Congress of the United States
Washington, DC 20515

January 29, 2008

Secretary Dirk Kempthorne
United States Department of the Interior
1849 C Street, NW
Washington, DC 20240

Director Jim Nussle
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Secretary Kempthorne and Director Nussle,

We are writing to urge you to avoid the inclusion of "net receipt sharing" as part of the President's Budget for fiscal year 2009 for the Department of the Interior. The proposal would reduce the States' share of receipts from mineral leasing activities on public lands by two percent annually. Previous budget documents have suggested that this reduction is necessary to defray administrative costs at the Department.

We strongly disagree with this assertion and oppose the Department taking money that is rightfully owed to our states in order to pay for more federal bureaucracy. It is unconscionable that the Department of the Interior and the Office of Management and Budget would propose to take money from States used to pay for important priorities, including educational improvements, to pay for more program administration. This appropriation does not serve the taxpayers who fund the government nor does it serve the states who allow for energy production to happen within their borders.

Similar policy, implemented in 1991 and initially repealed in 2000, led to the loss of nearly $250 million in States' revenues. The inclusion of this proposal in the fiscal year 2008 Consolidated Appropriations Act (P.L. 110-161) will once again allow for this harmful provision to have a negative impact on States.

We strongly opposed the inclusion of this provision in the fiscal year 2008 Consolidated Appropriations Act. We do not believe the measure received thorough consideration and believe that if it had received such consideration, it would have been removed. We hope the Department of the Interior and the Office of Management and Budget will recognize the problematic nature of this provision and will avoid including the proposal in the President's Budget for fiscal year 2009.

Thank you for your consideration of our request.

Sincerely,

Michael B. Enzi
Senator Mike Enzi

John Barrasso
Senator John Barrasso

Jon Tester
Senator Jon Tester

Orrin Hatch
Senator Orrin Hatch

Senator Lisa Murkowski

Senator Ken Salazar

Representative Stevan Pearce

Representative Dean Heller

Representative Rob Bishop

Representative Wally Herger

Senator Wayne Allard

Representative Barbara Cubin

Representative Cathy McMorris Rodgers

Representative Chris Cannon

Representative Dennis R. Rehberg

Representative John T. Doolittle

United States Senate

WASHINGTON, DC 20510

June 18, 2007

The Honorable Dianne Feinstein, Chair
Subcommittee on Interior, Environment, and
Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Larry Craig, Ranking Member
Subcommittee on Interior, Environment, and
Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Senator Feinstein and Senator Craig:

I am writing to oppose the "net receipt sharing" proposal in the President's Budget for fiscal year 2008 for the Department of the Interior (DOI). This proposal would reduce the States' share of receipts from mineral leasing activities on public domain lands by two percent annually. The Budget document attempts to justify this reduction as necessary to defray the administrative costs incurred in the management of onshore leasing activities.

Similar policy, implemented in 1991 and repealed in 2000, led to a loss of nearly $250 million from the States' revenues. Many States use this revenue for a variety of valuable purposes, including educational improvements. Withdrawal of this revenue through enactment of this proposal would have substantial unnecessary negative impacts for many Western States.

Congress carefully considered this issue in the 106th Congress. In enacting Public Law No. 106-393 in 2000 which repealed the provision that allowed the sharing of administrative costs, Congress specifically cited "the complexity and administrative burden" resulting from the sharing of administrative costs of the leasing of onshore mineral resources. Congress also found that, "There is no legislative record to suggest a sound public policy rationale for deducting prior-year administrative expenses from the sharing of current-year receipts."

We hope that as the Subcommittee considers its appropriations bill, you will decline to include the net receipt sharing proposal. This provision would have a substantial adverse effect on the states, and the same policy was rejected and repealed seven years ago.

Thank you for your consideration of my request.

Sincerely,

Jeff Bingaman
United States Senator

Pete Domenici
United States Senator

United States Senate
WASHINGTON, DC 20510

Ken Salazar
United States Senator

Mike Enzi
United States Senator