

# National Parks, Forests, and Public Lands Legislative Hearing

Committee on the Natural Resources

Subcommittee on National Parks, Forests, and Public Lands

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My name is Nick Loris, and I am the Vice President of Public Policy at the Conservative Coalition for Climate Solutions (C3 Solutions). Thank you for this opportunity to appear before the subcommittee to discuss the link between natural resources development and conservation programs, including the Historic Preservation Fund. With the introduction of the Ukraine Independence Park Act (H.R. 7075), I would also like to take this opportunity to discuss the importance of energy security and explain how increased energy supplies and energy diversification help American families and our European allies.

My written testimony consists of the following four sections:

- The importance of the Historic Preservation Fund.
- The economic and conservation benefits of domestic natural resource development and the unintended consequences of prohibiting development.
- Concerns of turning the Historic Preservation Fund into a mandatory program and considerations for alternative funding mechanisms.
- Policy reforms to enhance energy security, generate revenue for conservation, diversify Europe's energy needs, and meet climate objectives.

**Section I. The importance of the Historic Preservation Fund.** The Historic Preservation Fund (HPF) is an instrumental program in preserving America's history and culture. Established in 1977, HPF is the primary mechanism to channel federal funds to historic preservation. The fund allocates money to states, tribes, territories, local governments, and non-profits. Funding is used for: "surveys and repair of historic resources, training, nominations to the National Register of Historic Places, and grants to local jurisdictions for their preservation priorities."<sup>1</sup> HPF revenue

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<sup>1</sup> National Park Service, "Historic Preservation Fund: What is the Historic Preservation Fund?" U.S. Department of Interior, October 19, 2021, <https://www.nps.gov/subjects/historicpreservation/Historic-Preservation-Fund.htm>

is generated from oil and gas leases and production in the Outer Continental Shelf and distributed through the National Park Service. HPF has allocated more than \$2 billion for preservation.<sup>2</sup> As Congresswoman Teresa Leger Fernández (D-NM) rightly underscored, “Our herencia, built over centuries, makes us who we are. We must protect, cherish, and pass this gift on for generations. It is our duty to preserve our history so that communities can see America’s greatest treasures and hear our saddest stories.”<sup>3</sup>

HPF contributes to a diverse set of conservation and restoration projects including:

- African American Civil Rights,
- Historically Black Colleges and Universities,
- History of Equal Rights,
- Paul Bruhn Historic Revitalization Subgrant Program (projects for rural communities),
- Save America’s Treasures (nationally significant collections and preservation projects),
- Semi-quincentennial,
- Tribal Heritage Grants, and
- Underrepresented Communities.<sup>4</sup>

Public expenditures on history, cultural resources, and the arts provide valuable education for the public. A combination of targeted formula and competitive grants through HPF, federal and state tax policies<sup>5</sup>, local engagement, nonprofit participation, and charitable donations help share America’s past with present and future generations. By empowering local communities and deploying specialized expertise, the National Park Service and the Historic Preservation Fund will be critical in protecting cultural resources and American history.

## **Section II. The economic and conservation benefits of domestic resource development and the unintended consequences of prohibiting development.**

Natural resource development on federal lands and waters is essential for American energy security, the economy, and conservation efforts. Production in the Gulf of Mexico makes up 15 percent of domestic crude oil supplies and five percent of dry natural gas supplies.<sup>6</sup> The Gulf also hosts roughly half the country’s refining and natural gas processing plant capacity.<sup>7</sup> The oil and gas industry is an economic driver that creates and supports jobs, contributes to the

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<sup>2</sup> Ibid.

