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Background for House Natural Resources Committee Hearing on Examining the President's FY 2024 Budget Request for the Department of the Interior on April 19, 2023

SUMMARY: As House Republicans gear up to attack Interior Secretary Deb Haaland and President Biden's conservation progress, three key facts to keep in mind:

Republicans have no solutions:

• Rep. Andy Biggs, introduced bills to advance his and other MAGA Repulican's agenda to arbitrarily and recklessly slash critical funding to improve permitting on public lands and would erase progress towards American energy independence from the Inflation Reduction Act.

The Oil Industry is thriving:

- Industry is rolling in record-breaking profits with a handful of companies doubling their income to **\$451 billion total profits.**
- The same big oil corporations are rewarding shareholders with **\$163 billion in dividends and stock buybacks** while sitting on approved federal drilling permits.

House Republicans have 47 million reasons to represent Big Oil and Gas:

• House Republicans who attack Secretary Haaland and President Biden's conservation of America's public lands received **\$47 million in campaign contributions** as a caucus over the course of their congressional careers.

Republicans offer incompetent alternatives that would exacerbate permitting and budget problems at the expense of America's public lands

Extremist Republicans' efforts to cap discretionary spending would claw back permitting improvements and hamper public lands management agencies.

<u>One such proposal: Republican Rep. Andy Biggs introduced a barrage of bills to</u> <u>"rein in spending" and "eliminate" programs to advance MAGA "Freedom Caucus</u> <u>demands."</u>

Rep. Andy Biggs introduced 521 bills to slash funding in line with MAGA "Freedom Caucus Demands." "The bills are "in line with Freedom Caucus demands to cut \$100 billion in spending in fiscal 2024." [Roll Call, <u>04/04/23</u>] • Rep. Andy Biggs says his bills would "rein in spending" and "eliminate" some programs. "Today, Congressman Andy Biggs (R-AZ) released bill text for more than 500 bills that reduce nondefense discretionary spending to pre-COVID levels. Together, these bills save the nation roughly \$100 billion in fiscal year 2024 and \$1 trillion over a decade. [...] 'The Washington Uniparty has torpedoed our economy,' said Congressman Andy Biggs. 'It's long past time to rein in spending and eliminate wasteful spending programs." [Andy Biggs press release, 04/04/23]

Rep. Andy Biggs's bills would clawback permitting improvements from the Inflation Reduction Act.

The Inflation Reduction Act (IRA) allocated \$1B to make "permitting and energy infrastructure more efficient and effective." The IRA investments to improve permitting include \$350 Million for the Federal Permitting Improvement Council, \$30 million for the Council on Environmental Quality, and \$625 million to other federal agencies. [Inflation Reduction Act Guidebook, 01/01/23 pp. 182-183]

- Rep. Andy Biggs introduced H.R. 2113, which would "provide for a limitation on availability of funds for Independent Agencies, Federal Permitting Improvement Steering Council, Environmental Review Improvement Fund for fiscal year 2024." [Library of Congress, accessed <u>04/12/23</u>]
- Rep. Andy Biggs introduced H.R. 2215, which would "provide for a limitation on availability of funds for Related Agencies, Executive Office of the President: Council on Environmental Quality and Office of Environmental Quality for fiscal year 2024." [Library of Congress, accessed <u>04/12/23</u>]

Proposed cuts would hamper public lands management and Interior's ability to generate revenue.

Rep. Andy Biggs Introduced 36 bills to limit funding for the US Department of the Interior and its agencies. [Library of Congress, accessed <u>04/11/23</u>]

The Interior Office of Natural Resources Revenue collects \$10 billion in annual revenue, "one of the federal government's largest sources of non-tax revenue." [ONRR, accessed <u>04/12/23</u>]

• Rep. Andy Biggs introduced H.R. 2215, which would "provide for a limitation on availability of funds for U.S. Department of Interior, Office of Natural Resources Revenue for fiscal year 2024." [Library of Congress, accessed <u>04/12/23</u>]

Extremist Republicans' spending cuts would hurt Interior's ability to provide US production

Cuts would "derail permitting for energy," including oil and gas development.

