

The Honorable Sally Jewell
Secretary
United States Department of the Interior
1849 C Street, NW
Washington, DC 20240

RE: Mineral Leasing Act (MLA) Payments to States under Sequestration

September 27, 2013

Dear Secretary Jewell:

On behalf of the Executive Committee of the Energy Producing States Coalition (EPSC), we wish to thank you for your letter, received August 27, 2013, which stated, “based upon a legal review of the underlying MLA statutory authority, the amounts sequestered in FY 2013 from MLA payments will become available for payment in FY 2014.” EPSC is encouraged to see that the Department of the Interior agreed with our request to follow existing precedent and return the nearly \$110 million in federal mineral revenues owed to the states.

As you know, EPSC is a bipartisan group of state legislators working together to develop positions on matters of common interest to energy producing states and advocate for sound public policy on issues that affect domestic energy production and transmission. The group was founded in 2011 and currently includes legislators representing Alaska, Arizona, Colorado, Idaho, Indiana, Mississippi, Nevada, North Dakota, Ohio, Oklahoma, Texas, Utah, Wisconsin and Wyoming.

Your letter also stated, “Assuming no further legislative changes affecting these payments are enacted in the interim, we will work expeditiously to make the sequestered amounts available to the affected states as part of our regular monthly payment process in FY 2014.” It is our expectation that under your direction, the Office of Natural Resources Revenue will return the nearly \$110 million back to the states as early within FY 2014 as possible.

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At the same time, EPSC hopes to work with you and the Department as well as Congressional leadership, in crafting a legislative fix so that similar situations do not happen again in the future. The proposed, “*State Mineral Revenue Protection Act*” is necessary legislation that would ensure that mineral revenue for natural resource development on public lands would be paid directly to those states it is owed. EPSC believes that withholding state mineral revenue payments under any circumstance is inappropriate and supports Congressional action to eliminate the possibility of any future occurrence. We believe that this legislation is the best long-term solution and would encourage you, the Interior Department and the Obama Administration to work with Congressional leaders to ensure its passage.

Thank you again for your letter in support of the EPSC position and we look forward to continuing to work with your Department on public policy initiatives to strengthen domestic energy production.

Sincerely,



Representative Roger Barrus
Utah State Legislature
Chairman, EPSC



Speaker Thomas Lubnau
Wyoming Legislature
Immediate Past Chairman, EPSC



Senator Cathy Giessel
Alaska Legislature
Chairman-Elect, EPSC

CC: The Honorable Sylvia Burwell, Director, Office of Management and Budget