

United States Senate

WASHINGTON, DC 20510

March 2, 2021

Hon. Regina A. "Gina" McCarthy
National Climate Advisor
Executive Office of the President
The White House
Washington, DC 20500

Dear Ms. McCarthy:

We write to follow up on President Biden's Executive Order 14008 addressing the climate crisis, and to underscore the importance of ensuring that states like New Mexico receive robust federal assistance in the ongoing transition to a zero-carbon economy. We are pleased that President Biden is returning the United States to policy-making that is informed by science, which tells us that we must rapidly accelerate our transition to a clean energy future to avoid increasingly severe impacts from climate change. Acting on climate means building a stronger, healthier, and fairer America for all, which includes putting millions of Americans back to work including national service workers in a new Civilian Climate Corps. However, we oppose an indefinite pause in federal leasing. In addition, the administration must commit to compensating states that currently produce fossil fuels and depend on the associated state revenues for schools and critical services.

For more than a century, New Mexico has been a major producer of oil and natural gas and our state's budget and funding for education are deeply linked to these industries. Annual state revenue from oil and gas is over \$3 billion. From federal mineral revenues alone, New Mexico received \$707 million in FY20 and \$1.17 billion in FY19. Overall, revenue from oil and gas production comprises about 40% of our state's annual budget, and our state's public education system is disproportionately reliant on these revenues.

Executive order 14008 placed a pause on issuing new leases for oil and gas drilling on federal lands to allow the administration to review energy permitting and leasing practices. Though a short-term pause is fully appropriate in the new Biden administration, an extended and indefinite suspension would have significant impacts on our workforce and state funding for education and creates unnecessary uncertainty for New Mexico's state and local tax revenues. We oppose an indefinite federal ban on oil and gas leasing, and we urge the administration to complete its review and resume responsible leasing as soon as possible.

Going forward, we will continue to work with you and the administration to accelerate the nation's response to climate change under the EO, but to do that, we need your steadfast support and commitment that New Mexicans will not be left behind as we transition to a more diversified economy based on clean energy and a carbon-free future. We will be putting forward concrete solutions to help wean states like New Mexico off fossil fuels, including state revenue

replacement and targeted, place-specific programs for career re-training, economic diversification and transition. At the same time, we expect the administration to work with us to support New Mexico's education system and communities within existing federal resources, and to join us in developing the authorizing legislation required to secure a smooth transition for our state's economy and workforce.

Thank you for your attention to the needs of New Mexicans. We look forward to joining with you in securing the required investments and support that will hold New Mexico's communities harmless as we drive the nation forward to a carbon-free future.

Sincerely,

A handwritten signature in blue ink, appearing to read "Martin Heinrich".

MARTIN HEINRICH
United States Senator

A handwritten signature in blue ink, appearing to read "Ben Ray Lujan".

BEN RAY LUJÁN
United States Senator