

## **COMMITTEE CONSIDERS DEPARTMENT OF INTERIOR REFORM**

September 15, 2006 - On Thursday, September 14 the House of Representatives Government Reform Committee met to discuss problems within the Department of Interior, specifically approximately \$10 billion in offshore oil lease revenue that has not been collected due, according to the Inspector General, to ethical lapses among some staff at the Department and efforts to cover up underpayments of lease revenue. This revenue supports a number of environmental programs including 100% of the Historic Preservation Fund.

The hearing entitled "Interior Department: A Culture of Managerial Irresponsibility and Lack of Accountability?" included testimony from the Deputy Secretary of the Interior Lynn Scarlett and Johnnie Burton, Director of the Minerals Management Service. The committee questioned Scarlett about accountability among federal employees within her Department. She noted that the problems under scrutiny occurred in the final years of the Clinton Administration and that identified mistakes had been rectified.

Government Reform Committee members and DOI staff differed in opinion about perceived problems within the Department.

The conversation is relevant to the future of preservation at the federal level for a few reasons. Committee member Representative Elijah Cummings (D-MD) cited the HPF during this very heated discussion as an example of a valuable program tied to the underpayment of revenue from oil leases. But even with administrative problems, the HPF has had enough revenue to support SHPOs, THPOs and preservation grant programs at the fully authorized \$150 million annually. Retrieving unpaid revenue further weakens any case for under-funding the HPF. Reasons given for inadequate funding almost always relate to "tough budget years" and tough decisions pursuant to a situation out of anyone's immediate control or so much bigger than our particular issue that the HPF is dwarfed. Congress attending to problems with funding mechanisms for preservation is an opportunity to educate members on the value of the HPF. They may not understand that as they are sorting out what they perceive to be a systemic problem representing a huge ethical problem, they could also deal with preservation's under-funding, another, more easily fixable problem.

The hearing was one in a series of discussions on oil lease revenue and appropriations. It was raised earlier this year during the full Senate Interior Appropriations mark up and has the attention of the Secretary of the Interior. At the hearing on Thursday, Representative Edward Markey (D-MA), in attendance at the hearing, noted legislation he proposed with Representative Maurice Hinchey (D-NY) to crack down on oil company giveaways as an amendment to the FY2007 Interior Appropriations bill.