

**CONCURRENT RESOLUTION SUPPORTING UTAH'S
NATURAL RESOURCES AND ENERGY INDUSTRIES**

2021 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: David P. Hinkins

House Sponsor: Keven J. Stratton

LONG TITLE

General Description:

This concurrent resolution addresses natural resources and energy in the state.

Highlighted Provisions:

This resolution:

- ▶ describes the benefits derived from the natural resources and energy resources in the state;
- ▶ reminds the federal government of the federal government's legal obligation to hold lease sales;
- ▶ reminds the federal government of Bureau of Land Management requirement to manage public lands for multiple uses and values;
- ▶ implores the federal government to consult with state, tribal, and other stakeholders;
- ▶ implores the federal government for a fair and balanced consideration in future federal land management decisions impacting the state; and
- ▶ reminds the federal government that Utah is a sovereign state.

Special Clauses:

None

Be it resolved by the Legislature of the state of Utah, the Governor concurring therein:

WHEREAS, Utah is blessed with a rich and diverse mineral estate;



28 WHEREAS, Utahns have been developing mineral resources since territorial days;

29 WHEREAS, mineral resource development has driven community and economic
30 development throughout the state;

31 WHEREAS, Utah currently produces or has active operations for crude oil, natural gas,
32 copper, gold, silver, molybdenum, coal, phosphate, potash, magnesium, lithium, salt,
33 beryllium, lime, rhenium, cement, gilsonite, uranium, vanadium, platinum, palladium, lead,
34 clay, gypsum, oil shale, oil sands, frac sand, iron ore, utelite, and helium, with other mineral
35 production under development;

36 WHEREAS, the Utah Geological Survey reports that Utah hosts 28 of the 35 minerals
37 on the United States Department of Interior's list of critical minerals or material mineral groups
38 that was published in the Federal Register on May 18, 2018, with current or historical
39 production of many of those minerals;

40 WHEREAS, within the United States, Utah is currently the 9th largest oil producer and
41 13th largest natural gas producer, according to data from the United States Energy Information
42 Administration, and the 11th largest coal producer and 7th largest nonfuel mineral producer,
43 according to data from the United States Geological Survey;

44 WHEREAS, Utah has been a net energy exporter since 1980, producing on average
45 26% more energy than is consumed according to data from the Utah Geological Survey;

46 WHEREAS, in 2018, according to Utah Geological Survey data, Utah exported only
47 3% of Utah's energy as Utah's energy generation from coal and natural gas decreased
48 significantly, and further production declines, from new restrictive federal land policies, risks
49 turning the state into a net importer of energy rather than a net exporter;

50 WHEREAS, the federal government manages two-thirds of the land in Utah, following
51 only Nevada amongst the states with the largest percentage of federally managed public lands,
52 according to data from the Congressional Research Service;

53 WHEREAS, of energy-producing states, Utah has the largest percentage of federally
54 managed public lands, making Utah disproportionately affected by federal land, mineral, and
55 energy policy;

56 WHEREAS, according to data from the Utah Division of Oil, Gas, and Mining data,
57 56% of Utah's current oil and gas wells are on federally managed public lands and 92% of coal
58 mined in Utah is federal coal;

59 WHEREAS, given the checkerboard nature of surface and mineral rights ownership,
60 production prohibitions on federally managed public lands can impede the recovery of private,
61 state, and tribally-owned resources;

62 WHEREAS, Utah's natural resources and energy industries provide the raw materials,
63 fuels, and electricity that undergird the state's fast growing economy;

64 WHEREAS, Utah's natural resources are used in a plethora of critical products, supply
65 chains, processes, and industries throughout the United States and the world;

66 WHEREAS, fossil fuels made up 89% of Utah's total electricity generation in 2019,
67 supporting some of the consistently lowest electricity rates in the country;

68 WHEREAS, nearly two-thirds of Utah's electricity generation comes from coal, the
69 majority of which is produced in Utah;

