Interior Department Announces Second Consecutive Year of Growth in Energy Revenues as FY 2018 Disbursements Climb to $8.93 Billion

Increase of $1.82 billion is further testament to success of President Trump’s strategy for American energy dominance

WASHINGTON – U.S. Secretary of the Interior Ryan Zinke announced today that Interior’s Office of Natural Resources Revenue (ONRR) disbursed $8.93 billion in Fiscal Year 2018 from energy production on federal and American Indian lands and offshore areas. That figure represents an increase of $1.82 billion over the previous year.

“President Trump’s energy dominance strategy is paying off and local communities across America are the beneficiaries,” said Zinke. “Trump Administration policies like reforming and reducing regulatory burdens and broadening access to the nation’s oil, gas and coal resources, have made America the largest oil and gas producer in the world. For a second year, energy disbursements are up, this year by $1.82 billion, for a total of $8.93 billion that will be shared with states and Tribes. This critical source of funding will be used for educational and infrastructure improvements and land and water conservation projects, and to create good-paying American jobs.”

Often the second-highest generator of federal income following taxes, energy revenue disbursements are a critical source of funding to states, American Indian Tribes and individual Indian mineral owners, as well as to the Land and Water Conservation Fund, Reclamation Fund, Historic Preservation Fund and the U.S. Treasury.

ONRR disbursed more than $1.78 billion of the FY 2018 energy revenues to 35 states as their cumulative share of revenues collected from oil, gas and mineral production on federal lands within their borders and from offshore oil and gas tracts in federal waters adjacent to their shores. The top states receiving FY 2018 revenues were:

- New Mexico $634.9 million
- Wyoming $563.9 million
- Colorado $112.5 million
- Louisiana $91 million
- Utah $76 million
In addition to state disbursements, more than $1 billion was disbursed to American Indian tribes and individual Indian mineral owners; $1.22 billion to the Reclamation Fund; $893 million to the Land and Water Conservation Fund (LWCF); over $76 million from Gulf of Mexico Energy Security Act (GOMESA) revenues to the LWCF; $150 million to the Historic Preservation Fund; and the remaining $3.5 billion to the U.S. Treasury. These disbursements included a substantial increase to funds going to the LWCF and U.S. Treasury from Phase II revenue sharing under GOMESA, which took effect in FY 2017. The GOMESA portion of the LWCF disbursement -- $76 million -- remains available until expended; the $893 million regular LWCF distribution for FY 2018 must be used within three years. The Gulf producing states and coastal political subdivisions will receive their disbursements of FY 2018 qualified revenues in FY 2019, as required by the legislation.

The revenues disbursed to the 32 federally recognized American Indian tribes and nearly 30,000 individual Indian mineral owners represent 100 percent of the revenues received for energy and mineral production activities on Indian lands. Most revenues are disbursed through the Interior Department’s Bureau of Indian Affairs and the Office of Special Trustee for American Indians. Some Indian tribes have direct payment authorization from the Department of Interior and receive their energy and mineral revenues directly through an established lockbox deposit account. Tribes use these revenues to develop infrastructure, provide healthcare and education, and support other critical community development programs, such as senior centers, public safety projects, and youth initiatives.

The $8.93 billion disbursed in FY 2018 is $1.82 billion higher than the $7.11 billion the Department disbursed in FY 2017. The increase in disbursements is primarily attributed to higher oil prices and demand caused by an improved economy, expedited permitting, streamlined regulations, and the growth in exports.

All federal, non-renewable energy revenues are collected, accounted for, analyzed, audited and disbursed by ONRR from energy and mineral leases and other monies owed for the use of public resources on the U.S. Outer Continental Shelf and onshore federal and American Indian lands. Since 1982, ONRR has disbursed more than $302 billion in mineral leasing revenues. ONRR makes most disbursements on a monthly basis from the royalties, rents and bonuses it collects from energy and mineral companies operating on federal lands and waters.

A complete list of states receiving revenues and FY 2018 disbursement data will be available on the Natural Resources Revenue Data portal located at https://revenuedata.doi.gov/.

The Land and Water Conservation Fund Act of 1964 invests in projects that help strengthen communities, preserve American history and protect national endowments of lands and waters. The Reclamation Fund, which Congress established in 1902, funds the development of irrigation projects on arid and semiarid lands of the 17 western states. The Historic Preservation Fund provides matching grants to state and Tribal historic preservation offices to pay for surveys of historic resources, training, nominations to the National Register of Historic Places, and preservation grants to local jurisdictions.