Trump Administration Disburses More than $8 Billion from 2020 Energy Production

WASHINGTON - U.S. Secretary of the Interior David L. Bernhardt announced today that Interior’s Office of Natural Resources Revenue (ONRR) disbursed $8.08 billion in Fiscal Year 2020 from energy production on offshore areas and federal and American Indian lands. Despite this year’s pandemic, this still represents an increase of approximately 30% compared to 2016 disbursements made at the end of the previous Administration.

“President Trump signed the single largest investment in our public lands with the Great American Outdoors Act, which was historic in fully and permanently funding the Land and Water Conservation Fund. Revenues from energy production provide the funding for the LWCF, supporting critical conservation needs across the country,” said Secretary Bernhardt. “Importantly, these disbursements also go right back to the states and Tribes where the energy was produced, providing critical funding for schools, public services, conservation improvements and infrastructure projects that 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 $1.81 billion of the FY 2020 energy revenues to 34 states. This revenue was collected from oil, gas and mineral production on federal lands within the states’ borders and from offshore oil and gas tracts in federal waters adjacent to their shores.
For the third straight year, New Mexico received the highest disbursement of all states and received the second highest amount in its history at approximately $707 million. The top states receiving FY 2020 revenues were:

- New Mexico
  - $706.96 million
- Wyoming
  - $457.47 million
- Louisiana
  - $159.09 million
- Texas
  - $99.36 million
- North Dakota
  - $66.72 million
- Colorado
  - $57.12 million
- Utah
  - $53.90 million
- Mississippi
  - $53.07 million
- Alabama
  - $50.29 million
- California
  - $36.92 million
- Alaska
  - $21.04 million
- Montana
  - $20.58 million

In addition to state disbursements, $1 billion was disbursed to American Indian Tribes and individual Indian mineral owners; $1.05 billion to the Reclamation Fund; $980 million to the Land and Water Conservation Fund (LWCF); $150 million to the Historic Preservation Fund; $208 million to federal agencies; and $2.88 billion to the U.S. Treasury. The Gulf producing states and coastal political subdivisions will receive disbursements of FY 2021 qualified revenues in FY 2022, as required by the legislation.

Offshore oil and gas revenues are the primary source of funding for the LWCF, and on August 4, 2020, President Trump signed the Great American Outdoors Act (GAOA) into law. The
GAOA guarantees the permanent and full funding of the LWCF at $900 million per year to invest in conservation and recreation opportunities across the country.

The revenues disbursed to the 33 federally recognized American Indian tribes and approximately 31,000 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’s Bureau of Indian Affairs and the Bureau of Trust Funds Administration. Some Indian tribes have direct payment authorization from 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.

All federal, non-renewable energy revenues are collected, accounted for, analyzed, audited and disbursed by ONRR. These revenues are generated 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 $322.78 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 2020 disbursement data is available on the Natural Resources Revenue Data portal online.

Background

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.

About the U.S. Department of the Interior

The Department of the Interior conserves and manages the Nation’s natural resources and cultural heritage for the benefit and enjoyment of the American people, provides scientific and other information about natural resources and natural hazards to address societal challenges and create opportunities for the American people, and honors the Nation’s trust responsibilities or special commitments to American Indians, Alaska Natives and affiliated island communities to help them prosper.