

# The Kochs' Campaign to PRIME AND ELMONIEM Off of Our Public Lands



# THE KOCHS' CAMPAIGN TO PRIVATIZE & MAKE MORE MONEY OFF OF OUR PUBLIC LANDS

While all eyes were on the possible Republican government shutdown on September 30<sup>th</sup>, the end of the month brought another deadline that could continue to go unaddressed to the glee of the GOP. The Land and Water Conservation Fund (LWCF), a program that protects millions of acres of land including national parks and forests, wildlife refuges, and other trails and parks, expired on September 30th and will not continue unless Congress acts to renew it.

At the center of the campaign to privatize and make money off of public lands protected by the LWCF are the Koch brothers. It's one part of a wide-ranging campaign they back to force control of public lands from the federal government to the states, which then won't be able to cover the cost of maintaining these lands without opening more and more to industry exploration and leasing. The Koch-backed efforts include ALEC-driven legislation across the western states, legal challenges to public land restrictions on business activity, and the Kochs even suggested that they would contribute millions to help defray costs. The billionaire brothers have spent their entire careers destroying the environment in order to improve their bottom line, and now that they've have decades to wreak havoc on privately-held lands, they have their sights set on developing federal public lands. The Kochs have mobilized their vast network of political organizations and called in favors from the members of Congress whose campaigns they have bankrolled in order to take control of America's public lands away from the federal government. While many Americans view these pristine areas as national treasures, the Koch brothers only see them as another chance to make money.

# Koch Activity To Wrest Control Of America's Public Lands Away From The Public

# THE KOCHS HAVE A FINANCIAL INTEREST IN RESOURCE EXTRACTION, SUCH AS MINING AND OIL DRILLING, ON PUBLIC LANDS

Koch Industries "Owns Or Operates More Than 4,000 Miles Of Pipelines That Transport Crude Oil, Refined Petroleum Products, Natural Gas Liquids, And Chemicals." According to the Koch Industries website, "Koch Pipeline Company, L.P. owns or operates more than 4,000 miles of pipelines that transport crude oil, refined petroleum products, natural gas liquids, and chemicals." [kochind.com, accessed 7/9/15]

Koch Minerals Markets And Trades Dry-Bulk Commodities As Well As Petroleum, Subsidiaries Include Koch Carbon, C. Reiss Coal Company And Koch Exploration Company. According to the Koch Industries website, "Koch Minerals, LLC and its subsidiaries are among the world's largest dry-bulk commodity handlers, annually marketing and trading more than 40 million tons of product, as well as petroleum and natural gas properties. Subsidiaries include Koch Carbon, LLC; The C. Reiss Coal Company; Koch Exploration Company, LLC, and KM Proppants, LLC." [kochind.com, accessed 7/9/15]

Koch Supply And Trading Companies "Trade Crude Oil, Refined Petroleum Products, Gas Liquids, Liquefied Natural Gas... Industrial Metals, And Other Commodities." According to the Koch Industries website, "Koch Supply & Trading companies around the world trade crude oil, refined petroleum products, gas liquids, liquefied natural gas, emission allowances, industrial metals, and other commodities." [kochind.com, accessed 7/9/15]

Koch's Flint Hills Resources Refines More Than 600,000 Barrels Of Crude Oil Per Day. According to the Koch Industries website, "Flint Hills Resources, LLC, through its subsidiaries, produces fuel that helps power the American economy. It operates refineries in Minnesota and Texas with a combined crude oil processing capacity of more than 600,000 barrels per day. The company also produces and markets petrochemicals, ethanol, biodiesel, and asphalt; and owns a 50 percent interest in a lubricants base oil facility in Louisiana." [kochind.com, accessed 7/9/15]

# KOCH NETWORK NATIONAL POLICY ADVOCACY AGAINST FEDERAL CONTROL OF PUBLIC LANDS

Koch-Backed American Lands Council Has Pushed Land Transfer Legislation Across The Western States

The American Lands Council "Helped Draft Many Of The Land Transfer Bills" In Western States. According to Elko Daily Free Press, "Nevada joins a groundswell of Western states that have adopted similar legislation. Utah passed a bill setting a deadline for the transfer of land, and in a subsequent session decided to study the implications. Dahl said Montana, Wyoming and Idaho all passed bills that resemble Nevada's. Lawmakers in New Mexico, he said, started working on a deadline bill like Utah's but decided that first compiling a study was a better route. Arizona passed a land transfer bill around the same time Utah did, but Gov. Jan Brewer vetoed the bill because it didn't include protections for National Parks, Dahl said. That state is now working, as is Colorado, toward drafting a land transfer bill. Even in Oregon they are starting to work toward (a public) land transfer,' Dahl said. The American Lands Council, a lobby group that has helped draft many of the land transfer bills and of which Elko County Commission is a supporter, formed a year ago in May." [Elko Daily Free Press, 6/24/13]

#### Koch-Backed ALEC Has Pushed Legislation For State-Control Of Public Lands

Koch Funded ALEC Crafted "Forest-Removal Model Legislation" And Posted It Online For Legislative Members To Promote. According to an opinion by Liza Field in the Kent County News, "The private American Legislative Exchange Council, funded by BP, ExxonMobil, Koch Industries and various multinational interests, crafted the forest-removal model legislation posted on its website for its lawmaker members to promote." [Liza Field – Kent County News, 5/14/15]

In 2012, ALEC Developed Model Legislation For State Legislators, The "Disposal And Taxation Of Public Lands Act." According to ALEC's website, the group developed model legislation called the "Disposal and Taxation of Public Lands Act." [ALEC.org, 1/15/12]

• The Bill Calls For The Federal Government To "Immediately Dispose Of The Public Lands" Within A State's Borders. According to the Disposal and Taxation of Public Lands Act as posted on ALEC's website, "NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of {insert state} demands that the Federal Government immediately dispose of the public lands within [state]'s borders directly to the state of [state]. [...] BE IT FURTHER RESOLVED that the Legislature calls for the creation of a [state] Public Lands Commission to review and manage multiple use of the public lands and to determine, through a public process, the extent to which public land may be sold." [ALEC.org, 1/15/12]

Koch-Backed Property And Environment Research Center Called For An End To The Land And Water Conservation Fund, Advanced A Flawed Study Advocating State Control Of Federal Lands, And Advocating An End To National Parks

PERC Called For An End To The Land And Water Conservation Fund

Watson And Wilson: The Land And Water Conservation Fund Should Be Used To Pay Down The National Park Service Deferred Maintenance Backlog. According to an opinion by Property and Environmental Research Center Executive Director Reed Watson and Research Assistant Scott Wilson for the New York Times, "Advocates for reauthorizing the conservation fund, including the Interior Department, point to broad public support for public land acquisition, particularly for private holdings within park boundaries and other ecologically sensitive parcels threatened by development. However, federal land agencies can acquire these priority parcels in a revenue-neutral manner by swapping them with other federal lands, leaving the land and water conservation money for critical maintenance and repairs. [...] First, Congress should stop acquiring more land and use the Land and Water Conservation Fund to help pay down the deferred maintenance backlog." [Reed Watson, Scott Wilson – New York Times, 6/30/15]

Moser: "PERC's Op-Ed Also Calls For An End To...The Land And Water Conservation Fund (LWCF)." According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "In addition to arguing for no new national parks, PERC's op-ed also calls for an end to one of America's best parks programs, the Land and Water Conservation Fund (LWCF)." [Claire Moser – ThinkProgress.org, 7/3/15]

Moser: "Members Of Congress From Both Parties Have Called For Full Funding And Reauthorization" Of The LWCF, But "PERC And A Select Few Republican Leaders In Congress Are Instead Advocating For Diverting The Funds." According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "Members of Congress from both parties have called for full funding and reauthorization of the LWCF before it expires permanently on September 30. However, PERC and a select few Republican leaders in Congress are instead advocating for

diverting the funds to cover maintenance costs, despite continuing to cut the National Park Service's budget." [Claire Moser – ThinkProgress.org, 7/3/15]

Impact Of The Land Water Conservation Fund

Moser: The Land And Water Conservation Fund "Is A Budget-Neutral Program" That Is Funded "From Offshore Oil And Gas Development Fees." According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "LWCF is a budget-neutral program that uses funds from offshore oil and gas development fees to fund federal, state and local outdoor projects across the country." [Claire Moser – ThinkProgress.org,7/3/15]

Moser: The Land And Water Conservation Fund "Has Been Used To Support Some Of America's Most Iconic National Parks" And "Has Helped Create Tens Of Thousands Of Outdoor Projects." According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "The program has been used to support some of America's most iconic national parks, including the Grand Canyon and Yellowstone, and has helped create tens of thousands of outdoor projects such as local parks and baseball diamonds in all 50 states." [Claire Moser – ThinkProgress.org, 7/3/15]

The Land Water Conservation Fund Provided Nearly \$40 Million In Grants To States And Territories For Conservation And Recreation Projects In Fiscal Year 2014. According to the National Park Service, the Land Water Conservation Fund provided \$39,699,579 to states and territories for "state-identified outdoor recreation and conservation projects" for fiscal year 2014. [National Park Service, accessed 9/28/15]

Since 1965 The Land Water Conservation Fund Has Provided \$3.9 Billion To States And Territories For Conservation And Recreation Projects. According to the National Park Service, the Land Water Conservation Fund provided \$3,978,426,990.47 to states and territories for "state-identified outdoor recreation and conservation projects." [National Park Service, accessed 9/28/15]

### Koch-Backed Member Of Republican Leadership Advanced Legislation That Would Diminish The Land Water Conservation Fund

Representative Kevin McCarthy Sponsored The Wilderness And Roadless Area Release Act, Which Would "End Protections On 43 Million Acres" Of Land In The West. According to the Bradenton Herald, "Another bill that's pending is the Wilderness and Roadless Area Release Act, sponsored by Rep. Kevin McCarthy, R-Calif. He said the bill would 'create jobs and grow local communities.' It would end protections on 43 million acres in the West, lands where Congress hasn't made final decisions about formal wilderness protection." [Bradenton Herald, 6/13/11]

Chair Of The City Of Oakland Planning Commission Vien Truong: Representative Kevin McCarthy's Wilderness And Roadless Area Release Act Would "Diminish The Land And Water Conservation Fund." According to an opinion by chair of the city of Oakland Planning Commission Vien Truong, "I have watched congressional events this summer with a mixture of concern and outright alarm. Week after week, GOP congressional leaders have advanced efforts that would profoundly affect our communities' health, our local economies, our environment and accessibility to our shared outdoors. A leading example is Bakersfield's Rep. Kevin McCarthy and his 'Wilderness and Roadless Area Release Act.'