<sup>3</sup> Press release, “Rep. Leger Fernández Introduced the Historic Preservation Enhancement Act,” United States Congresswoman Teresa Leger Fernández (NM-03), February 4, 2022, <https://fernandez.house.gov/media/press-releases/rep-leger-fernandez-introduced-historic-preservation-enhancement-act>

<sup>4</sup> National Park Service, “Historic Preservation Fund Annual Report: Fiscal Year 2021,” U.S. Department of Interior, February 2022, <https://irma.nps.gov/DataStore/DownloadFile/671315>

<sup>5</sup> National Parks Service, “Grants and Tax Incentives for the Preservation of National Historic Landmarks,” U.S. Department of Interior, January 13, 2022, <https://www.nps.gov/subjects/nationalhistoricalandmarks/grants-and-incentives.htm>

<sup>6</sup> U.S. Energy Information Administration, “Gulf of Mexico: Fact Sheet,” [https://www.eia.gov/special/gulf\\_of\\_mexico/#:~:text=Gulf%20of%20Mexico%20federal%20offshore,of%20total%20U.S.%20dry%20production.](https://www.eia.gov/special/gulf_of_mexico/#:~:text=Gulf%20of%20Mexico%20federal%20offshore,of%20total%20U.S.%20dry%20production.)

<sup>7</sup> Ibid.

economy, and supports higher levels of prosperity.<sup>8</sup> Both offshore and onshore, the energy industry has shown it can work in harmony with the seafood, tourism, hunting, fishing, and farming communities. Louisiana’s Shrimp and Petroleum festival every Labor Day weekend, for example, “recognizes the working men and women of both the seafood and petroleum industries, which are the economic lifeblood of the area.”<sup>9</sup>

Importantly, the government revenues collected from federal energy production are a significant contributor to conservation efforts. Offshore energy revenues fund the Historic Preservation Fund. The bonus bids, royalties and rents also fund state conservation programs, including coastal restoration, recreation through the Land and Water Conservation Fund, and help pay for deferred maintenance at America’s national parks.<sup>10</sup> In addition to revenue, the Rigs-to-Reef program, permitted by the National Fishing Enhancement Act, has turned 558 Outer Continental Shelf rig platforms into artificial reefs in the Gulf of Mexico.<sup>11</sup> According to the Coastal Marine Institute, each artificial platform reef provides a home to 12,000 to 14,000 fish.<sup>12</sup>

Unless policymakers change the law, funding for these conservation programs will remain dependent on onshore and offshore oil and gas development. Consequently, conservation funding can be susceptible to low oil prices bringing in less revenue, such as in Fiscal Year 2016.<sup>13</sup> Policy decisions can also adversely affect future government receipts. In his first week in office, President Biden enacted a review of the federal oil and gas leasing program that became a de facto ban on new lease sales. When a federal judge reversed the moratorium,<sup>14</sup> the Department of Interior offered a lease sale 80 percent smaller than the originally nominated acreage.<sup>15</sup> Moreover, for the first time in more than 40 years, the Interior Department will be without a five-year program for oil and gas leases on federal waters as stipulated by Outer Continental Shelf Lands Act (as amended).<sup>16</sup> According to a March 2022 National Offshore Industries Association report, a delay in the five-year program would reduce government

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<sup>8</sup> Energy & Industrial Advisory Partners, “The Gulf of Mexico Oil & Gas Project Lifecycle: Building an American Energy & Economic Anchor,” Prepared for the National Offshore Industry Association, August 12, 2021, <https://www.noia.org/wp-content/uploads/2021/08/The-Gulf-of-Mexico-Oil-Gas-Project-Lifecycle.pdf>

<sup>9</sup> Louisiana Shrimp & Petroleum Festival, “History,” <https://www.shrimppandpetroleum.org/history>

<sup>10</sup> Bureau of Ocean Energy Management, “Revenue Sharing,” U.S. Department of Interior, <https://www.boem.gov/oil-gas-energy/energy-economics/revenue-sharing>

<sup>11</sup> Bureau of Safety and Environmental Enforcement, “Rigs to Reefs,” U.S. Department of Interior, <https://www.bsee.gov/what-we-do/environmental-compliance/environmental-programs/rigs-to-reefs>

<sup>12</sup> Ibid.