Interior Secretary Deb Haaland says republican budget cuts "would have very real and damaging impacts." "Cuts on this scale would have very real and damaging impacts on our families, our communities, our economy, and competitiveness undermining a broad range of critical services the American people rely on in their everyday lives." [Sec. Haaland letter, <u>03/17/23</u>]

Interior Secretary Deb Haaland says that republican cuts would undermine Interior's ability to implement oil and gas lease sales. "Proposed cuts would reduce base program funding and staffing needed to implement the oil and gas reforms and directed lease sales in the IRA, which require updates to Interior's leasing regulations and policies, as well as planning and environment studies to implement. The IRA did not provide additional funding for implementation." [Sec. Haaland letter, <u>03/17/23</u>]

Interior Secretary Deb Haaland says that republican spending cut proposals would derail Interior's ability to oversee permitting for energy projects, including oil and gas development. "The cuts would also impact BLM's onshore oil and gas leasing operations and inspection activities. The BLM currently has more than 26.6 million acres of land leased for oil and gas production, manages roughly 34,400 Federal onshore leases, and conducts roughly 30,000 inspections each year across 32 States. The proposed cuts would impact oil and gas inspection activities onshore and offshore, increasing public safety and health risks, and delay work needed to maintain oil and gas programs. 5 The House proposed reductions will significantly derail permitting for energy and other infrastructure projects funded and incentivized in the BIL and IRA legislation. With the proposed cuts Interior could not support permitting for this increased activity. [Sec. Haaland letter, <u>03/17/23</u>]

The oil industry is thriving under the Biden administration with record profits and a stockpile of unused public lands drilling permits.

<u>Oil industry profits are skyrocketing with most oil majors doubling their</u> income while US consumers pay the price.

A handful of big oil corporations made \$451B in profits in 2021.

In 2022, big oil corporations saw profits totaling \$451 billion. "Twenty-six of the nation's largest oil companies made a record-breaking \$451 billion last year, according to a new comprehensive analysis released by Accountable.US today. Big Oil giants like BP, Shell, and Chevron more than doubled their net income from the previous year, and smaller companies like Murphy Oil And Southwestern Energy saw increases of 1,410% and 7,496%, respectively. [Accountable.US, 03/06/23]

The oil and gas industry used its record-breaking profits to reward shareholders with \$163 billion.

The same big oil corporations used those profits to return \$163B to shareholders. The oil and gas companies consistently prioritized shareholder returns over alleviating the pressure of high energy prices. Much of their earnings went straight to dividends and share buybacks, and executives assured shareholders that this would remain a "priority" in the years to come. In total, the same oil and gas companies gave \$163

billion to wealthy shareholders in 2022 through dividends and stock buybacks." [Accountable.US, 02/24/23]

<u>Onshore oil and gas permitting and production are up under the Biden</u> <u>administration.</u>

The US produced more oil in 2022 from federal onshore sites than any time in the past decade.

Oil production on public lands is higher under the Biden Administration than it ever was under the Trump administration. "In 2022, federal onshore oil production was over 110 million barrels higher than its peak under the Trump administration. In fact, US federal onshore oil production is currently higher than all four years of the Trump administration." [Accountable.US, <u>03/08/23</u>]

In early 2023, the oil industry was sitting on a "war chest" of over 8,000 unused but approved public lands drilling permits. "...the Biden administration more than doubled its approved permits to drill in 2022 compared to every year of Trump's presidency. This bump is even considering how Big Oil stockpiled a "war chest" of permits ahead of Biden taking office that continue to sit unused." [Accountable.US, <u>03/08/23</u>]

One possible reason for Republicans putting Big Oil and Gas polluters over everyday Americans?

\$47 million in campaign contributions from the oil and gas industry.

House Republicans have taken a total of \$47 million in O&G industry contributions.

The oil and gas industry has given \$46,995,088 to Republicans currently in the U.S. House of Representatives since the start of their careers. An analysis of data from the Center for Responsive Politics's Open Secrets website shows that current members of the House Republican caucus have taken **\$46,995,088** from the oil industry in campaign contributions. [Open Secrets, accessed <u>04/12/23</u>]