It guts the environmental standards that keep our air, water and soil free of pollutants." [Fresno Bee, 9/1/11]

Koch Connections

Koch Industries Has Contributed \$55,500 To Rep. Kevin McCarthy Over The Course Of His Career. According to the Center for Responsive Politics, Koch Industries gave Rep. Kevin McCarthy \$5,500 in the 2006 cycle, 10,000 in the 2010 cycle, 20,000 in the 2012 cycle, and \$20,000 in the 2014 cycle. [OpenSecrets.org, accessed 9/25/15, 9/25/15, 9/25/15, 9/25/15]

Americans For Prosperity Gave Kevin McCarthy A 100% On Their Congressional Scorecard For His Voting Record This Year And A Lifetime Score Of 86%. According to Americans for Prosperity's Congressional Scorecard, Kevin McCarthy has a current score of 100% for his voting record and a lifetime score of 86%. [Americans for Prosperity, accessed 9/25/15]

Center for American Progress Advocacy Associate Clair Moser: PERC Has "Ramped Up Involvement In An Extreme Right Wing Campaign" To Sell Public Lands "To The Highest Bidder." According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "PERC and its oil and gas allies have also ramped up involvement in an extreme right wing campaign to give control of America's public lands to the states and sell them off to the highest bidder." [Claire Moser – ThinkProgress.org, 7/3/15]

Moser: "CWP Also Cites Two Studies...Showing That States Would Not Be Able To Afford To Manage Lands." According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "CWP also cites two recent studies in its analysis from economists in Utah and Idaho showing that states would not be able to afford to manage lands if they were transferred to state control." [Claire Moser – ThinkProgress.org, 7/3/15]

Moser: PERC Has Ramped "Up Efforts To Seize And Sell Off America's Public Lands," Putting The "Conservation Efforts Supported By Both Parties...At Risk Of Being Left Behind." According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "Despite these concerns, PERC and its oil and gas allies in Congress have continued to ramp up efforts to seize and sell off America's public lands and push an overall "No More National Parks" campaign. While these highly partisan and divisive attacks on the environment have taken priority in Congress, the conservation efforts supported by both parties, such as the reauthorization of the LWCF, are at risk of being left behind. Congress will have less than 100 days to act and reauthorize LWCF when it returns from recess next week."

[Claire Moser – ThinkProgress.org, 7/3/15]

PERC's Flawed Study

The Property And Environment Research Center Released A Report Saying That State-Managed Lands Were More Profitable Than Federally Managed Lands. According to an editorial by the Elko Daily Free Press, "To the contrary, a report issued by the Property and Environment Research Center last week clearly shows that state-trust lands are more profitable than federally managed lands." [Editorial - Elko Daily Free Press, 3/4/15]

- Moser: PERC "Released A Study That Claimed To Provide Economic Evidence To Support The Transfer Of National Public Lands To State Control" That Were "Widely Cited In A Series Of Nearly Identical Op-Eds." According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "In March, PERC released a study that claimed to provide economic evidence to support the transfer of national public lands to state control. The study was widely cited in a series of nearly identical op-eds written by a front group for the oil and gas-backed public relations firm of Richard Berman, nicknamed "Dr. Evil" by consumer-protection and organizations he has targeted." [Claire Moser ThinkProgress.org, 7/3/15]
- Moser: "An Analysis By The Center For Western Priorities Shows That PERC's Analysis Is 'Flawed." And "Ignores Billions Of Dollars" In Maintenance Costs, While Failing "To Account For Multiple Values" Of Public Lands. According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "However, an analysis by the Center for Western Priorities (CWP) shows that PERC's economic analysis is "flawed," ignoring billions of dollars spent every year fighting wildfires and "fail[ing] to account for the multiple values provided by national public lands," beyond drilling, mining, and logging." [Claire Moser ThinkProgress.org, 7/3/15]
- Moser: The Study's Flaws "Would Suggest That The Authors Designed A Study To Specifically Support The
  Organization's Ideology." According to a web post by Center for American Progress Advocacy Associate Clair Moser
  for Think Progress, "The study's 'glaring flaws would suggest that the authors designed a study to specifically support the
  organization's ideology, which prioritizes extractive industries, reduces public access through privatization, and ignores the
  benefits of balanced land management,' CWP wrote in April." [Claire Moser ThinkProgress.org, 7/3/15]

PERC Advocated Against National Parks

Property And Environmental Research Center Executive Director Reed Watson And Research Assistant Scott Wilson: Increasing The Amount Of Federal Land Allocated To The Park System Is "Irresponsible." According to an opinion by Property and Environmental Research Center Executive Director Reed Watson and Research Assistant Scott Wilson for the New York Times, "Adding more land to the federal estate is irresponsible when the government is failing to maintain the parks, forests and grazing lands it currently owns. Rather than using the conservation fund to acquire more land, Congress should use the money to help address the deferred maintenance backlog. True conservation is taking care of the land

and water you already have, not insatiably acquiring more and hoping it manages itself." [Reed Watson, Scott Wilson – New York Times,  $\frac{6}{30}$ /15]

#### Moser: "The Koch Brothers Are Rolling Out Their Latest Campaign... Pushing

For No More National Parks." According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "Just in time for the Fourth of July — when millions of people across the country will visit America's national parks and other public lands — the Koch brothers are rolling out their latest campaign against these treasured places: pushing for no more national parks." [Claire Moser – ThinkProgress.org, 7/3/15]

Moser: In A Recent Op-Ed In The New York Times, "Reed Watson, The Executive Director At The Koch-Backed Property And Environment Research Center (PERC)...Call For No More National Parks." According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "In an op-ed published in Tuesday's New York Times, Reed Watson, the executive director at the Koch-backed Property and Environment Research Center (PERC), along with a research associate at the Center, call for no more national parks, citing the backlog in maintenance for existing parks." [Claire Moser – ThinkProgress.org, 7/3/15]

Moser: The Op-ed Reads, "True Conservation is Taking Care Of The Land And Water You Already Have, Not Insatiably Acquiring More And Hoping It Manages Itself." According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "True conservation is taking care of the land and water you already have, not insatiably acquiring more and hoping it manages itself,' the op-ed reads. Let's maintain what we've already got, so we can protect it properly,' it concludes." [Claire Moser – ThinkProgress.org, 7/3/15]

## Koch-Backed Cause Of Action Donated Legal Help To Drakes Bay Oyster Co. In Its Lawsuit Against The Federal Government To Establish Precedent Of Private Use Of Public Lands

Congress Mandated That Portions Of The Point Reyes National Park Be Designated Wilderness In 1972. According to the New York Times, "Mr. Lunny's grandparents moved to Point Reyes in the 1940s to start a cattle ranch business that the family still runs, two decades before a national park was created here. Then in 1972, as Congress mandated that parts of the park be designated as wilderness, the federal government paid the oyster farm's previous owners \$79,200 for their property; they were allowed to continue farming for 40 more years, until last November, after which the area would become the first marine wilderness on the West Coast." [New York Times, 4/10/13]

• The Previous Owners Of The Oyster Farm Were Paid \$79,200 For The Property, And Were Allowed To Continue Farming For 40 Years. According to the New York Times, "Mr. Lunny's grandparents moved to Point Reyes in the 1940s to start a cattle ranch business that the family still runs, two decades before a national park was created here. Then in 1972, as Congress mandated that parts of the park be designated as wilderness, the federal government paid the oyster farm's previous owners \$79,200 for their property; they were allowed to continue farming for 40 more years, until last November, after which the area would become the first marine wilderness on the West Coast." [New York Times, 4/10/13]

The Oyster Farm Was Purchased In 2004 By The Lunny Family, Who Immediately Lobbied For An Extension Of Their Lease. According to the New York Times, "The Lunnys bought the oyster farm in 2004 and soon began lobbying to have the lease extended beyond 2012. Senator Dianne Feinstein of California, a Democrat, championed their cause, writing a bill in 2009 that gave the interior secretary the authority to extend the farm's permit for 10 years." [New York Times, 4/10/13]

Cause Of Action Represented The Drakes Bay Oyster Company In A Lawsuit Against The Federal Government. According to the Marin Independent Journal, "The head of Cause of Action, the Washington D.C.-based nonprofit representing the Drakes Bay Oyster Co. in its lawsuit against the federal government, has had ties to the Koch brothers, wealthy industrialists who have funded ultra-conservative and libertarian policy and advocacy groups, most notably the Tea Party." [Marin Independent Journal, 12/8/12]

• Cause Of Action Executive Director Dan Epstein Previously Worked For The Charles G. Koch Charitable Foundation. According to the Marin Independent Journal, "Dan Epstein, Cause of Action's executive director, worked for the Charles G. Koch Charitable Foundation from June 2008 to January 2009, according to Mary Beth Hutchins, a spokeswoman for Cause of Action. When Epstein left the Koch foundation he took a job for the U.S. House Committee on Oversight and Government Reform, headed by California GOP Congressman Darrell Issa. Under Issa's leadership, the

committee has mounted a series of investigations into the Obama administration since the Republicans took control of the House in 2010."[Marin Independent Journal, 12/8/12]

• Cause Of Action "Quickly Became The Main Supporter Of The Lunnys' Lawsuit." According to the New York Times, "Cause of Action, a government watchdog group in Washington, quickly became the main supporter of the Lunnys' lawsuit to reverse the interior secretary's decision. Dan Epstein, the organization's executive director, said he had been drawn to the case because of the Park Service's problematic science, and decided to lead the lawsuit as a matter of government overreach and accountability." [New York Times, 4/10/13]

