



Fair Share Scorecard

Ensuring Taxpayers Receive a Fair Share
for America's Public Resources

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Introduction and summary

“Under a statute now over a century old, public lands must be transferred to private ownership at the request of any person who discovers minerals on them. We thus have no effective control over mining on these properties. Because the public lands belong to all Americans, this 1872 Mining Act should be repealed and replaced with new legislation which I shall send to the Congress.”

— President Richard Nixon, February 15, 1973¹

President Richard Nixon’s 1973 request that Congress reform federal mining policy—though still unheeded—affirmed a powerful principle that guides U.S. natural resource policy: America’s public lands and waters, and the energy and minerals beneath them, belong to all Americans. It follows that, as owners of these resources, American taxpayers should be entitled to their fair share of the revenues from drilling, mining, logging, and other development that takes place on public lands.

In practice, however, the outdated laws and regulations governing energy and natural resource extraction on U.S. public lands provide few protections for the fiscal interests of U.S. taxpayers. On nationally owned public lands, royalty rates for oil and gas are half the going rate on land owned by the state of Texas, coal rights are routinely sold for less than the cost of a cup of coffee, taxpayer-owned gold is mined royalty free, and local communities get no revenues from the wind and solar projects built on the public lands that are in their backyards.

Although the interests of U.S. taxpayers have been long overlooked on national public lands, there are signs of change ahead. The United States and more than 40 other countries have formed a joint effort to improve the transparency of oil, gas, and mining activities through the Extractive Industries Transparency Initiative, or EITI.² In a speech announcing the nation’s participation, President Barack Obama said that the United States “will join the global initiative in which these industries, governments and civil society, all work together for greater transparency so that taxpayers receive every dollar they’re due from the extraction of natural resources.”³

After years of discussing the need for reforms, the U.S. government is now taking steps to ensure American taxpayers are receiving a fairer return from the leasing and development of publicly owned resources. U.S. Secretary of the Interior Sally Jewell has advanced a series of reforms that, if implemented, would collectively represent one of the largest steps forward on revenue collection policy in more than a generation. These reforms include proposals to close loopholes in the federal coal program, reduce the waste of taxpayer-owned natural gas, and modernize royalty, rental, bonding, and bidding policies for oil and gas development on federal lands.

To help inform the United States' ongoing reform efforts, this scorecard evaluates the return Americans receive for publicly owned natural resources, including oil, gas, coal, hardrock minerals, and renewable resources. Additionally, this scorecard assesses the accessibility of publicly available information on extraction and payment processes for each natural resource, the external costs that could burden taxpayers from each resource, and steps currently being taken to ensure that taxpayers receive a fair share. Hardrock minerals rate the poorest in providing taxpayers a fair share, followed by coal, oil, and gas resources.

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