



# News Release

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## **BLM announces disposal process for Federal Helium System**

**Amarillo, Texas** – The Bureau of Land Management today announced the process and timeline by which remaining helium and helium assets will be disposed of in order to meet the requirements of the Helium Stewardship Act of 2013. In accordance with that law, the BLM will no longer manage the Federal Helium System (including the Federal Helium Reserve) as of Sept. 30, 2021.

Any excess helium and helium assets remaining on that date will be transferred to the General Services Administration (GSA), which will follow its statutory disposal process. Federal In-Kind users will continue to have access to helium until September 30, 2022, while the GSA completes their disposal process. This will also allow the BLM to continue operations until such time as all privately owned helium is produced from the field (about 2023).

“For more than a century, the U.S. Government has played a vital role in meeting helium needs for the country—especially for Federal agencies that depend on helium for scientific research, aerospace projects, and defense purposes,” **said BLM Deputy Director for Policy and Programs William Perry Pendley.** “Now it is time for the U.S. government to remove itself from the helium business and allow the private sector to further develop this industry to meet the supply needs of the United States, creating a sustainable economic model and jobs for Americans.”

The U.S. Government’s interest in helium first began during the Civil War, when lighter-than-air helium was used to lift military scouting devices high above battlefields, and grew during World War I. Recognizing this important military use for the second most common element in the universe, the Mineral Leasing Act of 1920 reserved all helium produced on Federal lands to the Federal government – a reservation that remains in effect today.

After World War II, Federal use of helium shifted toward space exploration. The 1960 Helium Act Amendments changed the program’s mandate from exclusive government production of helium to conservation, by encouraging private natural gas producers to sell extracted crude helium to the Federal Government for storage in the Bush Dome Reservoir. This operation would eventually provide more than 40 percent of our domestic demand for helium.

The Federal Helium Reserve (Reserve), located near Amarillo, Texas, is currently the only helium storage facility in the world. The Reserve has sold crude helium to private companies and indirectly supplied helium to Federal users since 1996, and provided refined helium beginning in the 1960s.

Through auctions, BLM's Federal Helium Program has returned nearly \$2 billion to the U.S. Treasury from the sale and auction of crude helium since Fiscal Year 2005. The Program is entirely revenue funded, operating via a revolving fund, so no taxpayer money is used in its operations.

Helium is used in MRI machines, specialized welding, low-temperature research, in missiles, rockets, and observation balloons. Currently, the Reserve indirectly provides helium to Federal users through the In-Kind program. Federal users, including the Department of Defense, National Aeronautics and Space Administration, and the Department of Homeland Security, receive priority for helium from the Reserve in times of shortage.

Allowing the GSA additional time after the Sept. 30, 2021 to dispose of helium and helium assets will allow Federal In-Kind users the ability to continue to receive helium through the In-Kind program for an additional year while GSA completes their disposal process. At that time, Federal In-Kind users will seek new sources on the open market to meet their helium requirements.

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*The BLM manages more than 245 million acres of public land located primarily in 12 Western states, including Alaska. The BLM also administers 700 million acres of sub-surface mineral estate throughout the nation. In fiscal year 2018, the diverse activities authorized on BLM-managed lands generated \$105 billion in economic output across the country. This economic activity supported 471,000 jobs and contributed substantial revenue to the U.S. Treasury and state governments, mostly through royalties on minerals.*