Critics Of Cause Of Action's Efforts To Assist The Drakes Bay Oyster Company In A Lawsuit Against The Federal Government Say That The Challenge "Fits Into A National Effort To Promote For-Profit Use Of National Parks." According to the Press Democrat, "To Cause of Action, a little-known Washington, D.C.-based nonprofit group that has provided the oyster company about \$200,000 worth of free legal services, the case is about curbing government regulatory overreach. To critics -- including another nonprofit organization, California Common Cause -- the oyster farm's challenge to Interior Secretary Ken Salazar's authority fits into a national effort to promote for-profit use of national parks and wilderness areas." [Press Democrat, 3/9/13]

• Empire College School of Law Dean William Robertson: Charles And David Koch Fund Conservative Causes Such As The Drakes Bay Oyster Company Case Due To An "Overriding Interest." According to the Press Democrat, "Amid the controversy stand Charles and David Koch, the billionaire brothers who own the nation's second-largest privately held corporation and are well-known for supporting conservative political causes, such as the tea party. 'It's pretty clear there's an overriding interest in this case,' said William Robertson, dean of the Empire College School of Law in Santa Rosa." [Press Democrat, 3/9/13]

2013: In A 2-1 Decision The 9th U.S. Circuit Court Of Appeals Ruled Against The Drakes Bay Oyster Company. According to the Contra Costa Times, "In a major decision on a California environmental battle that attracted national attention, the 9th U.S. Circuit Court of Appeals has ruled against the Drakes Bay Oyster Co. in its efforts to continue operating at Point Reyes National Seashore in an opinion released Tuesday morning. [...] A three-judge panel heard arguments in May as the oyster company sought an injunction to halt closure. The court ruled 2-1 Tuesday against the Marin County oyster operation, however, which means the facility will likely have to close unless the full court or the U.S. Supreme Court overturns the ruling." [Contra Costa Times, 9/3/13]

- The Court Wrote That Kevin Lunny Purchased The Oyster Farm "With Eyes Wide Open To The Fact That The Permit Acquired From Its Predecessor Owner Was Set To Expire Just Seven Years Later." According to the Contra Costa Times, "When Lunny's company purchased the oyster farm, 'it did so with eyes wide open to the fact that the permit acquired from its predecessor owner was set to expire just seven years later, in 2012,' the court wrote. 'Drakes Bay's disagreement with the value judgments made by the (interior) secretary is not a legitimate basis on which to set aside the decision." [Contra Costa Times, 9/3/13]
- The Court Also Said That The Company's "Disagreement With The Value Judgements" Made By Interior Secretary Salazar Were Not "A Legitimate Basis On Which To Set Aside The Decision." According to the Contra Costa Times, "When Lunny's company purchased the oyster farm, 'it did so with eyes wide open to the fact that the permit acquired from its predecessor owner was set to expire just seven years later, in 2012,' the court wrote. 'Drakes Bay's disagreement with the value judgments made by the (interior) secretary is not a legitimate basis on which to set aside the decision." [Contra Costa Times, 9/3/13]

## <u>Koch-Founded Citizens For A Sound Economy Advocated The Selling Of Public Lands To Private Landowners</u>

Denver Post's Mark Obmascik: CSE Proposed Selling 14.4 Million Acres Of National Forest In Colorado To Private Landowners. According to an opinion piece by Denver Post writer Mark Obmascik for the Denver Post, "To decide the best ways to cut spending, the GOP asked four and only four outside groups for advice. The list of hearing invitees - the Heritage Foundation, Cato Institute, Citizens for a Sound Economy and Citizens Against Government Waste - represents a Who's Who of conservative thought. Here's what they advocated: Sell all 119 national forests, including 14.4 million acres in Colorado, to private landowners. (Citizens for a Sound Economy)" [Mark Obmascik – Denver Post, 1/14/95]

**CSE** Vice President Nancy Mitchell: "The Forest Service Should Be Privatized." According to the testimony of CSE Vice President Nancy Mitchell prepared for the U.S. House of Representatives Appropriations Subcommittee on Interior and Related Agencies, "What ever happened to common sense? The Forest Service should be privatized. Again, the sale receipts of some 119 major forests are likely to make balancing the federal budget a lot easier." [Nancy Mitchell testimony – House Appropriations Committee via Federal News Service, 1/11/95]

CSE Chief Economist Wayne Brough: "Much Of The Confusion" Over Public Land Management "Could Be Addressed Through Private Ownership." According to a web post by CSE chief economist Wayne Brough, "Public land management policies have always been controversial, as the government is required to balance various uses of the land, from recreation to industrial uses such as logging and mining. And it must be remembered that federal policies also have a significant impact on privately owned lands. While much of the confusion could be addressed through private ownership, it is unlikely that the government will abandon its role as the largest landlord anytime soon." [Wayne Brough – CSE.org, 12/11/02]

#### Koch-Supported Heritage Foundation Advocating Against Federal Control Of Public Lands

Heritage Foundation Issue Brief Title: "Energy Production On Federal Lands: Handing Keys Over To The States." [Nicolas Loris – Heritage Foundation, <u>6/27/13</u>]

Heritage Foundation Issue Brief Title: "Federal Regulations And Federal Ownership Limit Oil Production Potential." [Nicolas Loris  $-\frac{5}{7}$ 14]

Heritage Foundation And Heritage Action For America Has Received \$1 Million From Freedom Partners Since 2010. According to Conservative Transparency, the Heritage Foundation and Heritage Action for America has received \$1 Million from Freedom Partners. [Conservative Transparency, Accessed 9/29/15]

## Koch-Backed Senator Lisa Murkowski Introduced Legislation To Allow For The Transfer Of Federal Public Land To State Control

Senator Lisa Murkowski Introduced A Budget Amendment That Would Fund "State Efforts To Take Over Federal Land." According to Indefinitely Wild, "SA 838 is a budgetary amendment which backs support for and funding of state efforts to take over federal land. It was part of a larger debate over the 2016 fiscal year federal budget. [...] Introducing the amendment, Sen. Lisa Murkowski (R, AK) stated, "When we have an opportunity to consider this amendment, a vote for it is really a vote in support of — as a priority of this Congress — comprehensive approaches to land policies to facilitate economic development, empower States and improve our conservation systems." [Indefinitely Wild, 4/9/15]

Koch Connections

Senator Lisa Murkowski Has Received \$31,200 From Koch Industries Since 2004 For Her Senate Campaign. According to Open Secrets, Alaska Senator Lisa Murkowski has received \$31,200 from Koch Industries for her Senate campaign since 2004. [OpenSecrets.org, 2012, 2010, 2006, 2004]

#### KOCH NETWORK STATE ACTIVITY TO SEIZE CONTROL OF PUBLIC LANDS

#### **Arizona**

2012: The Arizona Legislature Passed A Bill Demanding That The Federal Government Transfer Control Of Federally Owned Lands Over To The State. According to High Country News, "In late April, Arizona's Legislature approved a bill demanding that Washington, D.C., give the state control over most of its federal land. Utah Gov. Gary Herbert signed a similar measure in March. These bills are, of course, highly unlikely to result in any actual transfer of land; most legal experts think they'll prove unconstitutional, and decades of Supreme Court decisions firmly support federal oversight of certain lands." [High Country News, 4/16/12]

The Arizona Legislature Demanded The Transfer Of 48,000 Square Miles Of Federal Lands. According to High County News, "Now, the Arizona Legislature demands that the feds relinquish some 48,000 square miles, roughly the area of Pennsylvania, by 2014, while Utah asserts ownership of about 47,000 square miles. (At press time, Gov. Jan Brewer had yet to

sign or veto the Arizona bill.) In Colorado, a bill seeking control of 36,000 square miles recently failed. The bills exclude national parks, Indian reservations and military bases." [High Country News, 4/16/12]

#### Colorado

ALEC Member, Rep. Jerry Sonnenberg, Introduced A Federal Land Transfer Bill In Colorado The Same Year ALEC Released Its Model Legislation

In 2012, GOP State Rep. Jerry Sonnenberg Sponsored A Federal Land Transfer Bill In The Colorado General Assembly That Was Later Defeated. According to the La Junta Tribune-Democrat, "Lawmakers decided this week against a proposal that would have followed Utah and Hawaii in taking over federal agricultural lands that already are being used to help finance the state's public schools. House Bill 1322, sponsored by Rep. Jerry Sonnenberg, R - Sterling, sought to require the federal government to transfer title of school trust lands to Colorado. The measure failed on an 8-5 vote in the House Education Committee. There are roughly 24 million acres of federally owned land in Colorado, according to the U.S. Bureau of Land Management." [La Junta Tribune-Democrat, 4/20/12]

• Sonnenberg Was An ALEC Member. According to an ALEC weekly email update, "ALEC member, Rep. Jerry Sonnenberg, CO (HD-65), writes to the Journal-Advocate of the adverse consequences the proposed EPA Clean Power Plan will have on states' power production and economies, including jobs and family budgets." [ALEC.org, 10/2/14]

Sonnenberg Co-Sponsored A Federal Land Transfer Bill In 2015 That Stemmed From The Policies Of ALEC And The American Lands Council

In 2015, Sonnenberg Co-Sponsored A Public Land Transfer Bill That "Stems From" The Policies Of ALEC And The American Lands Council. According to the Aspen Daily News, "A Republican-sponsored bill that would study the transfer of federal lands to the state was passed by the Colorado Senate Agriculture, Natural Resources and Energy Committee on Thursday on a 5-4 party-line vote, and will now go before the state Senate as a whole. [...] The bill stems from what has been coined a new 'Sagebrush Rebellion' that is being propped up by conservative nonprofit organizations like the American Legislative Exchange Council and the American Lands Council. The Utah-based American Lands Council has fought for the transfer of public lands to local stewardship in its home state, and is also pushing for the same policy at the national level." [Aspen Daily News, 4/25/15]