70 WHEREAS, Utah's fuels industry is highly integrated, with much of the gasoline
71 fueling our state's economy being produced and refined within the state;

72 WHEREAS, Utah also has vast resources used in other forms of energy generation,
73 including:

- 74 (1) uranium needed for nuclear power generation;
- 75 (2) unconventional resources such as oil shale and oil sands; and
- 76 (3) various feedstocks for hydrogen production;

77 WHEREAS, products derived from Utah petroleum are used in a multiplicity of
78 applications, including in personal protective equipment critical to public health during the
79 COVID-19 pandemic;

80 WHEREAS, products manufactured using Utah minerals are used in innumerable
81 applications in modern society, testifying to the adage, "If it cannot be grown, it has to be
82 mined";

83 WHEREAS, Utah has demonstrated that substantial natural resources and energy
84 industries can coexist with robust tourism and outdoor recreation industries;

85 WHEREAS, natural resources industries play a key role in funding badly needed
86 maintenance on our national parks, contributing a significant portion of the more than one
87 billion dollars in oil and gas royalties that the Great American Outdoors Act, passed by the
88 United States Congress in 2020, directs annually to fund park maintenance for the National
89 Park Service;

90 WHEREAS, according to the Energy Information Administration, the United States is
91 the leader in greenhouse gas reductions and has been since 2005;

92 WHEREAS, federal actions that discourage production on federally-managed lands will
93 not change market demand for oil, gas, and minerals, but will encourage production in other
94 locales and countries with less stringent environmental and labor protections;

95 WHEREAS, this off-shoring of energy and minerals production will transfer economic
96 gains from the United States, the state, and our local communities to other nations, oftentimes
97 those of our adversaries;

98 WHEREAS, Utah is an exemplar of innovation and problem solving, including through
99 the voluntary proliferation of Tier 3 gas from the state's refiners, allowing for up to an 80%
100 reduction in tailpipe emissions, Utah is clearing the way for the Wasatch Front to attain the PM
101 2.5 standard;

102 WHEREAS, Utah's natural resources industries are among the largest private employers
103 in many rural parts of the state;

104 WHEREAS, the oil, gas, and mining industries pay hundreds of millions of dollars in
105 direct production taxes, mineral royalties, and property taxes, including directly to the Utah
106 School and Institutional Trust Lands Administration and indirectly to the state via the state's
107 share of Mineral Leasing Act revenues realized from development of leaseable minerals on
108 federal lands;

109 WHEREAS, oil, gas, mining, and energy jobs also support a substantial number of
110 service and support jobs around the state;

111 WHEREAS, oil, gas, and mining jobs are among the highest paid wages in the state
112 according to Utah Department of Workforce Services data, well above the county averages in
113 extractive industry communities; and

114 WHEREAS, these family and community sustaining wages cannot be readily replaced:

115 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the State of Utah, the
116 Governor concurring therein, reminds the federal government of the federal government's legal
117 obligation to hold lease sales under the Mineral Leasing Act.

118 BE IT FURTHER RESOLVED that the Legislature and the Governor remind the
119 federal government that the Federal Land Policy and Management Act requires the Bureau of
120 Land Management to manage public lands for multiple uses and values.

121 BE IT FURTHER RESOLVED that the Legislature and the Governor implore the
122 federal government to consult with state, tribal, and other stakeholders in the development and
123 implementation of federal Resource Management Plans.

124 BE IT FURTHER RESOLVED that the Legislature and the Governor implore the
125 federal government for a fair and balanced consideration, with state input and involvement, in
126 future federal land management decisions impacting the state, including national monument
127 boundaries and decisions, leasing and permitting policies, wildlife and habitat protection
128 decisions, and other federal policies and initiatives that will have an immediate impact on
129 Utah's economy and way of life.

130 BE IT FURTHER RESOLVED that the Legislature and the Governor remind the
131 federal government that Utah is a sovereign state and implores that Utah's rights for energy
132 self-determination and economic self-determination be respected.