

Official statement – Rocky Mountain Farmers Union
H.R. 3408 floor debate
February 14, 2012

The following statement is by Kent Peppler, President of the Rocky Mountain Farmers Union.

Dear Rep. Jared Polis:

Thank you for the opportunity for our voice to be heard on the floor of the House.

Rocky Mountain Farmers Union represents about 20,000 family farmers and ranchers in Wyoming, Colorado, and New Mexico. We oppose Rep. Doug Lamborn's oil shale legislation, H.R. 3408.

The bill puts the cart before the horse by mandating commercial leasing of oil shale before a commercial oil shale industry even exists. This headlong rush into oil shale speculation, with its promises of jobs, fuel, and revenue, fails to take into account potential impacts to real, existing jobs that we have right now in farming and ranching.

One estimate by the U.S. Bureau of Land Management stated that commercial oil shale production, should it ever be realized, could require 150 percent the amount of water currently used by the entire Denver Metro Area. Water in the West and rivers such as the Colorado are already allocated beyond their limits. Speculators in the oil shale industry have already bought-up water rights from Colorado farmers. We are quite concerned that speculation in oil shale facilitated by Rep. Lamborn's bill would negatively affect Colorado agriculture.

We see no reason to gamble away our water, our future, and Colorado farms and ranches on oil shale speculation.

We were quite disappointed that Rep. Lamborn failed to support an amendment to complete a water study prior to the bill taking effect. Looking before you leap is common sense, but there is little sense in this legislation.

We are also concerned about the fiscal impacts that this legislation could bring to rural communities. The legislation creates a new subsidy for oil companies by setting bargain basement royalty rates for oil shale. This means that if oil shale were to be developed, rural communities would have less revenue to address the costs that come along with the business of energy development such as new roads, schools, firefighters, hospitals, and utilities.

Lastly, the Congressional Budget Office gave the legislation a score of "zero" for net revenue between 2012 and 2022. Oil shale won't help fund much-needed repairs to roads, highways, and bridges in rural areas of the country, and it generates no revenue for ten years. That's lose/lose in our book.

Rocky Mountain Farmers Union applauds Rep. Jared Polis for working to strike the legislation from the transportation funding proposal.