- The Bill Would "Create A Colorado Federal Land Management Commission" To "Conduct A Study To Address The Transfer Of Public Lands In Colorado." According to the Aspen Daily News, "Senate Bill 232, co-sponsored by Sens. Randy Baumgardner, R-Hot Sulphur Springs, and Jerry Sonnenberg, R-Sterling, looks to create a Colorado federal land management commission of 15 members including two county commissioners from each region where at least half of the land is owned by the federal government; one commissioner from regions where less than 50 percent is federal land; and three members representing the Western Slope, and the southern and northeastern regions of the state. The bill would require the commission to 'conduct a study to address the transfer of public lands in Colorado from the federal government to the state in contemplation of Congress turning over the management and control of those public lands to the state." [Aspen Daily News, 4/25/15]
- The Bill Was Defeated In The Full Senate By One Vote. According to a web post by the Colorado Wildlife Federation, "Colorado Senate Bill 15-232 was defeated on April 28 on a narrow 18-17 vote. CWF applauded the outcome and thanked Senator Crowder for voting against the bill. Earlier the bill had passed out of the Agricultural, Natural Resources and Energy Committee on April 23 by 1 vote. It was introduced on March 24 to create a Colorado Federal Land Management Commission to study the transfer of public lands in Colorado managed by BLM and US Forest Service from the federal government to the state." [ColoradoWildlife.org, 4/29/15]

#### <u>Idaho</u>

The Mohave County Board Of Supervisors Unanimously Supported The Effort To Transfer Federal Public Lands To Local Governments. According to the Mohave Valley Daily News, "Idaho County Commissioner Jim Chmelik described the federal government and various environmental groups as rattlesnakes that will bite the hand that picks it up. He said he wants counties throughout the West to join together. [...] The board, in full agreement of Chmelik's efforts, authorized a letter of support and a letter of intent to budget \$5,000 from the general fund for legal services in efforts to transfer public lands to

the states. The board previously contributed \$5,000 to the American Lands Council formed by Utah State Rep. Ken Ivory." [Mohave Valley Daily News, 6/21/15]

The Mohave County Board Of Supervisors Allotted \$5,000 To Obtain Legal Services In Its "Efforts To Traansfer Public Lands To The States." According to the Mohave Valley Daily News, "Idaho County Commissioner Jim Chmelik described the federal government and various environmental groups as rattlesnakes that will bite the hand that picks it up. He said he wants counties throughout the West to join together. [...] The board, in full agreement of Chmelik's efforts, authorized a letter of support and a letter of intent to budget \$5,000 from the general fund for legal services in efforts to transfer public lands to the states. The board previously contributed \$5,000 to the American Lands Council formed by Utah State Rep. Ken Ivory." [Mohave Valley Daily News, 6/21/15]

• The Mohave County Board Of Supervisors Had Contributed \$5,000 To The American Lands Council In The Past. According to the Mohave Valley Daily News, "The board, in full agreement of Chmelik's efforts, authorized a letter of support and a letter of intent to budget \$5,000 from the general fund for legal services in efforts to transfer public lands to the states. The board previously contributed \$5,000 to the American Lands Council formed by Utah State Rep. Ken Ivory." [Mohave Valley Daily News, 6/21/15]

June 2015: Idaho County Commissioner: The Koch Brothers Might Contribute Millions Of Dollars In Support Of Efforts To Transfer Federal Lands To States And Counties. According to Mohave Valley Daily News, "The Mohave County supervisors on Monday again will discuss avenues to transfer federal public lands to the county. [...] A county commissioner from Idaho spoke to the board in June about efforts to transfer mainly Bureau of Land Management land to the states and the counties. The commissioner said petroleum executives Charles and David Koch are also interested in the state land transfer efforts, possibly contributing millions of dollars." [Mohave Valley Daily News, 8/16/15]

• August 2015: The Mohave County Board Of Supervisors Again Discussed "Avenues To Transfer Federal Public Lands To The County." According to the Mohave Valley Daily News, "The Mohave County supervisors on Monday again will discuss avenues to transfer federal public lands to the county. The board will discuss a final report prepared by its Office of Management and Budget on options to transfer federal lands to the states. OMB based the report on a similar one issued by Yuma County in 2014." [Mohave Valley Daily News, 8/16/15]

#### **Montana**

AFP-Montana's Joe Balyeat Testified Before The Senate Judiciary Committee As The "Sole Proponent" Of A Federal Land Transfer Bill. According to the Daily Inter Lake, "Dueling measures were debated in the state Senate and House this week addressing the possibility of transferring federal land to the state. State Sen. Jennifer Fielder, R-Thompson Falls, presented Senate Bill 274 to the Senate Judiciary Committee Thursday. Her bill seeks to bar the federal government from selling its public land in Montana. [...] Joe Balyeat of Americans for Prosperity was the sole proponent of the bill, testifying that the larger issue is a public land transfer to state control, not privatization of those lands." [DailyInterLake.com, 2/19/15]

Balyeat On Federal Land Transfer Bill: "We Believe This Bill Helps Clarify What The Real Debate Is About, It's About Local State Control Versus Washington, D.C. Control." According to KAJ18.com, "Senator Jennifer Fielder of Thompson Falls has advocated for the transfer of some federal lands to state control. There's been some pushback, including a rally Monday. The Senate Judiciary Committee heard Fielder's bill on Thursday to ban the sale of federal lands in Montana. What's been missed is [sii] Congress is 18 trillion dollars in debt, and Congress has full power to dispose of public lands,' Fielder said. We believe this bill helps clarify what the real debate is about, it's about local state control versus Washington, D.C. control,' Joe Balyeat of Americans for Prosperity Montana said. The bill is opposed by conservation groups, who call it an unconstitutional waste of time, flying in the face federal law." [KAJ18.com, 2/19/15]

**AFP-Montana's Lobbyist, Joe Balyeat, Is A Former State Senator.** According to the Missoula Independent blog, "However, February's hearing before the appropriations committee saw the emergence of the only opponent in the history of the incentive: former state Sen. Joe Balyeat, now a lobbyist for the nonprofit Americans for Prosperity." [Missoula Independent Blog, <u>2/25/15</u>]

#### **Nevada**

ALC's Ken Ivory Delivered The Keynote To The Nevada Mineral Exploration Coalition. According to Elko Daily Free Press, "More than 80 members of the Nevada Mineral Exploration Coalition will meet at the Atlantis Hotel & Casino in Reno on Oct. 1 to discuss pressing topics that affect Nevada's mineral exploration industry and the state's public lands. [...] Utah Legislator Ken Ivory, also president of the American Lands Council, is expected to deliver a keynote speech regarding possible alternatives to current public lands policy." [Elko Daily Free Press, 9/29/12]

The Nevada Legislature Created The Nevada Land Management Task Force To "Study The Possible Transfer Of Certain Federal Public Lands To The State Of Nevada," Chaired By ALC Member Demar Dahl. According to Elko Daily Free Press, "For decades Nevadans have been trying to wrest greater control of public lands within the state from federal hegemony. This year the Legislature passed Assembly Bill 227, which created the Nevada Land Management Task Force to study the possible transfer of certain federal public lands to the state of Nevada. The 17-member task force is to identify what federal land should be transferred to the state and what the economic impact would be. Elko County Commissioner Demar Dahl, chair of the task force, said in a recent interview the impetus for AB227 began in 2009 when the Forest Service announced it was working on a public lands travel plan, but indicated it did not anticipate closing any roads." [Elko Daily Free Press, 10/2/13]

- Demar Dahl Was A Chairman Of The American Lands Council. According to the Elko Daily Free Press, "Attendee of the summit, Elko County Commissioner Demar Dahl said representatives from nine states gathered in Salt Lake City to discuss strategy. It just came about out of conversation,' said Dahl, who is chairman of the American Lands Council, a group advocating for land transfers. "... What we needed to do is coordinate a little better on the efforts in each state on the transfer of public lands." [Elko Daily Free Press, 4/23/14]
- Dahl Put The American Lands Council Together Along With Ken Ivory. According to the Elko Daily Free Press, "Dahl met with Ken Ivory, a Utah state lawmaker who authored a bill under which Utah is attempting to take control of certain federal public lands. After a six-hour meeting Dahl, Ivory and others put the American Lands Council (americanlandscouncil.org) together. The organization's stated mission is to channel efforts of state and local governments, businesses, organizations, and individuals to secure and defend local control of access, use and ownership of land now controlled by federal agencies the aim of AB227." [Elko Daily Free Press, 10/2/13]

Then Nevada State Senator Hutchinson's "Work With The American Lands Council Is Designed To Create A More Favorable Environment For Mining." According to Elko Daily Free Press, "After proposing to double the mining tax, along with other key Republican senators, [Mark] Hutchison says he now has the support of the industry. More importantly, his work with the American Lands Council is designed to create a more favorable environment for mining and other public land users, by putting more decisions in the hands of the state instead of the federal government." [Elko Daily Free Press, 10/13/14]

Lt. Gov Candidate Mark Hutchinson Was An ALC Member And Said "Issues Related To Sage Grouse, Land Management And Even Unemployment Could Be Alleviated... If The State Had Control Over Public Lands." According to the Elko Daily Free Press, "Lt. Gov. candidate Mark Hutchison visited with Elko business leaders and media Friday ahead of a candidate forum with Sue Lowden at the Elko County Republican Party's Lincoln Day Dinner. [...] Issues related to sage grouse, land management and even unemployment could be alleviated, Hutchison said, if the state had control over public lands. 'The battle over the next decade is going to be over whether or not states retain their sovereignty,' he said. As a member of the American Lands Council, Hutchison said he is a strong supporter of that nonprofit's efforts to build a coalition of Western states demanding a transfer of public lands to the states." [Elko Daily Free Press, 2/8/14]

AFP-NV Offered Early Support For Nevada Rancher Cliven Bundy's Stand-Off With The Federal Government, Then Scrubbed That Support From Their Social Media Accounts When Bundy's Racist Views Came To Light

