

House Concurrent Resolution 3027

Testimony of Brady Pelton

Senate Energy and Natural Resources Committee

March 5, 2021

Chairman Kreun and members of the Senate Energy and Natural Resources Committee, my name is Brady Pelton, general counsel and director of government affairs for the North Dakota Petroleum Council (“NDPC”). The North Dakota Petroleum Council represents more than 650 companies in all aspects of the oil and gas industry, including oil and gas production, refining, pipeline, transportation, mineral leasing, consulting, legal work, and oilfield service activities in North Dakota. I appear before you today in support of House Concurrent Resolution 3027.

This Resolution sends an important message at a critical time: North Dakota supports oil and gas development on all lands. The Biden Administration mounted its assault against the oil and gas industry within hours of the presidential inauguration. A Secretarial Order elevating all fossil fuel approvals to the top levels of the Department of Interior (a de facto moratorium) was quickly followed by an actual moratorium on all new federal leases. The impacts of these policies will not be inconsequential.

North Dakota’s oil and natural gas industry has created unprecedented wealth and prosperity for the state. It has given our young people a reason to stay, and we have attracted workers and families from all over the globe to work and live here. Oil and gas tax revenues made up more than fifty percent of total taxes paid in 2018, 2019, and 2020. That does not include royalties, lease bonuses, or sales or income taxes. In addition, the industry supports almost 60,000 jobs and pays twenty-three percent of the state’s total wages.

The Wyoming Energy Authority finalized a report in December 2020 projecting the impacts of a federal leasing moratorium. Under a moratorium, by the end of President Biden’s first term, North Dakota

would lose \$600 million in tax revenue and \$750 million in personal income. Not to mention the nearly 11,000 lost jobs.

The Biden Administration is taking away the freedom to choose where consumers get their energy and punishing the parts of this country whose economies rely on production of these natural resources. We are proud of our industry in North Dakota, and we will continue to tell our story and stand up against destructive policies that place always-changing/never-defined climate goals above the well-being of hard-working Americans in our food- and fuel-producing states. We therefore urge a **Do Pass** on House Concurrent Resolution 3027. I would be happy to try to answer any questions.