

To: blm_ut_elt@blm.gov[blm_ut_elt@blm.gov]
From: Anita Bilbao
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Subject: Fwd: Hearing Notes from Senate Energy and Natural Resources Hearing on the 2017 Budget Request for DOI
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[mime-attachment.html](#)
[ATT00001.htm](#)
[Senate Energy and Nat Resources Hearing Notes - Zinke v2 \(Linda Smith\).docx](#)
[ATT00002.htm](#)

For awareness.

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Begin forwarded message:

From: Linda Smith <lhsmith@blm.gov>
Date: June 20, 2017 at 4:55:33 PM MDT
To: blm_elt@blm.gov, blm_field_comm@blm.gov, blm_bmc@blm.gov,
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Cc: BLM WO State Budget Officers <BLM_WO_State_Budget_Officers@blm.gov>, BLM WO Resource Advisors <BLM_WO_Resource_advisors@blm.gov>, Budget Division <BLM_WO_880-882@blm.gov>, p2wilkin@blm.gov, jralston@blm.gov, jkrauss@blm.gov
Subject: Hearing Notes from Senate Energy and Natural Resources Hearing on the 2017 Budget Request for DOI

Good evening, all. Please find attached staff notes from today's hearing regarding items of specific interest to the BLM.

Thanks.

Sent from my iPad

**Senate Energy and Natural Resources Committee
Department of the Interior FY 2018 Budget Request
Secretary Ryan Zinke
Olivia Ferriter, Deputy Assistant Secretary, Budget, Finance, Performance and Acquisition
Denise Flanagan, Director, Office of Budget
June 20, 2017**

Members in attendance included:

Chairman Murkowski (R-AK); Ranking Member Cantwell (D-WA); Sen. Barrasso (R-WY); Sen. Daines (R-MT); Sen. Gardner (R-CO); Sen. Cassidy (R-LA); Sen. Franken (D-MN); Sen. Manchin (D-WV); Sen. Heinrich (D-NM); Sen. Cortez Masto (D-NV); Sen. King, Jr (D-ME); Sen. Hirono (D-HI)

Items of interest to the BLM include:

- **Alaska Conveyance (Murkowski)**
 - Chairman Murkowski noted the Secretary's opposition to Federal land transfers in the past, but made the case that Alaska is unique. The BLM has yet to decide the fate of 38.4 million acres and to survey more than 16 million acres of Alaska's tentative selections. Additionally, the Alaska Native Corporations have another 9.67 million acres under adjudication and about 700 acres of land awaiting surveys. She emphasized Alaska has been a state for over 50 years, and the promises made to Alaska native people need to be fulfilled. The Chairman asked if Secretary Zinke agreed that the DOI, according to Federal law, has an obligation to convey federal land to Alaska and to the native Alaska people.
 - The Secretary acknowledged that Alaska is different in regards to Federal land transfer and is concerned with how slow the surveying process has taken. The BLM is working with the State of Alaska to use and agree on how to use the technology so it can get done. Secretary Zinke said he would like to work with the Chairman and the State to work out why intermediate surveys cannot be completed and finalized. He also stated that the best path forward is to create a hard timeframe on the conveyance work together to figure out the best technology in order to get it done. Secretary Zinke stated that for the intermediate surveys, they should immediately propose to move them to a final status to at least get that section of it done. Secretary Zinke acknowledges the fact that there is an obligation to Alaskan veterans, and the Alaskan natives to fulfill commitments made to Alaska upon statehood.
 - Chairman Murkowski discussed the surveyed lands which identified contaminated lands that need remediation. The issue is that there are too many agencies involved in the cleanup. She believes that with the trust contingencies to Alaska natives, the DOI should be able to get the cleanup jump started on the over 600 sites.
 - Secretary Zinke acknowledged that there is a bureaucracy and Alaska will be going to more of a joint command to address these issues.

