to operate in the West without coming into contact with the Bureau of Land Management, even when operating mainly on private lands.

#### **I. Locating BLM in the West**

Western Energy Alliance strongly supports moving BLM to the West, closer to the lands it manages. The vast majority of the 245 million acres that BLM directly manages and the 700 million acres of federal mineral estate it administers are in the West, as should BLM be.

Because of the large footprint of federal lands in the West, BLM decisions disproportionately affect westerners, whether they live in rural communities that derive large portions of their economic sustenance from public lands or in western cities like Denver, where we regularly travel to public lands to recreate. Decisions that are usually made at the local level, such as those regarding municipal water supplies, county roads, hiking trails, and wildland-urban interface management inevitably involve BLM in the many towns and counties predominated by public lands. These issues are better made jointly with a BLM that is locally integrated with communities, rather than in Washington, D.C.

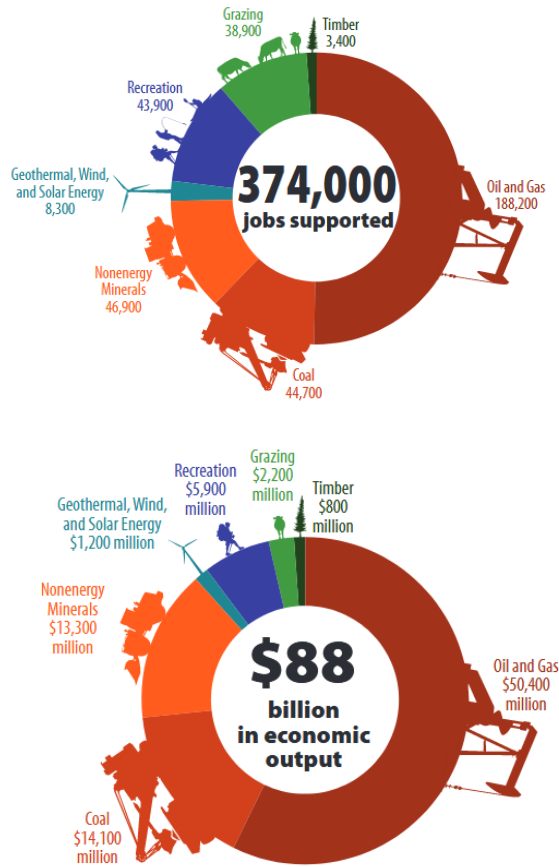
Many western counties' economies are highly dependent on productive uses of multiple-use public lands. BLM decisions regarding grazing, mining, energy development and recreation affect the economies of western states, counties and cities more than in other parts of the country. For example, Rio Blanco County in northwest Colorado consists of 75% federally managed lands and receives 90% of its tax assessment from oil and natural gas. Decisions BLM makes regarding oil and natural gas development on federal lands are very important for Rio Blanco, yet it has struggled with obstruction from BLM in Washington D.C.<sup>1</sup> A BLM located in Grand Junction, Boise or Salt Lake City would be much closer to the land, issues and people affected by BLM decisions.

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<sup>1</sup> Testimony of Rio Blanco County Commissioner Shawn Bolton before the House Committee on Natural Resources, Subcommittee on Energy and Mineral Resources, [\*Effect of the President's FY2012 Budget and Legislative Proposals for the Bureau of Land Management \(BLM\) and the U.S. Forest Service's Energy and Minerals Program on Private Sector Job Creation, Domestic Energy and Minerals Production and Deficit Reduction\*](#), April 5, 2011.

The fact is illustrated by BLM’s report *The BLM: A Sound Investment for America 2016*. While the title rankles, as BLM isn’t the sound investment, it’s the thousands of small businesses such as energy companies, ranchers, outfitters, and others who make investments on public lands that create the 374,000 jobs and \$88 billion in economic output claimed by the report. However, the numbers are instructive.

### Economic Contributions from BLM-Managed Lands



Fiscal Year 2015

The 31 eastern states generate a mere \$1.5 billion (1.7%) of that economic impact and just 5,000 (1.3%) jobs, with western states providing over 99% of both.<sup>2</sup> Looking at it even more simply, the vast majority of public lands are in the West, with just 1.2 million in the eastern states. Western states have huge proportions of public lands, ranging from a “low” of 30% in Montana to a high of 85% in Nevada. (See attached map.)