<sup>13</sup> U.S. Energy Information Administration, “With Low Oil Prices in 2016, Federal Revenues from Energy on Federal Lands Again Declined,” January 24, 2017, <https://www.eia.gov/todayinenergy/detail.php?id=29652>

<sup>14</sup> Associated Press, “Federal judge reverses Biden’s ban on new oil and gas leases for federal lands and waters, dealing blow to climate change activists,” *CBS News*, June 16, 2021, <https://www.cbsnews.com/news/biden-ban-new-oil-gas-leases-federal-lands-waters-judge-reverses/>

<sup>15</sup> Press release, “Share Interior Department Announces Significantly Reformed Onshore Oil and Gas Lease Sales,” April 15, 2022, <https://www.doi.gov/pressreleases/interior-department-announces-significantly-reformed-onshore-oil-and-gas-lease-sales>

<sup>16</sup> Niina H. Farah, “Biden faces legal fight over delayed offshore leasing plan,” *E&E News*, April 21, 2022, <https://www.eenews.net/articles/biden-faces-legal-fight-over-delayed-offshore-leasing-plan/> and Laura B. Comey, “Five-Year Offshore Oil and Gas Leasing Program: Status and Issues in Brief,” Congressional Research Service, November 23, 2021, <https://sgp.fas.org/crs/misc/R44692.pdf>

revenues by \$1.5 billion per year on average and \$27.8 billion on aggregate (2022-2040).<sup>17</sup> Oil supplies would drop, on average, by half a million barrels per day, and the delay would destroy 60,000 jobs on average through the same timeframe.<sup>18</sup>

In addition to lost supply, reduced economic growth and fewer resources for conservation, the environmental and climate benefits of federal oil and gas prohibitions may not be as big as advertised. In fact, moratoriums and restrictions may have unintended environmental consequences by increasing global greenhouse gas emissions and criterion pollutants that adversely affect public health and the environment. Policies that restrict oil and natural gas production domestically would not meaningfully change energy consumption patterns in the U.S. and around the world. Higher energy prices from restricted domestic supplies could reduce some consumption, but those changes would depend in the price elasticity of demand in the intermediate and long run.<sup>19</sup> However, restrictions and bans on domestic extraction would likely provide opportunities for increased supply from OPEC+ and other countries where environmental standards are less rigorous. Even if the production shifts to nonfederal lands in the U.S., the emissions leakage rate could range from 53-73 percent.<sup>20</sup>

Additionally, reductions in natural gas supply could result in a switch back to coal or could force electricity producers to keep existing coal-fired generation on-line. In a September 2020 study prepared by OnLocation Inc. and using the U.S. Energy Information Administration's National Energy Modeling System, higher natural gas prices would increase coal generation 15 percent by 2030 and half as much coal generating capacity would be retired.<sup>21</sup> The report concludes that CO<sub>2</sub> emissions would increase 2 percent in 2030 and 5 percent over the long run.<sup>22</sup> Samantha Gross, fellow and director of the Energy Security and Climate Initiative at the Brookings Institute, warned:

Cutting back domestic oil and gas production without an equally ambitious focus on demand will just increase U.S. imports, rather than reduce consumption. The United States could lose the economic advantages of its oil and gas production without a commensurate reduction in GHG emissions. In fact, such an outcome could actually increase global emissions, depending on how replacement fuels are produced and the

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<sup>17</sup> Energy & Industrial Advisory Partners, "The Economic Impacts of a 5-Year Leasing Program Delay for the Gulf of Mexico Oil and Natural Gas Industry," Prepared for the National Offshore Industry Association and the American Petroleum Institute, March 29, 2022, <https://www.noia.org/wp-content/uploads/2022/03/EIAP-5-year-Program-Leasing-Delay-Report-03-24-22.pdf>

<sup>18</sup> Ibid.

<sup>19</sup> Lutz Killian, "Understanding the Estimation of Oil Demand and Oil Supply Elasticities," Federal Reserve Bank of Dallas, September 2020, <https://www.dallasfed.org/-/media/documents/research/papers/2020/wp2027.pdf> (accessed November 29, 2021).

