

GAO Highlights

Highlights of [GAO-17-434T](#), a testimony before the Subcommittee on the Interior, Energy, and Environment, Committee on Oversight and Government Reform, U.S. House of Representatives

Why GAO Did This Study

Indian tribes and their members hold considerable energy resources and may decide to use these resources to provide economic benefits and improve the well-being of their communities. However, according to a 2014 Interior document, these resources are underdeveloped relative to surrounding non-Indian resources. Development of Indian energy resources is a complex process that may involve federal, tribal, and state agencies. Interior's BIA has primary authority for managing Indian energy development and generally holds final decision-making authority for leases, permits, and other approvals required for development.

GAO's 2017 biennial update to its High Risk List identifies federal management of programs that serve tribes and their members as a new high risk area needing attention by Congress and the executive branch.

This testimony highlights the key findings of three prior GAO reports (GAO-15-502, GAO-16-553, and GAO-17-43). It focuses primarily on BIA's management of Indian energy resources and development. For the prior reports, GAO analyzed federal data; reviewed federal, academic, and other literature; and interviewed tribal, federal and industry stakeholders.

What GAO Recommends

In the past 2 years, GAO issued three reports and made 14 recommendations to BIA to improve its management of Indian energy resources, such as to track its review process, improve collaboration, and conduct workforce planning. BIA agreed with most recommendations and identified some steps it intends to take to implement them.

View [GAO-17-434T](#). For more information, contact Frank Rusco at (202) 512-3841 or ruscof@gao.gov

February 15, 2017

HIGH RISK

Federal Management Challenges Related to Indian Energy Resources

What GAO Found

In three prior reports on Indian energy development, GAO found that the Department of the Interior's (Interior) Bureau of Indian Affairs (BIA) has inefficiently managed Indian energy resources and the development process and thereby limited opportunities for tribes and their members to use those resources to create economic benefits and improve the well-being of their communities. GAO has also reported numerous challenges facing Interior's Bureau of Indian Education and BIA and the Department of Health and Human Services' Indian Health Services in administering education and health care services, which put the health and safety of American Indians served by these programs at risk. For the purposes of this testimony, GAO is focusing on the concerns related to Indian energy.

GAO categorized concerns associated with BIA management of energy resources and the development process into several broad areas, including oversight of BIA activities, collaboration, and BIA workforce planning.

- **Oversight of BIA activities.** In a June 2015 report, GAO found that BIA review and approval is required throughout the development process. However, BIA does not have a documented process or the data needed to track its review and response times—such as data on the date documents are received, the date the review process is considered complete, and the date documents are approved or denied. GAO recommended that BIA develop a documented process to track its review and response times. Interior generally agreed and stated it would try to implement a tracking and monitoring mechanism by the end of fiscal year 2017 for oil and gas leases. Interior did not indicate whether it intends to track and monitor its review of other energy-related documents that must be approved before tribes can develop resources.
- **Collaboration.** In a November 2016 report, GAO found that BIA has taken steps to form an Indian Energy Service Center that is intended to, among other things, help expedite the permitting process associated with Indian energy development. However, BIA did not coordinate with key regulatory agencies, including Interior's Fish and Wildlife Service, the Environmental Protection Agency and the U.S. Army Corps of Engineers. GAO recommended that BIA include other regulatory agencies in the Service Center so that it can act as a single point of contact or lead agency to coordinate and navigate the regulatory process. Interior agreed with our related recommendation and described plans to address it.
- **BIA workforce planning.** In June 2015 and in November 2016, GAO reported concerns associated with BIA's long-standing workforce challenges, such as inadequate staff resources and staff at some offices without the skills needed to effectively review energy-related documents. GAO recommended that BIA assess critical skills and competencies needed to fulfill its responsibilities related to energy development, and that it establish a documented process for assessing BIA's workforce composition at agency offices. Interior agreed with our recommendations and stated it is taking steps to implement them.