## II. Regional Alignment

While Western Energy Alliance is very supportive of efforts to move BLM and make it more efficient, we are skeptical of efforts to change BLM from a mostly state-based organization to one based on ecosystems or watersheds. While little information has been released publicly, the notion of organizing BLM in such a way smacks of the BLM planning 2.0 rule that Congress overturned earlier this year under

<sup>2</sup> [The BLM: A Sound Investment for America 2016](#).

the Congressional Review Act. A reorganization based on ecosystems or watersheds sounds remarkably like the “landscape-level” planning that Congress rejected.<sup>3</sup>

The desire to manage natural resources by ecosystems and protect watersheds is of course a noble goal which we all share. Wildlife and rivers don’t respect state borders, but our Constitution does, and it does so within a federalist structure that allows us to think at the larger scale but within a democratic system that balances the needs of people and the environment. Congress overturned the BLM Planning 2.0 rule for this and other reasons. The Interior Department should not erect it in a new guise.

The best structure for the BLM is the current one, based largely on states. My experience with good BLM State Directors is that they work across state lines, share information, and coordinate ways to protect shared resources across borders while still tailoring management to unique conditions on the ground. The Washington office can also play a role in ensuring coordination among the states, such as providing standards for protecting similar resources and ensuring resource management planners on each side of state borders share ideas, templates, data and solutions.

Another issue with moving from largely state-based offices to watersheds is the problem of division, with multiple regions in one state. Suddenly a state governor has to deal with multiple DOI/BLM regions rather than just one. Conversely, with multiple states in one region, the influence of any one governor is diluted, disrupting our constitutionally mandated system of federalism.

Another problem with grouping states became clear a few years back when BLM floated the idea of combining New Mexico and Arizona. Western Energy Alliance was very concerned about Arizona BLM officials suddenly in charge of New Mexico BLM, as the natural resource concerns of both states are so different. Arizona has virtually no oil and natural gas development, and thus, no experience managing it. Yet oil and natural gas is an extremely important for New Mexico, providing a third of its government revenue, a large portion of which is generated from public lands. The fact that leaders on both sides of the aisle, Congressmen Steve Pearce (NM) and Paul Gosar (AZ) and both New Mexico’s Democratic senators, opposed and ultimately stopped the merger indicates there would likewise be a great deal of resistance to a reorganization of DOI and BLM that doesn’t respect state boundaries.

Of course, having too many state offices is not efficient for overall BLM management either. The current BLM state office structure remains sound. States with a critical mass of public lands, roughly 30% or more, have discreet BLM offices, while proportionally smaller public lands states are attached to larger ones where it makes sense, such as the New Mexico state office covering Texas, Oklahoma and Kansas as well. Obviously, with so few acres (1.2 million) scattered across 31 eastern states, it remains prudent to continue to group them all in an Eastern States office.

### **III. Rotating Command Structure**

Finally, I am concerned about potential plans for a rotating command structure, similar to a unified command structure in the military. I, like Secretary Zinke, am a veteran, and have seen how joint commands work. But the military is very different from civilian agencies like Interior. The military services are all very mission focused, with the ultimate shared goal of defending America; their means to do so are different but complementary, but even so, tensions do arise.

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<sup>3</sup> [Subcommittee Oversight Hearing on the Bureau of Land Management’s Planning 2.0 Initiative](#), Senate Energy and Natural Resources Subcommittee on Public Lands, Forests and Mining, June 21, 2016.