Cliven Bundy Was A Rancher Who Refused To Pay His Grazing Fees On Federal Land And Didn't Recognize Sovereignty Of Federal Government. According to the Atlantic, "Twenty-one years ago, rancher Cliven Bundy stopped paying his grazing fees. Bundy does not recognize federal authority over land where his ancestors first settled in the 1880s, which he claims belongs to the state of Nevada. The Bureau of Land Management disagreed and took him to federal court, which first ruled in favor of the BLM in 1998. After years of attempts at a negotiated settlement over the \$1.2 million Bundy owes in fees failed, federal land agents began seizing hundreds of his cattle illegally grazing on public land last week." [Atlantic, 4/14/14]

Bundy: "I Believe This Is A Sovereign State Of Nevada… I Abide By All Of Nevada's State Laws. But I Don't Recognize The United States Government As Even Existing." According to the Atlantic, "His personal grievance with federal authority doesn't stop with the BLM, though. 'I believe this is a sovereign state of Nevada,' Bundy said in a radio interview last Thursday. 'I abide by all of Nevada state laws. But I don't recognize the United States government as even existing." [Atlantic, 4/14/14]

AFP-Nevada Posted Multiple Memes To Social Media Promoting Bundy's Standoff With The Bureau Of Land Management. According to Media Matters, "Two of its local affiliates, Americans for Prosperity Nevada and Americans for Prosperity Colorado, have become active boosters of Bundy's actions. AFP Nevada's Facebook page posted a graphic attacking the Bureau of Land Management (BLM) for spending 'one million dollars' to enforce the court order to round up Bundy's cattle on federal land. Another photo attacked the Bureau for creating a designated 'First Amendment Area' for protesters to gather in near the property. On its Twitter page, AFP Nevada is more strident in its support of Bundy and in attacking the federal government. AFP Nevada has promoted the hashtag #BundyBattle, which supporters are using to showcase their message. In one tweet, AFP Nevada posted a graphic attacking the cattle round up and said they had a 'bone to pick' with the Bureau of Land Management. Another AFP Nevada tweet attacked the 'First Amendment Area' with a photo of cow manure and the caption 'This is what we think about 'First Amendment Areas'.' AFP Nevada also promoted as a 'must read' a blog post from conservative pundit Dana Loesch where she described the standoff as 'harassment' from the federal government. The group also accused the BLM of 'strategically regulating hard-working Americans out of business.'" [Media Matters, 4/11/14]

• After Rancher Cliven Bundy's "Racist Views Came To Light," AFP-Nevada "Started Scrubbing Its Online Messages Offering Praise For Bundy And His Radical Campaign." According to The Rachel Maddow Show's The MaddowBlog on MSNBC's website, "A little over a year ago, right-wing rancher Cliven Bundy and some of well-armed friends forced a dangerous confrontation with federal law enforcement. Cooler heads prevailed when the Obama administration, in the interest of public safety, chose not to escalate the situation, and thankfully no one was hurt. But Bundy quickly became a cause celebre in far-right circles, celebrated by Fox News and Republican officials, right up until the rancher's racist views came to light. Conservatives who were cheering Bundy on quickly discovered the problems with celebrating an unhinged activist who claimed to be an expert on 'the negro' and who believes black people were 'better off as slaves.' Soon after, the Nevada affiliate of the Koch brothers' Americans for Prosperity started scrubbing its online messages offering praise for Bundy and his radical campaign." [MSNBC.com, 7/1/15]

Nevada Policy Research Institute

NPRI Director Of Research And Legislative Affairs Geoffrey Lawrence: "According To The Principle Behind The Homestead Acts, Bundy's Family Would Be The Rightful Owners Of The Land." According to an opinion by NPRI's Director of Research and Legislative Affairs Geoffrey Lawrence for the Elko Daily Free Press, "According to the principle behind the Homestead Acts, Bundy's family would be the rightful owners of the land. In fact, the BLM wasn't even created until 1946 and can't point to any bill of sale that ever gave the agency the right to control the land where Bundy's cattle graze." [Geoffrey Lawrence – Elko Daily Free Press, 4/24/14]

Lawrence: The BLM's Demand "Was A Demand He Abandon His Family's Livelihood." According to an opinion by NPRI's Director of Research and Legislative Affairs Geoffrey Lawrence for the Elko Daily Free Press, "Essentially, the BLM's demand that Bundy stop using the grazing rights he was paying for during the crucial spring months was a demand he abandon his family's livelihood, since it would have destroyed his ability to raise cattle at all. As Bundy told reporters from Range magazine in 1999, 'Every time we tried some compromise - they wanted more. It was like talking to a greedy landlord." [Geoffrey Lawrence – Elko Daily Free Press, 4/24/14]

Lawrence: "Bundy Has Unquestionably Been Harmed By The Federales." According to an opinion by NPRI's Director of Research and Legislative Affairs Geoffrey Lawrence for the Elko Daily Free Press, "Bundy has unquestionably been harmed by the federales, but his rhetoric would seem likely to undermine public sympathy for his struggle. And yet, despite that, hundreds of Americans flocked to his aid." [Geoffrey Lawrence – Elko Daily Free Press, 4/24/14]

NPRI Director Of Research And Legislative Affairs Geoffrey Lawrence Opinion Headline: "Federal Lands Belong Under State Control." [Geoffrey Lawrence - Elko Daily Free Press, 2/1/12]

- Lawrence: "Federal Land Control Is An Obstacle To All The Western States." According to an opinion by NPRI's Director of Research and Legislative Affairs Geoffrey Lawrence for the Elko Daily Free Press, "Indeed, the relevance of this issue extends far beyond the borders of Nevada and Utah -- federal land control is an obstacle to all the Western states." [Geoffrey Lawrence Elko Daily Free Press, 2/1/12]
- Lawrence: "Public Auctioning Of These Lands Could Yield Billions Of Dollars In Immediate State Revenues, While Private Sector Development Of These Lands Would Stimulate Job Growth And Wealth Creation."

  According to an opinion by NPRI's Director of Research and Legislative Affairs Geoffrey Lawrence for the Elko Daily Free Press, "At a time when most Western states face substantial fiscal challenges and job losses, transfer of federal lands to state control could well lead to an immediate reversal of fortune for Western states. Public auctioning of these lands could yield billions of dollars in immediate state revenues, while private-sector development of these lands would stimulate job growth and wealth creation." [Geoffrey Lawrence Elko Daily Free Press, 2/1/12]
- Geoffrey Lawrence, Citing Utah's Transfer Of Public Lands Law, Urged For A Similar Nevada Statute To "Serve Notice To Washington That, In Nevada, Federal Land Dominion Is No Longer Welcome." According to an opinion by NPRI's Director of Research and Legislative Affairs Geoffrey Lawrence for the Elko Daily Free Press, "A century and a half of federal domination has made it clear that Western states must take action to force Congress to recognize their constitutional 'equal footing' rights. The language of Utah's new law is the most direct and forceful step to do this to date. More than any state, Nevada stands to benefit from similar legislation. Silver State lawmakers should reinvigorate the state's initiatives of '79, '93 and '95 and join with their Utah counterparts. A Silver State Transfer of Public Lands Act would serve notice to Washington that, in Nevada, federal land dominion is no longer welcome." [Geoffrey Lawrence Elko Daily Free Press, 4/11/12]

NPRI's Andy Matthews: "One Way To Loosen The Government's Stranglehold On Water And Land Rights Is Through Public Engagement." According to the Pahrump Valley Times, "[NPRI's Andy] Matthews said one way to loosen the government's stranglehold on water and land rights is through public engagement. He told those gathered that the federal hold on state land is through an 'error in history' via the Enabling Act. Nevada's Enabling Act mirrors Nebraska's, he said. Though Nebraska was able to get their Act corrected, he said, Nevada continues to suffer from 'A wrong that has never been righted." [Pahrump Valley Times, 12/24/14]

Matthews: "An Appropriate Topic Regarding BLM-Managed Lands, Is The Potential Economic Benefits The State Would Have If The Federal Government Were To Release Those Lands." According to the Pahrump Valley Times, "Matthews said an appropriate topic regarding BLM-managed lands, is the potential economic benefits the state would have if the federal government were to release those lands." [Pahrump Valley Times, 12/24/14]

#### **New Mexico**

Americans For Prosperity Endorsed A New Mexico "Transfer Of Public Land Act." According to Think Progress, "The state of New Mexico sees \$6.1 billion in consumer spending stimulated by the outdoor recreation industry, as well as more than 68,000 jobs every year. Nevertheless, New Mexico State Rep. Yvette Herrell (R) and State Sen. Richard Martinez (D) introduced the Transfer of Public Land Act in early 2013, calling on the federal government to turn 23 million acres of New Mexico's public lands over to the state by the end of 2015. It also would create a public lands transfer task force to study the process of taking ownership of these federal lands. Jumping into this fray is the Koch-backed conservative group Americans for Prosperity, which called the bill 'an exciting change' and urged its members to call the state legislature to express support." [Think Progress, 3/11/13]

• Think Progress: "ALEC And Americans For Prosperity Have Been Fanning The Fire Under These Efforts To 'Reclaim' Federal Public Lands." According to Think Progress, "ALEC and Americans for Prosperity have been fanning the fire under these efforts to 'reclaim' federal public lands." [Think Progress, 3/11/13]

#### <u>Utah</u>

Political Research Associates' Eric Ethington: Led By Rep. Ken Ivory, Utah Passed "A Bill Forcing The U.S. Government To Turn Over Control Of Federal Lands To The State Of Utah" Three Years Ago. According to an opinion by Eric Ethington of Political Research Associates for the Salt Lake City Weekly, "It's been three years since Utah state Rep. Ken Ivory, R-West Jordan, who heads the American Lands Council (ALC), convinced his fellow lawmakers to pass

a bill forcing the U.S. government to turn over control of federal public lands to the state of Utah." [Eric Ethington - Salt Lake City Weekly, 6/24/15]

