

## **FOR IMMEDIATE RELEASE**

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### **Groups Sue Trump Administration Over Committee Stacked With Energy and Mineral Representatives**

*New Committee Recommends Lowering Royalty Payments Used to Fund Education,  
Critical Public Services for Western States Residents*

**Washington, DC**—Today, on behalf of the Western Organization of Resource Councils (WORC), Democracy Forward filed suit against the Trump Administration for unlawfully creating a committee designed to help extractive industries avoid paying a fair value to America's taxpayers for the privilege of extracting taxpayer-owned coal, oil, and gas.

The groups contend that Department of Interior Secretary Ryan Zinke stacked the Royalty Policy Committee (RPC) with representatives of oil, gas, and coal companies that stand to directly benefit from reduced payments for resource extraction. These payments are used to fund education and other critical services for Mountain West state residents. For example:

- In [Colorado](#), nearly half of the [\\$92 million](#) received in royalties from state land extraction are allocated to the State Public School Fund.
- New Mexico receives nearly \$500 million in annual revenue from federal mineral disbursements. These royalty payments are used to help [fund](#) state schools and hospitals.
- [Montanans](#) could see reductions in royalty payments received from mineral disbursements from state land, of which [75%](#) goes to the state general fund.
- Wyoming could experience cuts to the more than \$1 billion received annually from federal royalties, a figure equivalent to [thousands](#) of dollars per state resident.

The groups allege the RPC violates the Federal Advisory Committee Act (FACA).

Taxpayer and citizen advocates (none of whom are represented on the RPC) have long argued that current royalty policies allow energy companies to undercompensate taxpayers when they transform public and split-estate lands into private mining sites. Just last year, the Government Accountability Office [found](#) that raising royalty rates would generate higher net returns to federal and state treasuries.

“Energy companies have a bad habit of cheating on their taxes and royalties when they can get away with it, but now the federal government wants to cut them a sweetheart deal and bring it out into the open through this committee,” said **Steve Charter, rancher near Shepherd, Mont., and WORC board member**. “These companies can’t just take and take from the areas they mine and drill. At the very least they’ve got to pay the public a fair return for earning a profit on publicly-owned minerals.”

“Secretary Zinke is breaking the law in order to barter off America's public resources to his corporate cronies and shield them from paying a fair value for the privilege,” said **Democracy Forward Executive Director Anne Harkavy**. “FACA is supposed to keep government policymaking in the sunshine, but this is yet another Trump Administration policy are operating in the dark.”

Secretary Zinke created the RPC in March of 2017 with the [stated intention](#) of improving management of federal mineral resource management, but, despite the economic impact of the RPC’s work on every American, it has operated behind closed doors with little transparency, according to the complaint. The RPC has also failed to follow legal requirements to safeguard the Council’s work from financial conflicts of interest and to provide a public interest justification — as opposed to a private benefit — for its work.

The suit requests a court order barring the Committee from continued operations, or, at a minimum, that the court require the Committee to operate in a lawful manner. The [suit was filed](#) in federal district court in the District of Montana, Missoula Division.

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[Democracy Forward](#) is a nonprofit legal organization that scrutinizes Executive Branch activity across policy areas, represents clients in litigation to challenge unlawful actions, and educates the public when the White House or federal agencies break the law.

Based in Billings, Mont., the [Western Organization of Resource Councils](#) is a seven-state network of grassroots community organizations working to strengthen communities and shape policies on energy and agriculture.

### **Press Contact**

Charisma Troiano  
(202) 701-1781

[ctroiano@democracyforward.org](mailto:ctroiano@democracyforward.org)

Steve Charter  
(406) 794-4892

Kevin Dowling  
(406) 252-9672  
[kdowling@worc.org](mailto:kdowling@worc.org)