<sup>20</sup> Brian Prest, "Supply-Side Reforms to Oil and Gas Production on Federal Lands: Modeling the Implications for Climate Emissions, Revenues, and Production Shifts," Resources for the Future, September 2020, [https://media.rff.org/documents/RFF\\_WP\\_20-16\\_Prest.pdf?\\_ga=2.25893309.1499405328.1638287529-1934057910.1638287529](https://media.rff.org/documents/RFF_WP_20-16_Prest.pdf?_ga=2.25893309.1499405328.1638287529-1934057910.1638287529)

<sup>21</sup> OnLocation, Inc., "The Consequences of a Leasing and Development Ban on Federal Lands and Waters," September 2020, [https://www.api.org/~/\\_media/Files/News/2020/09/Consequences\\_of\\_a\\_Leasing\\_and\\_Development\\_Ban\\_on\\_Federal\\_Lands\\_and\\_Waters.pdf](https://www.api.org/~/_media/Files/News/2020/09/Consequences_of_a_Leasing_and_Development_Ban_on_Federal_Lands_and_Waters.pdf) (accessed November 29, 2021).

<sup>22</sup> Ibid.

emissions produced in transporting them to the United States. We must remember that climate change is a global problem and that the measure that matters is global GHG emissions. Any ‘solution’ that reduces U.S. emissions, but increases global emissions, is no solution at all.<sup>23</sup>

### **Section III. Concerns of turning the Historic Preservation Fund into a mandatory program and considerations for alternative funding mechanisms.**

The Historic Preservation Enhancement Act (H.R. 6589) is a legislative proposal that would permanently reauthorize the Historic Preservation Fund and double the mandatory funding from \$150 million to \$300 million per year.<sup>24</sup> While the National Park Service allocates HPF revenues for important historical and cultural purposes, permanent reauthorization and doubling the fund raises several concerns. The first is that it delegates the power of the purse away from Congress. While the Park Service is in the best position to allocate the funds, subjecting the program to the appropriations process can serve as an important check so elected officials can carefully deliberate the spending priorities.

The legislation would also empower the president to spend remaining HPF monies in the way he or she deems fit, which could lead to spending where political objectives outweigh preservation objectives. Since Congress authorized \$150 million in 1980, lawmakers have rarely appropriated the full amount (only because of supplemental funding), often funding much less. As noted by Preservation Action, “2001 appropriations have declined from \$94 million to less than \$60 million” up through the 2014 Omnibus.<sup>25</sup> More recently, according to the Interior Department, “Actual appropriations to the HPF have varied over the years, ranging from \$54 million to \$153 million between 2009 and 2020.”<sup>26</sup>

Of course, pork-barrel preservation has occurred with congressional appropriators, too, where Congress has directed the Park Service to buy and turn places into National Historic Sites with little historical and cultural value and low visitor rates. A 2016 *E&E News* article told the story of the Thomas Stone National Historic site that the Park Service did not want but Congress forced the agency to acquire. At the time, fewer than 6,000 people visited the park at a cost of \$600,000 to maintain.<sup>27</sup> Expanding sites can direct funds away from more important and pressing cultural and preservation needs. Perhaps more money could help, but as Property and Environment Research Center vice president Shawn Regan warned, “Politicians have incentives

<sup>23</sup> Samantha Gross, “The United States can take climate change seriously while leading the world in oil and gas production,” The Brookings Institute, January 27, 2020, <https://www.brookings.edu/policy2020/bigideas/the-united-states-can-take-climate-change-seriously-while-leading-the-world-in-oil-and-gas-production/>

<sup>24</sup> Congresswoman Teresa Leger Fernández (NM-03), “H.R.6589 - Historic Preservation Enhancement Act,” 117th Congress (2021-2022), <https://www.congress.gov/bill/117th-congress/house-bill/6589>

<sup>25</sup> Preservation Action, “Historic Preservation Fund,” <https://preservationaction.org/in-1976-congress-established-the-historic-preservation-fund-hpf-to-support-the-initiatives-mandated-by-the-national-historic-preservation-act-of-1966-in-1980-congress-authorized-150m-in-ann/>

<sup>26</sup> Natural Resources Revenue Data, “Historic Preservation Fund,” U.S. Department of Interior, <https://revenuedata.doi.gov/how-revenue-works/hpf/#:~:text=The%20Historic%20Preservation%20Fund%20is,million%20between%202009%20and%202020>