- **Hard Rock Minerals (Murkowski)**
 - Chairman Murkowski expressed interest in the hard rock mining royalty proposal and will look forward to the results of the DOI study. However with our minerals security in a perilous state, our first goal must be to do no harm. She believes this proposal does just that.
- **Payment in Lieu of Taxes (PILT) (Murkowski, Daines, Manchin)**
 - The Chairman stated that PILT should be mandatory and not subject to across the board cuts.
 - Sen. Daines expressed concern over the PILT program reduction related to the timber industry.
 - Sen. Manchin stated that PILT is very important for their rural counties.
 - Secretary Zinke stated that PILT is actually part of the discretionary budget this year and it is \$397million. Secure Rural School has still not been authorized, but right now it sits in the budget as a 12 percent reduction.
- **Energy Development (Cantwell, Daines, Murkowski)**
 - Sen. Cantwell believes this budget favors the interests of the fossil fuel industry over the interests of our public lands by prioritizing onshore and offshore development and cutting funds for all other priorities.
 - Secretary Zinke stated that the budget is a balanced budget that prioritizes an “all of the above” energy strategy, which does not favor coal or oil and gas over any other strategy and the priority is to increase revenue across the country and provide a fair return to tax payers through associated legislative proposals. Chairman Murkowski expressed the importance of opening up the 10-02 area of ANWR for responsible energy production, which will create billions of dollars of revenue, jobs and provide security and competitiveness within the oil industry. More than 70 percent of Alaskans support this.
 - The Chairman asked for an update on the implementation of the Secretarial Order to increase energy production, including the revised integrated activity plan for NPRA. Secretary Zinke will get specifics to her, but in regards to the 1002 specifically, that was set aside to assess. He does not have the authority to authorize production. His intent as the Secretary is to move forward rapidly to assess the inventory and levels based on science and facts.
 - Sen. Daines stated he is happy to see priority of balanced energy development.
- **Permit Backlog (Barrasso)**
 - Sen. Barrasso mentioned the backlog and permitting delays for oil and gas permits on Federal lands. He is encouraged by the budget increases to the BLM for staffing to fill these positions and process permits for oil and gas and believes the BLM needs to have the necessary resources at its disposal. Sen. Barrasso stated that the BLM should allocate this funding to the field offices with the greatest need and permitting traffic. Sen. Barrasso asked the Secretary what steps he will take to ensure that the BLM field offices have the resources it needs to address the permitting backlog. Secretary Zinke stated the process is arbitrary

and we need to restore trust in the system. Many in industry do not trust the process or the DOI.

- **Timber (Manchin)**
 - Sen. Manchin asked why we are not able to harvest the timber from the Department of the Interior lands. Secretary Zinke stated that within the DOI holdings, only a small percentage is available for harvest due to endangered species and other environmental challenges. He stated that the DOI will need some help legislatively to change this and create a sustainable yield. His commitment is a healthy forest and to create a sustainable yield.
- **Outdoor Economy and Recreation and Hunting (Cantwell, Heinrich)**
 - Sen. Cantwell stated that the DOI budget is focused on oil and gas revenue, when the outdoor economy generates \$65 billion in Federal revenue each year. She wants to make sure that we are taking advantage of the outdoor economic value of our Federal lands.
 - Mr. Heinrich mentioned the pending BLM agreement for the management of the Sabinoso Wilderness and wanted to know when the agreement will be final. He has many daily calls from sportsman's groups inquiring about whether they will be able to hunt and have access this season. Secretary Zinke replied the land does not meet the definition of wilderness according to the Federal government, but the Department would strongly consider taking under management as a donation. The issue is whether or not to take it in as wilderness, or something that allows more access to the users.
 - Mr. Heinrich reminded the Secretary that the donation was made contingent on the BLM taking it under wilderness designation. So, if it is not accepted as wilderness there will once again be a land locked wilderness. Mr. Heinrich extended an invitation to visit the Sabinoso during his visit to New Mexico. Secretary Zinke says he will not yield to pressure. The BLM is open to negotiation for public access. So if the land owner is willing to come to the table and negotiate he is willing to do so. Need to define what their idea of "public access" is. Additionally, the Secretary accepted Mr. Heinrich's invitation to visit the Sabinoso.
- **National Monuments** (Cantwell, Franken, Cortez Masto, Gardner)
 - Sen. Cantwell is very concerned about the Secretary's National Monument strategy and rollbacks of the Antiquities Act in general, with the most recent example of the "attack" on the Bears Ears National Monument. Sen. Cantwell believes that the rollback and proposal of another management designation of the Bears Ears NM is a waste of tax payer dollars, an affront to the inter-tribal coalition and any attempt to undermine the Antiquities Act for this and any other National Monument is illegal.
 - Sen. Franken expressed his concern about comments made by the Secretary regarding the tribal nations being "very happy" about the Bears Ears Monument status review; however, the Bears Ears Inter-Tribal Coalition sees the review as a "slap in the face" and has been clear that it wants to keep the monument as it is.

Sen. Franken asked how this decision to review boundaries respects tribal nation's sovereignty.