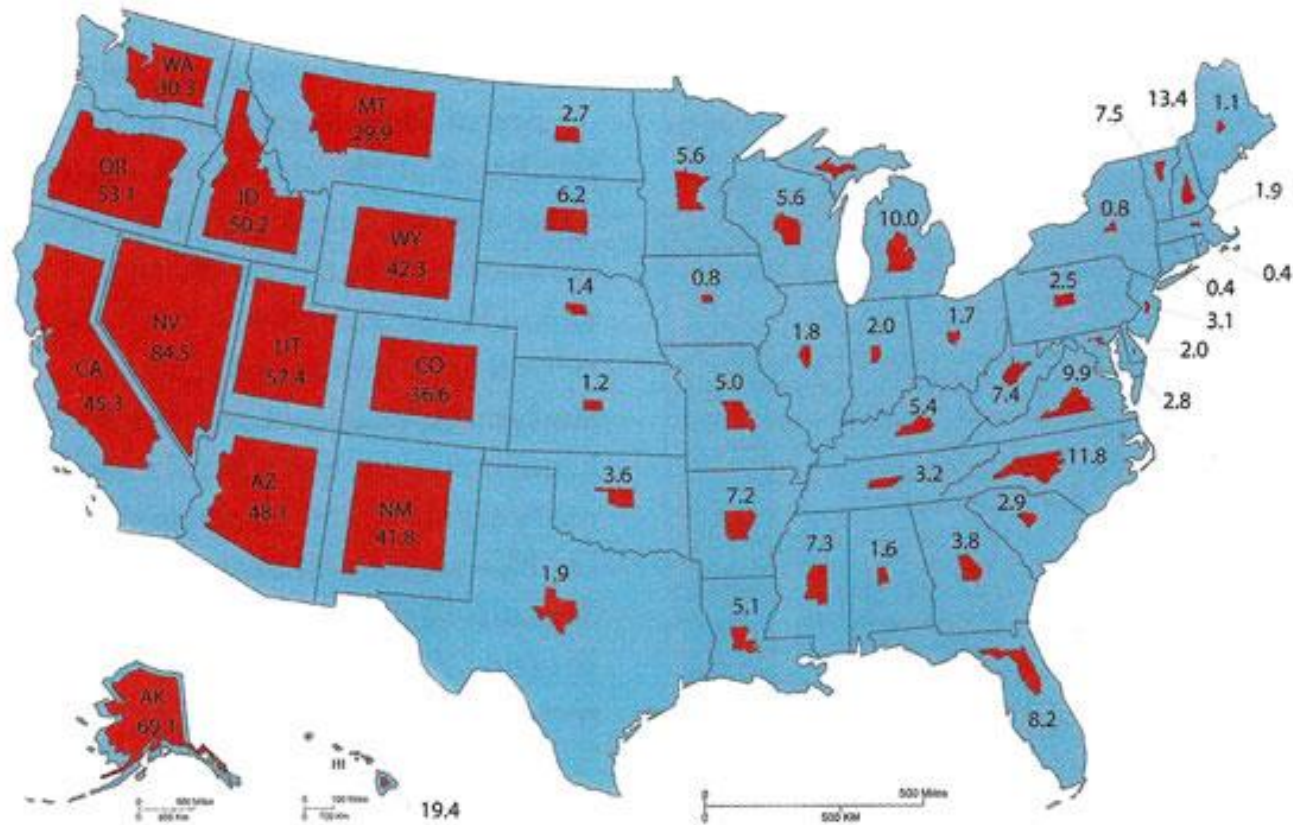
Not so with the Interior Department. The bureaus that comprise DOI have very different missions, and many are largely process oriented versus goal directed. Many of the mission statements are inherently conflicting. The National Park Service (NPS) has a conservation-only mission, whereas BLM's mission is multiple-use management. Some BLM lands are appropriate for conservation only and are managed accordingly, but the vast majority are working landscapes appropriate for grazing, mining, energy development and other productive uses. An NPS leader, who has an inherent conservation-only mindset, should not have a veto over multiple-use land management decisions on BLM lands, and vice versa.

We have an example of a bureaucratic alignment to put multiple agencies together which, I believe, does not necessarily bode well for a joint command structure. The Energy Policy Act of 2005 put in place seven pilot offices with the goal of improving oil and natural gas permit processing. Some of the offices brought together Forest Service, Fish & Wildlife Service and other agency personnel involved in some way in the permitting process. Although permitting times improved for a few years after implementation of the pilot offices, the bureaucratic rearrangement did not really foster more efficiency, and permitting timelines have crept steadily upward. In some offices, we found the addition of other agency personnel actually reduced efficiency, as it seemed that the staff from the other agencies thought up new requirements to justify their existence in the pilot offices. It was a warning that reorganization can just lead to more bureaucracy and not necessarily greater efficiency.

As with the ideas on a non-state-based regional structure, I am not aware that details of a joint command structure with rotating bureau leads have been released. Perhaps I'm drawing conclusions from the scant information that has been shared publicly. I hope that Secretary Zinke and this committee will consider the issues I've raised as reorganization ideas are fleshed out. I welcome the opportunity to work constructively on reorganization.

# WHO OWNS THE WEST?

Federal Land as a Percentage of Total State Land Area



Data source: U.S. General Services Administration, *Federal Real Property Profile 2004*, excludes trust properties.

# Total Economic Output and Jobs for Fiscal Year 2015

## National Totals\*

### Oil and Gas:



### Coal:



### Nonenergy Minerals:



### Geothermal, Wind, and Solar:



### Recreation:



### Grazing:



### Timber:



### Jobs:



\* National totals may differ from the sum of individual state numbers because they take into account activity across state borders and average industry productivity across states.



