



Institute for
Policy Integrity
NEW YORK UNIVERSITY SCHOOL OF LAW

FOR IMMEDIATE RELEASE – August 6, 2021

Contact: Derek Sylvan | (614) 638-8282 | derek.sylvan@nyu.edu

NEW REPORT OFFERS FIXES FOR PUBLIC LANDS LEASING PROGRAM

Leasing public lands and waters for fossil-fuel extraction drives a quarter of U.S. carbon dioxide emissions. The Interior Department has a chance to correct the faulty assumptions behind these leasing decisions.

If U.S. public lands were a country, they would rank fifth in the world for greenhouse gas emissions. The Department of Interior's oil and gas leasing program, which allows companies to lease taxpayer-owned lands and waters to extract oil and gas, causes billions of dollars' worth of climate damages and prevents renewable energy generation and recreation on these lands. **Interior is expected to soon release initial reform plans for the leasing program, and major changes are needed if the U.S. is to reach the Biden administration's goal of net-zero emissions by 2050.**

[A new report from the Institute for Policy Integrity at NYU School of Law](#) highlights key problems in the leasing process and proposes solutions. The report explains how the agency's decisionmaking can be improved using analyses that more accurately assess likely climate impacts, localized environmental harms, and the value of delaying a decision until more information is available (on fossil fuel demand and other factors). By insufficiently accounting for these impacts, **Interior has failed to obtain fair market value for public lands**, leasing many parcels for under two dollars per acre.

The recommended reforms can drive policies that maximize net environmental and economic benefits. They include:

- Increasing royalty rates to reduce extraction and increase royalty revenue.
- Requiring permanent and verifiable carbon offsets to mitigate unavoidable climate impacts.
- Directing green jobs to fossil-fuel-employed communities to mitigate localized economic harms from curtailing leasing. This can address concerns that the energy transition may come at the expense of jobs in particular communities.

The full report, ***Toward Rationality in Oil and Gas Leasing: Building the Toolkit for Programmatic Reforms*** is available at: <https://policyintegrity.org/publications/detail/toward-rationality-in-oil-and-gas-leasing>

The authors are available for interviews on these issues.

###

The Institute for Policy Integrity at New York University School of Law is a non-partisan think tank dedicated to improving the quality of government decisionmaking. The institute produces original scholarly research in the fields of economics, law, and regulatory policy; and advocates for reform before courts, legislatures, and executive agencies.