- Secretary Zinke invited members to actually go to Bears Ears and look at what it is; there is already a monument within the Bears Ears Monument. His assessment is that there are differences of agreement within the Arizona and Utah Navajo Tribes. He believes that what the tribes really want is a co-management approach. The recommendation was to resize the boundaries to protect the antiquities that are found within it. Additionally, the law states that the "smallest area compatible to protect the object" will be protected. The Secretary acknowledged that there are certain authorities that the President does not have and they will be asking Congress to review some of the proposals, such as possibly making some of the Bears Ears Monument a recreation area, or national conservation area because there is no actual object to protect. There are about 400,000 acres in Bears Ears that is already a designated Wilderness Study Area (WSA), and there are challenges with how it will be managed.
- Sen. Cortez Masto discussed the review of the Gold Butte Monument and asked that Secretary Zinke review the economic benefit and widespread support of Nevada's monument before making a decision. The Secretary Zinke will be there in July. The way that he looks at the monument review is: (1) Does it follow the law; (2) Is it settled?; and (3) Is the community happy with it? This is why he talks to county commissioners, Tribes, and the public. Additionally, the public can provide their input at [regulations.com](https://www.regulations.com).
- Sen. Gardner stated that he sent a letter to the Secretary regarding the Canyons of the Ancients in Colorado. Is this designation under review? Secretary Zinke replied that the Canyons of the Ancients is not on the priority review list.
- Sen. Heinrich wanted to point to the Bandelier Monument which is similar to the Bears Ears Monument issue of a wilderness area within a monument designation, and that it can certainly be done and managed.

- **BLM Methane Rule (Cantwell)**

- Sen. Cantwell stated that the "legally dubious" decision issued by the DOI last week to suspend the methane and waste prevention rule is a contradiction to the 97-year-old requirement to prevent waste of Federal natural gas. She stated that the U.S. Senate just voted on this recently to keep the rule and the Department has decided to abandon hundreds of pages of environmental analysis. Sen. Cantwell stated that she will be sending the Secretary a letter today stating that the BLM must follow this rule as well as the implementation.
- Sen. Cantwell asked whether or not the DOI is responsible for complying with the Administrative Procedures Act. The Secretary affirmed the Department's responsibility for complying and that the Department is in fact adhering to the due process and legal obligation by entering into the record, the notification of regulation review and procedures to change the law. Secretary Zinke believes that flaring is a waste of methane and there should be an incentive to capture it. He stated that there will absolutely be a public comment period and that the notice is now open.

- Sen. Cantwell asked if the BLM would uphold the implementation of law while going through the Administrative Procedures Act to have the law changed or suspended. Secretary Zinke stated that his intention is to re-write the law and go through the complete and legal steps to implement it. He also stated that in the meantime, he will not hold up implementation of the law as it currently stands. Sen. Cantwell will follow up on the implementation.
- **LWCF (Cantwell, Gardner, Hirono)**
 - Sen. Cantwell expressed the importance of the LWCF and concerns about budget cuts within the budget. Secretary Zinke noted that the LWCF budget cuts are directed to acquisition of new land and the priority is to take care of what we already own.
 - Sen. Gardner expressed continued support of the utilization of the LWCF.
 - Sen. Hirono stated she believes that the reductions to the LWCF in the budget show that the Department is moving toward extraction as opposed to conservation.
- **Wildfire (Cassidy, Gardner)**
 - Secretary Zinke stated that the budget fully funds fire suppression at the 10-year average and noted that fire suppression, particularly in the west, has become a billion dollar problem from year to year. The removal of dead and dying trees are a prudent expense.
 - Sen. Cassidy agreed that the Fire Suppression account should be fully funded and complemented the prudent approach to remove dead and down trees.
 - Sen. Gardner thanked the BLM efforts of fire suppression within Colorado last summer.
- **BLM National Headquarters (Gardner)**
 - Sen. Gardner has introduced legislation, with bi-partisan support, to direct the DOI to submit a plan to Congress to move the BLM National Headquarters to the West. Sen. Gardner asked how can Congress best assist the Secretary in this goal to re-locate. Secretary Zinke stated that he is planning a re-organization of the agency and will need help from Congress. He stated that we need to manage under a more joint operational structure and utilize assets more appropriately. Sometimes there are more than four different bureaus and priorities working on one plan. He said they are looking to push assets to the West where they should be.
- **Miscellaneous (Barrasso, Franken)**
 - Sen. Barrasso pointed out that many issues within the DOI will need a multi-year strategy, such as deferred maintenance and the wild horse and burro programs.
 - Secretary Zinke stated that Mr. Cason is his acting deputy at the moment, and he does not have a permanent deputy at the moment.
 - Sen. Franken is concerned that the Secretary of Interior is unclear of the magnitude of warming and climate change.