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Utah Petroleum Association Condemns Oil and Natural Gas Leasing Ban on Federal Lands

A federal leasing ban would likely mean \$169 million in lost GDP, more than 1,400 jobs lost and profound impacts on the maintenance needs for Utah's national parks in the first year alone.

SALT LAKE CITY, UTAH (January 27, 2020) – The impacts of the open-ended oil and natural gas leasing ban on federal lands will have profound and far-reaching negative consequences on Utah's economic health, needed maintenance for our national parks, and have an outsized impact on our rural communities.

According to a comprehensive study titled [“The Fiscal and Economic Impacts of Federal Onshore Oil and Gas Lease Moratorium and Drilling Ban Policies”](#) released December 10, 2020 by Timothy J. Considine of the University of Wyoming, “During the first year under a leasing moratorium value added is \$169 million lower, which drags down personal income by \$81 million and lowers the employment level by 1,426.”¹

“Most of Utah's federal natural gas properties are located in rural areas, particularly in the Uintah Basin, where oil and gas income provide a lifeline of financial support for education, health care, and other public services, especially for local governments and special districts,” says Utah Petroleum Association President Rikki Hrenko-Browning. “These losses in the oil and gas sector spill over to the Utah economy writ large, the effects of which are exacerbated by the damage caused by the COVID-19 pandemic.”

Additionally, a federal leasing ban will deeply impact the ability to complete badly needed maintenance on many of Utah's national parks. Passed last year, [The Great American Outdoors Act](#) directs up to \$1.33 billion annually from oil and natural gas royalties on public lands to help fund the National Park Service's \$12 billion maintenance backlog. Utah's national parks have \$225 million in maintenance needs², with 11 projects on tap for 2021 alone from districts across the state.³ A leasing ban even for only one year has an immediate impact on the efficacy of these projects.

“The Great American Outdoors Act was a landmark piece of bi-partisan legislation supported by industry and conservation groups alike. It was a win-win that even Vice President Harris voted for while in the Senate,” notes Hrenko-Browning. “A ban on federal leasing might seem like an easy win for a small subset of the President's supporters, but the ripple effects of such a move extend further and more deeply in a way that should give all of us pause.”

“We strongly encourage the administration to reconsider this decision for the sake of our economy, our rural communities, and the health of our national parks.”

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1. [“The Fiscal and Economic Impacts of Federal Onshore Oil and Gas Lease Moratorium and Drilling Ban Policies,” page 28, table 17.](#)
2. [Summary of Utah National Parks deferred maintenance needs, PewTrusts.org.](#)
3. [U.S. Department of the Interior Great American Outdoors Act Fy21 Project List, UT projects on pg. 9 & 10](#)