- Ethington: The American Lands Council Said The Land Transfer Was "Necessary To Allow For Oil And Gas Drilling" To "Fund Public Education." According to an opinion by Eric Ethington of Political Research Associates for the Salt Lake City Weekly, "Originally, the American Lands Council touted the public-lands takeover as necessary to allow for oil and gas drilling on those lands that would help fund public education." [Eric Ethington Salt Lake City Weekly, 6/24/15]
- Ethington: A Bipartisan Poll Found "52 Percent Oppose The State Takeover Of Public Lands." According to an opinion by Eric Ethington of Political Research Associates for the Salt Lake City Weekly, "A bipartisan research team conducted a poll in 2014 that showed 52 percent oppose the state takeover of public land. The ALC needs to win the hearts and minds of the public and as many elected officials as possible in Western states." [Eric Ethington Salt Lake City Weekly, 6/24/15]

Ethington: Lawmakers In Utah "Committed Up To \$2 Million In Taxpayer Dollars" To Change Utahans Minds About Federal Land Ownership. According to an opinion by Eric Ethington of Political Research Associates for the Salt Lake City Weekly, "So, on June 16, Utah lawmakers committed up to \$2 million in taxpayer dollars and hired two groups to launch PR campaigns aimed at convincing Utahns and various elected officials that a state takeover of federal lands is an idea whose time has come." [Eric Ethington - Salt Lake City Weekly, 6/24/15]

- The Firm Hired By The Utah Legislature To "Wrest Control" Of Federal Lands In Utah "Has Strong Ties To The Billionaire Koch Brothers." According to the Salt Lake Tribune, "A Logan-based think tank hired by the Utah Legislature to promote the state's legal efforts to wrest control of 32 million acres of public land from the federal government has strong ties to the billionaire Koch brothers, the petrochemical giants who spend millions to fight green-based energy programs and to elect candidates who favor their causes." [Salt Lake Tribune, 6/29/15]
- A Bipartisan Poll Found "52 Percent Oppose The State Takeover Of Public Lands." According to an article in the Salt Lake City Weekly, "A bipartisan research team conducted a poll in 2014 that showed 52 percent oppose the state takeover of public land. The ALC needs to win the hearts and minds of the public and as many elected officials as possible in Western states." [Salt Lake City Weekly, 6/24/15]

#### Groups Behind The Attempted Land-Grab Have Ties To The Koch Network

#### AMERICAN LANDS COUNCIL

#### ALC Was Founded By Republican Utah State Legislator To Advocate For State Control Of Public Lands

The American Lands Council Was Created To "Secure Local Control Of Public Lands." According to the American Lands Council's website, "American Lands Council is a non-profit organization of individuals, counties, business, and organizations that was formed in 2012. The Mission of the American Lands Council is to secure local control of western public lands by transferring federal public lands." [AmericanLandsCouncil.org, accessed 6/18/15]

Utah State Representative Ken Ivory Created ALC In 2012 To "Secure And Defend Local Control Of Land Access." According to the Salt Lake Tribune, "Ivory created the American Lands Council, a tax-exempt nonprofit, in 2012, along with Elko, Nev., County Commissioner Demar Dahl at a brief meeting at Salt Lake City International Airport. According to its mission statement, the group 'channels the cooperative efforts of state and local governments, businesses, organizations, and individuals to secure and defend local control of land access, land use, and land ownership through: I. Education; II. Political Persuasion; III. Legislation (Local, State and National); IV. Litigation." [Salt Lake Tribune, 5/19/14]

• ALC Formed In 2012 As A Response To The US National Forest Service's Travel Management Plans. According to Elko Daily Free Press, "The appeals go through the regional U.S. Forest Service office but Humboldt-Toiyabe National Forest Supervisor Jeanne Higgins is the decision-maker, Fuell said. Meanwhile, [Elko County Commissioner Demar] Dahl said counties that will fight against travel management plans have organized into the American Lands Council, with a goal of getting 100 counties to join." [Elko Daily Free Press, 4/13/12]

• Southern Utah Wilderness Alliance Legal Director Steve Bloch Said Calls To Transfer Public Lands From The Government Were Coming From The Federal Lands Action Group With Ties To The Koch Brothers. According to Utah Public Radio, "Rep. Chris Stewart and Rob Bishop launched the Federal Land Action Group on Tuesday with the hope that they can develop a legislative framework for transferring public lands to local ownership and control. Stewart called the government a 'lousy landlord' in a statement, adding that forests, energy development and access to public lands would improve under the stewardship of the states. In an interview Wednesday, Stewart talked about a time when he was flying over Utah and noticed something about the forests. [...] However, Southern Utah Wilderness Alliance Legal Director Steve Bloch says there is no basis for the argument that the federal government has neglected public lands. He also thinks there could be third-party interest in the newly-launched Federal Lands Action Group. 'The fingerprints come from Rep. Ivory's American Lands Council, which is funded either directly or indirectly it seems like from the Koch brothers,' Bloch said. T mean, it sounds a bit conspiratorial, but I think it seems like it's a coordinated effort to try and wrest away public control." [Utah Public Radio, 4/29/15]

#### **Koch Ties**

The American Lands Council, Which Promotes Transfer Of Federal Land To State Governments, Is Backed By Charles And David Koch. According to the Denver Post, "Among the coalition representing more than 30 sportsmen's conservation groups and outdoor industry leaders gathering at noon Wednesday to protest attempts by some Western states to take over federally managed public lands, don't expect to meet anyone from the American Lands Council. That's the group founded by Utah state Rep. Ken Ivory to coordinate advocacy and lobbying for federal-to-state land transfers throughout the West similar to Ivory's Transfer of Public Lands Act signed into Utah law in 2012. And despite big-money backing from the likes of billionaires Charles and David Koch, the ALC is likely to be severely outnumbered in Denver on Wednesday on the west steps of the State Capitol." [Denver Post, 2/25/15]

Americans for Prosperity

AFP Contributed To The Lands Council, Which Tried To "Wrest Control Of Vast Swaths Of Land From The Federal Government And Turn Them Over To The States." According to the Los Angeles Times, "The Lands Council's goal is grand but simple: to wrest control of vast swaths of land from the federal government and turn them over to the states. At stake are hundreds of millions of dollars, even billions, that could be made off land administered by the federal government. The big-dollar opportunities include oil leases in Utah grassland, all-terrain vehicle tourism in Arizona and rare-earth mineral mining in Nevada. [...] Americans for Prosperity, the group backed by the conservative Koch brothers, contributes to the Lands Council, though in 2013, the last year for which records were available, the council took most of its \$200,000 from membership dues, including public entities such as county commissions." [Los Angeles Times, 5/10/14]

Americans For Prosperity Donated To The American Lands Council. According to High Country News, "Council members include 46 county boards of commissioners, who pay heavy dues with taxpayer dollars, as well as private interests, including Canyon Construction, a mining construction company, the Nevada Cattlemen's Association and Deseret Power. Americans for Prosperity, a powerful dark-money group founded by the billionaires Charles and David Koch, is also a member of the group." [High Country News, 10/27/14]

The American Lands Council Listed Americans For Prosperity As A Bronze Member. According to an archived version of the American Lands Council website, the Americans for Prosperity is a bronze member of the ALC. [archive.AmericanLandsCouncil.org, accessed 6/18/15]

- ALC Removed Their Members List From The Organization's Website. An updated version of the ALC website no longer lists the organization's members. [AmericanLandsCouncil.org, accessed 6/18/15]
- Americans For Prosperity Paid An Annual Membership Fee Of \$500. According to the American Lands Council website, a bronze business membership costs an annual fee of \$500. [AmericanLandsCouncil.org, accessed 6/18/15]

Kent County News's Liza Field: Industry Giants Created "Faux-Patriotic Front Groups" Like ALC And AFP To Resemble A "Common Man Movement." According to an opinion by Liza Field in the Kent County News, "Western state citizens, according to surveys, actually favor their nearby federal lands - commons accessible to all and a major draw for tourism. So in the effort to resemble a 'common man' movement itself, the coalition tries to hide its industry-giant self behind

a fog of faux-patriotic front groups like 'The American Land Council' and the Kochs' 'Americans for Prosperity.'' [Liza Field – Kent County News, 5/14/15]

#### **ALEC**

NPR News Senior Washington Editor Ron Elving: ALEC Has Produced "Boilerplate Bills" On Many Issues Important To The Kochs, Such As "Energy Industry Issues," And The "Distribution Of Political Power." According to an NPR interview with Norman Ornstein, Fredreka Schouten and Ron Elving on the Diane Rehm Show with guest host Laura Knoy, "MR. RON ELVING: ALEC, the organization that they referred to, is a legislative information center, but it also essentially produces boilerplate bills that can then be passed in legislature after legislature until much of the country, if not most of the country, has adopted that particular approach to any particular issue. And this has gone from starting out, perhaps, with energy industry issues that interested the Kochs to tax issues that interested the Kochs to an absolute panoply of issues of all kinds that have to do with the distribution of political power, who gets to vote, how people are determined in terms of defining their citizenship, all kinds of different ways that the Koch brothers and their ideas have gotten out there, all of it done largely thought the leveraging of large amounts of money, and that's plutocracy." [NPR – Diane Rehm Show, 8/3/15]

Koch Brothers' Financial Contributions To Candidates And ALEC Are Highlighted In New Documentary "Pay 2 Play." According to The LA Times, "Citing the Citizens United case, the Hobby Lobby case, the Koch brothers, Occupy Wall Street, 'stand your ground' and other trending topics of recent civil discourse, the documentary 'Pay 2 Play' lays out a compelling case against corporate personhood and money as free speech. [...]The film also launches into Charles and David Koch's financial contributions to 1,053 winning candidates in the 2010 elections and the billionaire brothers' bankrolling of the American Legislative Exchange Council, the think tank that has masterminded thousands of pieces of legislation, among them anti-collective bargaining laws, voter ID laws and stand-your-ground laws." [LA Times, 9/11/14]