<sup>27</sup> Emily Yehle and Scott Streater, “‘Park-barrel’ politics spawn sparsely visited sites,” *E&E News Greenwire*, April 9, 2016, <https://www.eenews.net/articles/park-barrel-politics-spawn-sparsely-visited-sites/>

to expand this system. That has short-term appeal, but over the long run, it has the effect of enlarging the system and spreading resources thinner and thinner.”<sup>28</sup>

Another concern is the threat of the program being vulnerable to budget gimmicks through changes in mandatory spending. Historically, Congress has raided previous mandatory programs to (i.e., the Crime Victims Fund<sup>29</sup>) to pay for higher discretionary funding on unrelated programs.<sup>30</sup> Alternative ways to increasing funding for historic preservation include:

- **Expanding partnerships with the National Park Foundation.** As the official charity of the National Park Service, the National Park Foundation is an important partner and funder of historical and cultural preservation.<sup>31</sup> The National Park Foundation received \$128 million from individual, corporate, and foundations donors and distributed \$36.1 million to parks and partners.<sup>32</sup> Charitable giving offers a flexible complement to the preservation funds provided through the Historic Preservation Fund. Establishing a restoration fund through the National Park Foundation could help provide funding certainty for preservation projects that span multiple years.
- **Transitioning NPS assets out of federal ownership.** Private organizations, states, local governments, and tribes already own most of the 2,600 National Historic Landmark sites.<sup>33</sup> Policymakers should explore transitioning additional sites to these entities, who may have stronger incentives to raise additional funds and prioritize spending needs.
- **Expanding user fees.** Charging small fees for visits to historic sites (potentially by increasing visa fees) or for out-of-state visitors (as many parks do) will generate additional revenue for preservation. If necessary, vouchers could be offered to low-income families to ensure all Americans have access to historic sites.

#### **Section IV. Policy reforms to enhance energy security, generate more revenue for conservation, diversify Europe’s energy needs and meet climate objectives.**

Another bill up for discussion in this hearing is the Ukrainian Independence Park Act (H.R. 7075), which would establish a park in Washington, D.C. to demonstrate solidarity with Ukraine. Introduced by Representative Victoria Spartz (R-IN), the bill has large bipartisan support. Ranking Member Bruce Westerman (R-AK) remarked, “As we stand together in unified, bipartisan support of Ukraine, Representative Spartz’s legislation demonstrates the solidarity between the people of the United States and Ukraine and our shared values of freedom, the rule

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<sup>28</sup> Ibid.

<sup>29</sup> Committee for a Responsible Federal Budget, “Senate Budget Committee Reports Crime Victims Fund Legislation,” June 30, 2015, <https://www.crfb.org/blogs/senate-budget-committee-reports-crime-victims-fund-legislation>

<sup>30</sup> Nicolas Loris, “Tackling the Enormous Deferred Maintenance Backlog for America’s National Parks,” The Heritage Foundation, June 9, 2020, <https://www.heritage.org/environment/report/tackling-the-enormous-deferred-maintenance-backlog-americas-national-parks>

<sup>31</sup> National Park Foundation, “Reflecting on Our Past, Inspiring Our Future,” <https://www.nationalparks.org/our-work/history-culture>

<sup>32</sup> National Park Foundation, “2021 Annual Report: Working Together for the Future of Parks,” <https://annualreport.nationalparks.org/#financial-summary>

<sup>33</sup> National Park Service, “National Historic Landmark: Making Tangible the American Experience,” April 1, 2022, <https://www.nps.gov/subjects/nationalhistoriclandmarks/index.htm>

of law, and self-determination. Ukrainian Independence Park will stand as a permanent symbol in our nation’s capital of the unwavering resolve of Ukraine’s people to remain a free and independent nation.”<sup>34</sup>

Chair Raul Grijalva (D-AZ) echoed, “Establishing the Ukrainian Independence Park certainly won’t make the nightmare disappear, but it is a small, but important gesture to show Ukrainians here—and across the globe—that we stand with them in solidarity.”<sup>35</sup> I commend the Members for expressing their support to the Ukrainian people and expressing their support for freedom and the rule of law.

