

**TESTIMONY OF
THE HONORABLE DOC HASTINGS (R-WA)
CHAIRMAN, COMMITTEE ON NATURAL RESOURCES
BEFORE THE
COMMITTEE ON HOUSE ADMINISTRATION
112TH CONGRESS, 2ND Session
COMMITTEE FUNDING REQUEST
November 30, 2011**

Chairman Lungren, Ranking Member Brady, and Members of the Committee, thank you for allowing Ranking Member Ed Markey and I to appear before you to discuss the budget of the Committee on Natural Resources.

Earlier this year, we testified before the Committee and presented a budget for the 112th Congress that reflected a 5% decrease from the budget of the 111th Congress. This budget allocated the funds equally between 2011 and 2012. The reduction of 5% was accomplished by identifying areas to reduce spending throughout the various budget categories. Our nonpartisan administrative staff reviewed each and every budget category for savings, and they are tracking each purchase and expenditure to ensure that the budget is adhered to and that dollars are spent in a responsible manner. The most significant impact of the reduction is in the salary portion of the budget. Retaining and hiring knowledgeable staff with expertise in the diverse areas within the Committee's jurisdiction is critical to the legislative and oversight duties that we have a responsibility to carry out. Salaries account for 90% of the total Committee budget. Decisions on hiring have had to be made very carefully to ensure compliance with the overall salary budget.

For 2011, we fully expect to have unspent funds at the end of the year that are attributable to the timing of hiring by both the Majority and Minority. This is not expected to extend into 2012 as hiring is nearing completion and we reach near full staffing levels going into next year. Obviously, as Republicans moved from the Minority to Majority, our hiring doubled. However, as staff are added throughout the year, we must budget for an entire year's salary. For example, if a new staff person was added to payroll on July 1st, there is a budget savings of 6 months salary for January to June in 2011, but they will earn their entire salary in 2012. This results in savings at the end of 2011 that will not occur in 2012. For the Minority, the new arrival of Ranking Member Markey, following the departure of Mr. Rahall to the Transportation and Infrastructure Committee, resulted in a similar scenario of hiring by the Minority throughout the course of this year and one-year savings at the end of 2011.

You've also asked that we discuss the impact of a possible 6.4% reduction in the Committee budget for 2012. This obviously was not anticipated at the beginning of this year and would have impacts on the Committee's operation. I sought and supported the 5% reduction. It was possible to implement that spending reduction at the outset of the Congress and we've been planning for a frozen budget from 2011 to 2012. As I stated previously, 90% of the Committee's budget is for salary and we'd feel the greatest pressure of a 6.4% reduction on our ability to hire, retain and pay necessary staff. I've asked our Committee's nonpartisan administrative staff to review how much savings could be found in the non-salary budget categories, though it would

not be possible to implement a 6.4% reduction in the Committee's budget from just 10% of the Committee's budget that is non-salary. And such reductions in non-salary categories would impact the Committee's ability to conduct field hearings in the remote areas of the country that are directly affected by our jurisdiction. As part of the administrative staff's review, they're also analyzing our plans for replacing aging equipment. While some equipment needs can be deferred, they must happen eventually. Again, however, these other non-salary budget categories could not absorb a budget reduction of 6.4%.

To be clear, if the 6.4% reduction were to occur, we'd find a way to implement it and in a way that best maintains the Committee's ability to fully and effectively function. In these tough economic times and when the need to reduce federal spending is very real, Congress must do its part. However, it is important to maintain the ability of Congress to effectively conduct oversight of the spending and activities of the various federal agencies and Departments. Many do not realize that our Committee oversees the greatest source of revenue to the federal government after the federal income tax, which is the revenue from offshore and onshore energy leasing and production. Tens of billions of dollars every year are generated and collected by the agencies under our jurisdiction. Our Committee budget and staff is tiny compared to the billions of dollars spent and generated by, and tens of thousands employed by, those agencies we are charged with overseeing. There is a point at which budget reductions cross from belt-tightening to impacting core oversight functions. While it's my hope that a possible 6.4% reduction could be absorbed without unduly impacting our core duties, a reduction beyond that amount in 2012, or beyond, would certainly raise serious concerns.

I know that this Committee is also interested in how we share resources at the Natural Resources Committee. I will briefly review our arrangement, which remains the same as shared with you earlier this year.

The Committee is allocated 69 staff positions in total. In the 111th Congress, the Committee had nine nonpartisan shared staff positions. The Minority was allotted 1/3 of the remaining 60 staff positions on the Committee, or 20 slots. For the 112th Congress, at the initiative of the Majority, and with agreement from the Minority, the number of nonpartisan shared staff positions has been reduced to six. So, for the 112th Congress, the Minority was allotted 1/3 of the resulting 63 staff positions on the Committee, or 21 slots.

The Minority controls 1/3 of the budget for staff salaries. Majority staff and nonpartisan shared staff are paid from the 2/3 allocation to the Majority. This arrangement has worked well over several Congresses, and we agreed that it is in the best interest of the Committee to continue this arrangement in the 112th Congress.

The remainder of the budget, items such as supplies and travel, is treated in an open manner. Computers, copiers and other equipment are repaired or replaced as needed without regard to Majority or Minority affiliation.

Thank you for the invitation and opportunity to testify. We appreciate your time and attention to the work of the Committee on Natural Resources.