American Lands Council President and Utah State Representative Ken Ivory's Rhetoric On Land Transfer Resembled "Language Put Out By The American Legislative Exchange Council." According to an article in High Country News, "Ivory's rhetoric, meanwhile, resembles the language put out by the American Legislative Exchange Council, or ALEC, a consortium of corporations that produces 'model' legislation for ultra-conservative state lawmakers across the country. Federal ownership of the land 'prevents the states from accessing the abundant natural resources contained on those lands,' ALEC claims in one such model. 'This resolution seeks to remedy this situation.'" [High Country News, 10/27/14]

American Land Council President and Utah State Representative Ken Ivory Spent Large Amounts Of Campaign Money On ALEC Related Expenses. According to an article in Salt Lake Tribune, "It seems that Rep. Ken Ivory, R-West Jordan, knows on which side his bread is buttered. In a previous financial-disclosure statement, he noted that all but \$422.60 of his \$4,183 campaign expenditures were for expenses related to the American Legislative Exchange Council (ALEC) or the Council of State Governments (CSG)." [Salt Lake Tribune, 10/30/14]

Ivory Has Used ALEC As An Opportunity To Sell Memberships To The ALC. According to an article in Salt Lake Tribune, "[Ken] Ivory has made a living by going around the country selling memberships to his American Lands Council, which advocates state control over lands owned by the federal government, while sponsoring legislation to put federally owned acres under state control. A spawning ground for much of his drum beating has been ALEC and other conservative groups that provide a stage for his sales pitch. So why not spend campaign contributions on junkets to help spread the word?" [Salt Lake Tribune, 10/30/14]

#### PROPERTY AND ENVIRONMENT RESEARCH CENTER

PERC Is A Think Tank "Dedicated To Improving Environmental Quality Through Property Rights And Markets." According to the Property and Environment Research Center website, "PERC—the Property and Environment Research Center—is the nation's first and largest institute dedicated to improving environmental quality through property rights and markets. Founded 35 years ago in Bozeman, Montana, PERC began as a think tank where scholars documented how government regulation and bureaucracy often led to environmental degradation. PERC sought to explore how property rights and markets could play a more direct role in improving environmental quality. From this work originated the idea of free market environmentalism (FME)." [perc.org, 9/23/15]

#### PERC Is Backed By The Koch Brothers

Center For American Progress Advocacy Associate Clair Moser: "PERC Has A Long History Of Advocating For The Privatization Of America's National Parks" And "Has Significant Ties To The Koch Brothers And Fossil Fuel Industries." According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "While the authors seem to push for 'true conservation' from the federal government, in reality, PERC has a long history of advocating for the privatization of America's national parks and other public lands, and has significant ties to the Koch brothers and fossil fuel industries." [Claire Moser – ThinkProgress.org, 7/3/15]

Moser: PERC "Has Received Significant Contributions From Koch-Backed Organizations." According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "PERC, which labels itself as 'a property rights and environmental organization,' has received significant contributions from Koch-backed organizations, including from Donors Trust, which has been called the 'dark-money ATM of the right." [Claire Moser – ThinkProgress.org, 7/3/15]

Moser: PERC Executive Director Reed Watson, "Previously Worked At The Charles G. Koch Charitable Foundation" And "In A 2009 Op-Ed Criticized A Number Of Bipartisan Bills To Protect Wilderness." According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "Additionally, Watson, the lead author of the op-ed and current PERC Executive Director, previously worked at the Charles G. Koch Charitable Foundation, and in a 2009 op-ed criticized a number of bipartisan bills to protect wilderness, arguing that "land management agencies [should] turn a profit" by removing restrictions on timber and energy development." [Claire Moser – ThinkProgress.org, 7/3/15]

#### **CAUSE OF ACTION**

Cause Of Action Was Funded "By The Koch Brothers' Sprawling Network Of Donors." According to the National Review, "Dan Epstein, executive director of Cause of Action, is a former attorney and investigator for the House Oversight Committee. He and his team, a group of 13 attorneys funded by the Koch brothers' sprawling network of donors, say none of these stories fully explain what happened at the IRS between 2010 and 2014 and that, in fact, the targeting was baked in the cake." [National Review, 5/19/15]

Cause Of Action Received \$4.35 Million From The Koch-Funded Donors Trust In 2013. According to the LA Times, "Like most groups funded by the Koch network, the specific sources of Cause of Action's money are not disclosed. Tax records show that by 2013, its operations were mostly funded by \$4.35 million from Donors Trust, a nonprofit group through which the Kochs and their allies distribute tens of millions of dollars without needing to disclose the sources of the funds."

[LA Times, 2/7/15]

Cause Of Action Is A Non-Profit Government Accountability Organization That "Fights To Protect Economic Opportunity." According to a webpage from Cause of Action, "Cause of Action is a non-profit, nonpartisan government accountability organization that fights to protect economic opportunity when federal regulations, spending and cronyism threaten it." [Cause of Action, accessed 8/4/15]

Critics Of Cause Of Action Have Called It A "Sophisticated Charade" Allowing The Koch Brothers To Push Their Agenda. According to the LA Times, "Critics of the group call it a sophisticated charade, saying the lawyers trawl for clients like Fuel Cell, whose cases enable them to pursue a Koch brothers agenda in the guise of helping individuals or small firms that liberals might find sympathetic. 'It is an intentional effort to camouflage the actual force behind' the lawsuits, said Karen Skelton, an advisor to California-based Bloom Energy, a dominant firm in the hydrogen energy industry on the opposite side in the Fuel Cell case. 'It is designed to be misleading,' she said." [LA Times, <u>2/7/15</u>]

#### CITIZENS FOR A SOUND ECONOMY

**CSE** Was Created In 1984 By David Koch And Richard Fink. According to the New Yorker, "In 1984, David Koch and Richard Fink created yet another organization, and [President of FreedomWorks Matt] Kibbe joined them. The group, Citizens for a Sound Economy, seemed like a grassroots movement, but according to the Center for Public Integrity it was sponsored principally by the Kochs, who provided \$7.9 million between 1986 and 1993." [New Yorker, 8/30/10]

CSE Was "Principally" Sponsored By The Kochs, Who Gave \$7.9 Million To The Group Between 1986 And 1993.

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Americans For Prosperity Is A "Spin-Off" Of Citizens For A Sound Economy. According to the Center for Public Integrity, "Americans for Prosperity believes in 'cutting taxes and government spending in order to halt the encroachment of government in the economic lives of citizens' and 'removing unnecessary barriers to entrepreneurship and opportunity by sparking citizen involvement in the regulatory process,' according to its website. [...] The group is a spin-off of Citizens for a Sound Economy, which the Koch brothers founded in 1984." [Center for Public Integrity,, 8/8/12]

#### NEVADA POLICY RESEARCH INSTITUTE

The Nevada Policy Research Institute Is A "Free-Market Think Tank" That Is Focused On "Advancing Free-Market Principles." According to the Nevada Policy Research Institute, "The Nevada Policy Research Institute is a free-market think tank that seeks private solutions to public challenges facing Nevada, the West and the nation. The Institute's primary areas of focus are education and fiscal policy, with the goal of advancing free-market principles in both. NPRI has offices in Las Vegas, but scholars and writers from all over Nevada and the nation contribute to our mission." [npri.org, Accessed 9/24/15]

High Country News Identified NPRI As "A Conservative Group With Ties To Charles Koch." According to the High Country News, "The Nevada Policy Research Institute, a conservative group with ties to Charles Koch, says the subsidies are against the Nevada constitution and free-market ideals. In an open letter to Sandoval, NPRI also brings up the right's favorite renewable energy, subsidy-getting whipping horse, Solyndra, and says Tesla might be headed in the same direction as the failed solar company." [High Country News, 9/8/14]

**Koch-Backed Donors Capital Fund Contributed \$1,357,432 To NPRI Between 2005 And 2012.** According to Donors Capital Fund tax documents, Donors Capital Fund made 13 contributions to the Nevada Policy Research Institute between 2005 and 2012, totaling \$1,357,432. [Donors Capital Fund Forms 990 via Conservative Transparency, 2005-2012]

NPRI Was A State Policy Network Member. [spn.org/directory, accessed 7/7/15]

#### STRATA POLICY

Political Research Associates' Eric Ethington: "Strata Policy, Is Run By Randy Simmons And Ryan Yonk" Who Both "Teach At Utah State University, An Institution That Receives \$170,000 Per Year...From The Conservative Koch Brothers." According to an opinion by Eric Ethington of Political Research Associates for the Salt Lake City Weekly, "The first of the two firms, Strata Policy, is run by Randy Simmons and Ryan Yonk. Both Simmons and Yonk teach at Utah State University, an institution that receives \$170,000 per year (the fifth highest in the nation) in donations from the conservative Koch brothers." [Eric Ethington - Salt Lake City Weekly, 6/24/15]

- Ethington: Until Recently "Simmons Was Listed As The School's Charles G. Koch Professor Of Political Science" And Still "Serves As A Senior Fellow" At A Koch Research Center. According to an opinion by Eric Ethington of Political Research Associates for the Salt Lake City Weekly, "Until 2013, [Randy] Simmons was listed as the school's Charles G. Koch Professor of Political Science, and he oversees the Koch Scholars program. (A number of USU students—working for Strata—will be brought in to work on the contract.) Simmons also serves as a senior fellow at the Koch- and ExxonMobil-funded Property & Environment Research Center." [Eric Ethington Salt Lake City Weekly, 6/24/15]
- Ethington: Yonk "Has Written Several Working Papers For The Mercatus Center." According to an opinion by Eric Ethington of Political Research Associates for the Salt Lake City Weekly, "In addition to his work at USU, [Ryan] Yonk has written several working papers for the Mercatus Center, a conservative think tank whose founder has received more than \$30 million from the Kochs." [Eric Ethington Salt Lake City Weekly, 6/24/15]