Russia’s invasion of Ukraine has brought energy security to the forefront of the political conversation. Some media stories have portrayed high gas prices and the need for enhanced energy security as conflicting with the Biden administration’s climate targets.<sup>36</sup> Instead, policymakers should embrace the opportunity to increase supplies and provide Europeans with more energy choices. America’s global leadership in oil and natural gas production is an economic, environmental, and geopolitical advantage. Working with our allies, American producers can be a global leader in supply and continue to reduce the industry’s environmental and climate footprint. Domestic production can displace oil from dirtier producers and reduce the influence of political adversaries on the global market.

The United States is on track to become the world’s largest exporter of liquified natural gas (LNG) this year, and the Biden administration’s commitment to deliver more LNG to European consumers is a welcome pledge.<sup>37</sup> Policy reforms should accelerate the ability to fulfill that commitment. Europe’s expansion of LNG facilities provides a roadmap to significantly curtail Russia’s ability to manipulate energy markets for political purposes, even if it comes at a marginal price premium. Importantly, American LNG exports could also help reduce global greenhouse gas emissions. The Department of Energy’s National Energy Technology Laboratory analyzed life cycle greenhouse gas emissions from LNG exports compared to consumption of other energy sources.<sup>38</sup> In different scenarios comparing U.S. LNG shipped to European markets, when compared to coal use or Russian piped gas, the study found life cycle emissions from U.S. LNG exports to be lower.<sup>39</sup>

The U.S. should also continue to be a leader in renewable and nuclear energy deployment. Price signals, not governments, should steer investment decisions. Policymakers should open access to markets, remove barriers to innovation, and modernize regulations that curtail investment and

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<sup>34</sup> Press release, “Westerman, Spartz lead Bipartisan Ukrainian Independence Park Act,” March 15, 2022, <https://republicans-naturalresources.house.gov/newsroom/documentsingle.aspx?DocumentID=410808>

<sup>35</sup> Ibid.

<sup>36</sup> Matt Viser and Anna Philips, “Biden’s urgent moves on gas prices collide with lofty climate goals,” The Washington Post, April 20, 2022, <https://www.washingtonpost.com/politics/2022/04/20/biden-climate-gas-prices/>

<sup>37</sup> Alex Kimani, “U.S. To Become World’s Top LNG Exporter This Year,” OilPrice, April 20, 2022, <https://oilprice.com/Latest-Energy-News/World-News/US-To-Become-Worlds-Top-LNG-Exporter-This-Year.html>

<sup>38</sup> Selina Roman-White, Srijana Rai, James Littlefield, Gregory Cooney, and Tomthy J Skone, P.E., “Life Cycle Greenhouse Gas Perspective on Exporting Liquified Natural Gas from the United States: 2019 Update,” U.S. Department of Energy national Energy Technology Laboratory, September 12, 2019, <https://www.energy.gov/sites/prod/files/2019/09/f66/2019%20NETL%20LCA-GHG%20Report.pdf>

<sup>39</sup> Ibid.

construction timelines. The economic result will be more jobs and higher levels of prosperity. The environmental outcome will be fewer emissions and more resources for conservation and historic preservation. Geopolitically, America’s European allies will increasingly diversify their energy needs. To accomplish these objectives, Congress and the administration should:

- **Modernize the National Environmental Policy Act.** At nearly every level of government, delays can obstruct the development of more resilient infrastructure. The primary tool used to block projects at the federal level is the National Environmental Policy Act (NEPA). President Nixon signed NEPA into law more than 50 years ago. Since then, many federal, state, and local environmental laws have been enacted, creating a confusing web of unclear, overlapping, and complex requirements. As columnist Ezra Klein wrote in the *New York Times*, NEPA is “part of a broader set of checks on development that have done a lot of good over the years but are doing a lot of harm now. When they were designed, these bills were radical reforms to an intolerable status quo. Now they are, too often, powerful allies of an intolerable status quo, rendering government plodding and ineffectual and making it almost impossible to build green infrastructure at the speed we need.”<sup>40</sup> The *Bloomberg* Editorial Board also recently emphasized:

