The Honorable David Bernhardt

Secretary

Department of Interior

149 C St., NW

Washington, DC 20240

April XX, 2020

Dear Secretary Bernhardt,

We, the undersigned groups, on behalf of our millions of members, urge you to reject calls by lawmakers for measures to relieve the oil and gas industry of essential obligations to American taxpayers that would do little to preserve jobs. These calls risk putting corporate profits above the emergency response required to mitigate the crisis that is the COVID-19 pandemic. The Department of the Interior should not heed them; the government’s paramount focus should be the health and safety of communities and workers across the nation.

In a time of crisis, royalty relief for producers of federal fluid minerals would do nothing to aid communities, but rather could come at their expense. This type of bailout could deprive federal and state budgets, already in crisis, of funds they now more than ever cannot spare. These funds will only become more critical in the following months to help prevent and respond to the spread of novel coronavirus, keep our friends, family, and essential frontline workers from dying, and provide economic relief to those who have lost or could lose their jobs and businesses.

There is no doubt that *all* American workers are in need of relief right now. For those in the oil and gas industry, that relief should not come from the revenue owed to the Treasury. In any event, the very concept of measures aimed at increasing production levels is the opposite of what is needed now, given that the industry’s economic problems largely stem from a supply glut driven by foreign producers. Encouraging heightened, or even constant, production levels by waiving royalty payments and critical safety and transparency measures would only make the problem worse and put public health at risk.

Royalty relief would do little to preserve jobs or drilling businesses today, and we are concerned that the policy could persist indefinitely. The same is true of lease term extensions and other waivers, which would unfairly advantage industry for years beyond the likely term of this crisis and further endanger public health and safety under a system that already externalizes the costs of oil and gas production and reclamation on American taxpayers and landowners. Nor should your department be holding lease sales, limiting public comment periods, or granting coal producers royalty relief.

In the time of a pandemic, the American people deserve a cogent federal response that is systematically dedicated toward improving the resiliency and health of our communities, lands, and waters. Providing handouts to the oil and gas industry would directly conflict with such goals. We urge the Department of the Interior to direct its limited resources toward solutions that truly tackle the issues presented by the pandemic crisis.

Signed,

|  |  |
| --- | --- |
| Natural Resources Defense Council |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |