

Energy Revenues and Disbursements Soar Under the Trump Administration

Revenues and Disbursements Nearly Double FY 2016 Totals

10/24/2019

Last edited 10/24/2019

Date: October 24, 2019

Contact: Interior_Press@ios.doi.gov

WASHINGTON — U.S. Secretary of the Interior David Bernhardt announced today that the Department of the Interior’s Office of Natural Resources Revenue (ONRR) disbursed \$11.69 billion in Fiscal Year (FY) 2019 from energy production on federal and American Indian-owned lands and offshore areas. This represents a \$2.76 billion increase in comparison to FY 2018, and is nearly double the disbursements allocated at the end of the previous Administration at \$6.23 billion for FY 2016.

States received \$2.44 billion in disbursements, and more than \$1 billion was disbursed to American Indian Tribes and individual Indian mineral owners. In addition, \$1.76 billion went to the Reclamation Fund; \$1.0 billion to the Land and Water Conservation Fund (LWCF); \$150 million to the Historic Preservation Fund; and the remaining \$5.35 billion to the U.S. Treasury.

“The President believes we can appropriately develop our natural resources and be great stewards of conservation,” **said Secretary Bernhardt**. “The disbursements paid to states and Tribes from energy development revenues go right back to the communities where the energy was produced, providing critical funding for schools, public services, conservation improvements, and infrastructure projects that create good-paying American jobs.”

Total revenues collected last year increased by 31 percent to approximately \$12 billion, continuing a successful upward trend for the Trump Administration. 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 \$2.44 billion of the FY 2019 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 increase in disbursements is primarily attributed to higher production volumes in both oil and natural gas, which more than offset the marginal price decrease, creating an overall increase in ONRR disbursements.

New Mexico received the highest disbursement in FY 2019, and it is the greatest allocation received in the state's history at \$1.17 billion. The top states receiving FY 2019 revenues were:

- New Mexico \$1.17 billion
- Wyoming \$641.11 million
- Colorado \$108.05 million
- Louisiana \$101.33 million
- North Dakota \$93.65 million
- Utah \$71.69 million
- Texas \$65.12 million
- California \$47.27 million
- Alabama \$34.04 million
- Mississippi \$33.18 million
- Montana \$29.99 million
- Alaska \$25.91 million

The more than \$1 billion disbursed to American Indian Tribes and individual Indian mineral owners is more than double the disbursements paid in FY 2016. The revenues disbursed to the 33 federally recognized American Indian

tribes and approximately 37,000 individual Indian mineral owners represent 100 percent of the revenues received from energy and mineral production activities on Indian lands. 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.

In evaluating the overall impact of energy development on public lands, the Department of the Interior (Department) released an economic impact report for FY 2018. From the report, oil and gas produced from Department-managed public lands and waters supported an estimated \$85.4 billion in value added, \$139 billion in economic output, and 607,000 jobs. Coal produced from Department-managed public lands supported an estimated \$6.5 billion in value added, \$11.5 billion in economic output, and 36,000 jobs.

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 \$314.7 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 2019 disbursement data will be available on the Natural Resources Revenue Data portal located at <https://revenuedata.doi.gov>.

Energy accomplishments under the Trump Administration

In assessing all domestic production sources, the United States is now the world leader in oil and natural gas production with crude oil production having reached a record high last year and is projected to reach another record high this year. Crude oil exports reached a record average of 2 million barrels per day last year, and have averaged a record 2.8 million barrels per day so far this year. Natural gas production is on pace to set a record high in 2019, which would be the third straight year of record production, and in 2018, coal exports reached their highest level in 5 years.

Removing burdensome and unnecessary regulations have spurred economic growth across the country, and consequently, applications for permits to drill

(APD), which allow for drilling on public lands, have increased by 300 percent since FY 2016. Even with this significant increase, the Department has implemented processes to streamline the application and approval process. The time needed to complete an APD under the previous administration took an average of 257 days, while it now takes 108 days to complete the processing.

From these changes and many others, energy development continues to flourish, but it is important to note that the production has taken place using the least amount of public acreage since this data was collected in 1985.

The growth of the energy sector is in part attributable to policy changes made under President Trump's leadership. The Department has made several policy and administrative changes, directly supporting responsible energy development on public lands in accordance with President Trump's Executive Order 13807: Establishing Discipline and Accountability in the Environmental Review and Permitting Process for Infrastructure Projects. The Department issued Secretary's Order 3355 in accordance with this executive order, which implemented a new, streamlined process for infrastructure and energy projects.

The Order requires that environmental impact statement (EIS) documents be completed in one year and in less than 150 pages with exceptions for those that are unusually complex or in coordination with other Federal agencies. Additionally, to achieve improved efficiency without sacrificing any science, quality, or legal sufficiency, the Department's Solicitor's Office is involved in each EIS from day one, and DOI's Bureaus review each EIS in a concurrent briefing format rather than linearly. This has reduced EIS timelines by nearly a year per project.

###

The Land and Water Conservation Fund Act of 1965 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.