Reviews can run for hundreds of pages. Lawsuits, often brought by activist groups, can extend the process interminably. Green projects aren’t immune from this burden: An analysis last year found that of the projects undergoing NEPA review at the Department of Energy, 42% concerned clean energy, transmission or environmental protection, while just 15% were related to fossil fuels. Across the renewables industry, such regulation — state and federal — is impeding progress. Wind power advocates complain of “unreasonable and unnecessary costs and long project delays.” Geothermal projects routinely face permitting hassles for seven to 10 years. Relicensing a hydropower plant can cost \$50 million and take more than a decade. Solar projects often contend with a maze of permitting and certification requirements. Want to build a nuclear reactor? Compliance costs alone might exceed your profit margin.<sup>41</sup>

NEPA modernization is not a silver bullet, but would dramatically help mitigation, adaptation, and natural climate solutions occur more expediently and efficiently.

- **Reform the Outer Continental Shelf Leasing Program by modernizing the 5-year program.** Rather than having access to offshore federal waters determined by the

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<sup>40</sup> Ezra Klein, “Government Is Flailing, in Part Because Liberals Hobbled It,” *The New York Times*, March 13, 2022, <https://www.nytimes.com/2022/03/13/opinion/berkeley-enrollment-climate-crisis.html>

<sup>41</sup> Bloomberg Editorial Board, “Want Green Energy? Cut Red Tape,” *The Washington Post*, April 21, 2022, [https://www.washingtonpost.com/business/energy/want-green-energy-cutred-tape/2022/04/21/147bbf38-c173-11ec-b5df-1fba61a66c75\\_story.html](https://www.washingtonpost.com/business/energy/want-green-energy-cutred-tape/2022/04/21/147bbf38-c173-11ec-b5df-1fba61a66c75_story.html)



political whims of different administrations, Congress should reform existing laws so the Department of Interior can conduct lease sales when commercial interests exist.<sup>42</sup>

- **Implement a 50/50 revenue share for states for production on federal waters.** To encourage states to allow offshore exploration and production, Congress should apply the same 50/50 revenue sharing program that exists between the federal and state governments on federal lands.
- **Fast-track permitting for LNG exports.** If the U.S. does not have a free trade agreement (FTA) with the country receiving or sending the natural gas, the Department of Energy must make a public interest determination. The reality is LNG exports benefit Americans economically and geopolitically and private companies should be able to sell natural gas to any buyer, as long as doing so does not compromise national security.
- **Expand U.S.-EU partnership on small modular reactors (SMRs).** In November 2021, the U.S. and Romania announced a partnership for Romania to build six small reactor modules using American SMR company NuScale's design.<sup>43</sup> Expanded SMR technology throughout Europe using American technologies can help Europe achieve its energy security and climate objectives.
- **Open opportunities for state-led environmental reviews and permits.** Empowering states to conduct the environmental reviews and issue permits could create more efficient and localized reviews that better addresses the needs of local communities. State regulators could acquire technical expertise from the Federal Energy Regulatory Commission, the Bureau of Land Management, and the Environmental Protection Agency as necessary.

## Conclusion

Thank you for this opportunity to appear before the subcommittee. I appreciate the committee's dedication to preservation of America's landmarks, historic sites, and areas of cultural significance. The link between energy production on federal lands and conservation funding is one that can advance America's economy, energy security, and environmental objectives. Policy reforms that open access to natural resource development, modernize permitting and encourage innovation would deliver more affordable energy to American families, more energy choice to our European allies, and more revenues for critical preservation projects.

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<sup>42</sup> Nicolas Loris, "Right Reforms for Accessing U.S. Outer Continental Shelf Resources and Unleashing U.S. Energy Production," The Heritage Foundation, March 26, 2018, <https://www.heritage.org/energy-economics/report/right-reforms-accessing-us-outer-continental-shelf-resources-and-unleashing>

<sup>43</sup> Fact Sheet, "U.S.-Romania Cooperation on Small Modular Reactors," U.S. Embassy in Romania, <https://ro.usembassy.gov/u-s-romania-cooperation-on-small-modular-reactors-fact-sheet/>