

U.S. Department of the Interior News

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Interior's Minerals Management Service Disburses Record \$23.4 Billion in FY 2008*State Share from Energy Production Hits New High of \$2.59 Billion*

WASHINGTON, D.C. – Secretary of the Interior Dirk Kempthorne today announced that Interior's Minerals Management Service had distributed a record \$23.4 billion to state, American Indian and federal accounts from onshore and offshore energy production during Fiscal Year 2008.

Kempthorne said the record disbursements from royalties, rents, and bonuses shattered the 2007 total of \$11.6 billion, far surpassing the previous record of \$12.8 billion disbursed in FY 2006.

"These funds provide a critical source of revenues that are so important to today's federal and state budgets as well as to American Indian communities across the country," Kempthorne said.

"Particularly in today's economic environment, these revenues represent an increasingly important source of funding for many federal, state and tribal budgets," Kempthorne noted, adding that funds disbursed to individual states and tribes support a range of projects from infrastructure improvements and capital works to funding for education.

Kempthorne attributed the record disbursements to higher energy prices during FY 2008 and the more than \$10 billion in bonus bids paid by companies to lease tracts for offshore energy exploration on the Outer Continental Shelf in the Gulf of Mexico and Alaska, as well as from onshore lease sales.

As part of the total, a record \$2.59 billion was disbursed to 35 states as their share of federal revenues collected from energy production within their borders; \$17.3 billion was disbursed to the U.S. Treasury; and \$534 million was disbursed to 34 American Indian Tribes and 30,000 individual American Indian mineral owners.

Since it was established in 1982, MMS has disbursed more than \$200 billion to federal, state, and American Indian accounts. Since 2001, a total of \$89.2 billion has been dispersed, and \$12.6 billion of that went to the states.

The disbursements to the states represent their cumulative share of revenues collected from energy production on federal lands within their borders, and from federal offshore oil and gas tracts adjacent to their shores. In addition, MMS funds various special use accounts, including \$2 billion contributed to the Reclamation Fund for water projects; \$897 million to the Land & Water Conservation Fund; and \$150 million to the Historic Preservation Fund.

The \$2.6 billion disbursed to 35 states in FY 2008 compares to the \$1.97 billion

disbursed in FY 2007, and the previous high of \$2.2 billion disbursed in FY 2006. The state of Wyoming again led all states in FY 2008 by receiving more than \$1.2 billion as its share of revenues collected from energy production on federal lands within its borders, including oil, gas and coal production. New Mexico followed with more than \$614 million in receipts.

Coastal states with producing federal offshore tracts within three miles of their state waters also receive 27 percent of royalties generated in those areas. Remaining offshore revenues collected by the Minerals Management Service are deposited in various accounts of the U.S. Treasury, including the General Fund, and to the Coastal Impact Assistant Program for states.

States receiving revenues through Fiscal Year 2008 include:

Alabama	\$15,836,221.38
Alaska	\$38,556,903.53
Arizona	\$266,834.26
Arkansas	\$13,189,227.20
California	\$103,445,963.15
Colorado	\$178,377,966.07
Florida	\$6,298.00
Idaho	\$1,978,855.53
Illinois	\$286,561.67
Indiana	\$191.50
Kansas	\$2,605,367.43
Kentucky	\$508,473.37
Louisiana	\$49,466,635.80
Michigan	\$1,171,444.97
Minnesota	\$13,030.27
Mississippi	\$1,572,333.15
Missouri	\$4,561,311.95
Montana	\$48,943,889.42
Nebraska	\$40,800.27
Nevada	\$17,622,148.72
New Mexico	\$614,829,204.51
North Dakota	\$23,392,224.43
Ohio	\$574,971.75
Oklahoma	\$7,240,652.39
Oregon	\$294,100.53
Pennsylvania	\$69,368.41
South Carolina	\$277.50
South Dakota	\$1,200,905.81
Tennessee	\$99.00
Texas	\$21,674,057.42

Utah	\$173,839,327.76
Virginia	\$227,154.44
Washington	\$202,943.33
West Virginia	\$776,251.48
Wyoming	\$1,270,987,013.51
Total	\$2,593,759,009.90

In addition to state disbursements, MMS disburses revenues to the county level in support of geothermal energy production. Under the Energy Policy Act of 2005, the federal government disburses 25 percent of receipts from geothermal energy production directly to counties where that production occurs. About \$9.1 million was disbursed to counties in six states for the alternative energy resource in FY 2008, more than doubling the \$4.3 million that was disbursed to counties the previous fiscal year. Counties receiving geothermal receipts are located in California, Idaho, New Mexico, Nevada, Oregon and Utah.

Interior's Minerals Management Service is the federal agency responsible for collecting, auditing and disbursing revenues associated with mineral leases on federal and American Indian lands, and on the Outer Continental Shelf. Disbursements are made on a monthly basis from royalties, rents and bonuses collected by the MMS.

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