#### Criticism Of The Koch-Backed Land Grab

Las Vegas Sun Editorial: "Some Of Today's Republicans – Those Who Either Skate Too Close To Cliven Bundy Radicalism Or Cater To The Self-Serving Agenda Of Koch Industries... Oppose Public Land Protection." According to an editorial from the Las Vegas Sun, "Even though some of today's Republicans — those who either skate too close to Cliven Bundy radicalism or cater to the self-serving agenda of Koch Industries and its surrogates — oppose public land protection, land conservation in the United States is a Republican idea." [Editorial – Las Vegas Sun, 5/20/15]

New Mexico Sen. Martin Heinrich: "The Campaign To Transfer To The States Or Even Sell Off Our Shared Lands Should Not Be Mistaken For The Mainstream Values Of Westerners." According to an opinion by Sen. Martin Henrich for the New York Times, "Bundy does not represent the West, however. And the campaign to transfer to the states or even sell off our shared lands should not be mistaken for the mainstream values of Westerners whose way of life depends on the region's land and water." [Sen. Martin Henrich – New York Times, 10/26/14]

Moser: Land Transfer Proposals "Are Unpopular With Western Voters" And Are "Unconstitutional." According to a web post by Center for American Progress Advocacy Associate Clair Moser for Think Progress, "In addition to the serious economic concerns they raise for state budgets, these proposals to transfer America's public lands to the states and sell them off to private interests are unpopular with Western voters, and most importantly, unconstitutional." [Claire Moser – ThinkProgress.org, 7/3/15]

Think Progress: "A Majority Of Westerners Oppose Land Grab Efforts And Believe That Transferring Public Lands To State Control Will Result In Reduced Access" Along With Higher Taxes And A "Risk That Treasured Public Lands Will Be Auctioned Off To The Highest Bidder." According to Think Progress, "Public opinion research has found that a majority of Westerners oppose land grab efforts and believe that transferring public lands to state control will result in reduced access for recreation; higher taxes; increased drilling, mining and logging; and a high risk that treasured public lands will be auctioned off to the highest bidder." [ThinkProgress, 3/26/15]

Heinrich: "The Republican National Committee Has Bought The Snake Oil The American Lands Council Is Selling." According to an opinion by Sen. Martin Henrich for the New York Times, "Still, even the Republican National Committee has bought the snake oil the American Lands Council is selling. Last January, the committee endorsed the transfer of public lands to the states. In addition, the U.S. House of Representatives, controlled by Republicans, endorsed the outright sale of our public lands." [Sen. Martin Henrich – New York Times, 10/26/14]

Heinrich: "The So-Called Sagebrush Rebellion Of The Cliven Bundy And The American Lands Council Is Not So Much A Movement As Another Special-Interest-Financed Boondoggle." According to an opinion by Sen. Martin Henrich for the New York Times, "Like other Westerners who value our shared lands as assets to be used, enjoyed and passed to future generations, I find this dispiriting to see. And for an overwhelming majority of public land users in the West who pay their grazing fees and play by the rules, the so-called Sagebrush Rebellion of Cliven Bundy and the American Lands Council is not so much a movement as another special-interest-financed boondoggle." [Sen. Martin Henrich – New York Times, 10/26/14]

Heinrich: "These Type Of Land-Grab Schemes Are As Old As The Railroads. But The Chief Salesman... The American Lands Council, Is Having Some Success Pitching State Legislators On 'Model Legislation." According to an opinion by Sen. Martin Henrich for the New York Times, "These types of land-grab schemes are as old as the railroads. But the chief salesman for this latest land seizure campaign, the American Lands Council, is having some success pitching state legislators on 'model legislation' to enable these transfers." [Sen. Martin Henrich – New York Times, 10/26/14]

• Heinrich: "The Legislation Was Drafted With The Help Of The Conservative American Legislative Exchange Council, Which Receives Financing From The Utility Industry And Fossil-Fuel Producers." According to an opinion by Sen. Martin Henrich for the New York Times, "The legislation was drafted with the help of the conservative American Legislative Exchange Council, which receives financing from the utility industry and fossil-fuel producers." [Sen. Martin Henrich – New York Times, 10/26/14]

The Kochs Have A History Of Taking Advantage Of Public Lands For Their Personal Gain

# The Kochs Paid \$25 Million To Settle Accusation Of Stealing Oil From American Indian Reservations In Order To Avoid Paying Royalties To The Federal Government

In May Of 1989, The Senate Held Hearings Into Koch Industries' Theft Of Oil On American Indian Reservations Which Cheated The Federal Government Out Of Royalties. According to Bloomberg Business, "The Senate held hearings in May 1989 after Bill Koch, David Koch's twin brother, told a U.S. Senate special committee on investigations that Koch Industries was stealing oil on American Indian reservations, cheating the federal government of royalties." [Bloomberg Business, 10/3/11]

"Koch Oil, The Largest Purchaser Of Indian Oil In The Country, Was Engaged In A Widespread And Sophisticated Scheme To Steal Crude Oil From Indians And Others Through Fraudulent Mismeasuring And Misreporting." According to Indian Country Today, "An investigation begun in 1988 by a select committee of the Senate Committee on Indian Affairs comprised of Sens. John McCain (R-Ariz.), Dennis DeConcini (D-Ariz.) and Tom Daschle (D-S.D.) found that Koch Oil had cheated American Indian tribes out of millions of dollars in royalties by intentionally and consistently lying about how much crude they had taken out of storage tanks on Indian lands. The committee issued its report (Senate Report 101-216) in 1989: 'Koch Oil, the largest purchaser of Indian oil in the country, was engaged in a widespread and sophisticated scheme to steal crude oil from Indians and others through fraudulent mismeasuring and misreporting." [Indian Country Today, 10/28/14]

"Koch's Records Showed That The Company Took 1.95 Million Barrels Of Oil It Didn't Pay For From 1986 To 1988." According to Bloomberg Business, "The investigators caught Koch Oil's employees falsifying records so that the company would get more crude than it paid for, shortchanging Indian families, Elroy said. Koch's records showed that the company took 1.95 million barrels of oil it didn't pay for from 1986 to 1988, according to data compiled by the Senate." [Bloomberg Business, 10/3/11]

In 1999, "Bill Koch Brought A Lawsuit On Behalf Of U.S. Taxpayers, Claiming That Koch Industries' Scheme Defrauded The Government Of Royalties." According to Bloomberg Business, "Bill Koch brought a lawsuit on behalf of U.S. taxpayers, claiming that Koch Industries' scheme defrauded the government of royalties. The case came to trial in 1999." [Bloomberg Business, 10/3/11]

"Koch Did Not Dispute That Adjustments Were Made, But Said It Had Permission From Producers To Make Up For Field Conditions Such As Oil Shrinkage And Sediment In Tanks." According to NewsOK, "Koch did not dispute that adjustments were made, but said it had permission from producers to make up for field conditions such as oil shrinkage and sediment in tanks." [NewsOK, 12/24/99]

The Jury Found Koch Industries "Made 24,587 False Claims In Buying Oil, Underpaying The U.S. Government For Royalties On Native American Land From 1985 To 1989." According to Bloomberg Business, "Two days before Christmas 1999, the jury delivered the verdict: Koch Industries had made 24,587 false claims in buying oil, underpaying the U.S. government for royalties on Native American land from 1985 to 1989." [Bloomberg Business, 10/3/11]

**Koch Industries Paid \$25 Million To Settle The Case In 2001.** According to Bloomberg Business, "Koch paid the U.S. \$25 million to settle the case in 2001." [Bloomberg Business, 10/3/11]

# The Kochs Have Saved Millions Of Dollars By Renting Matador Ranch Grazing Land From The Federal Government

Former Montana Gov. Brian Schweitzer: "The Koch Brothers Inherited A Great Fortune And Grew It Through The Years With Hard Work, Old-Fashioned Smarts, And Government Subsidies." According to an opinion by former Gov. Brian Schweitzer for the Lake County Leader-Advertiser, "The two Koch Brothers are worth \$88 billion -- even more than Bill Gates or Warren Buffet according to Forbes Magazine. I have nothing against great wealth and I still hope to get there. The Koch Brothers inherited a great fortune and grew it through the years with hard work, old-fashion smarts and government subsidies -- in part, ironically, near Dillon, Montana." [Gov. Brian Schweitzer – Lake County Leader-Advertiser, 2/18/15]

Schweitzer: "About One-Third" Of Matador Ranch Is Owned By The State Of Montana "While The Federal Government Owns Around Another Third." According to an opinion by former Gov. Brian Schweitzer for the Lake

County Leader-Advertiser, "They have owned the 200,000-acre + Matador Ranch near Dillon for more than 50 years. Well, not really owned the ranch, because about one-third of the ranch is owned by the state of Montana while the Federal government owns around another third. The brothers rent the land from the State and the Feds to graze their 2,000 head of cattle. I am a rancher so I crunched the numbers. The current rate charged for a cow unit on private land in Montana is about \$25 per month. The Koch Brothers have historically paid \$6.50 per month on State of Montana land and \$1.50 on Federal land. So let's add up the subsidy." [Gov. Brian Schweitzer – Lake County Leader-Advertiser, 2/18/15]

Schweitzer: The Kochs Rent Land From The Federal Government And Montana To Graze Their Cattle At Rates Significantly Lower Than Market Value - \$6.50 On Montana Land And \$1.50 On Federal Land Compared To \$25 On Private Land. According to an opinion by former Gov. Brian Schweitzer for the Lake County Leader-Advertiser, "They have owned the 200,000-acre + Matador Ranch near Dillon for more than 50 years. Well, not really owned the ranch, because about one-third of the ranch is owned by the state of Montana while the Federal government owns around another third. The brothers rent the land from the State and the Feds to graze their 2,000 head of cattle. I am a rancher so I crunched the numbers. The current rate charged for a cow unit on private land in Montana is about \$25 per month. The Koch Brothers have historically paid \$6.50 per month on State of Montana land and \$1.50 on Federal land. So let's add up the subsidy." [Gov. Brian Schweitzer – Lake County Leader-Advertiser, 2/18/15]

Schweitzer Calculated The Subsidy Received By The Kochs To Be More Than 12.5 Million Dollars Over 50 Years Based Off Of The Money Saved By Grazing On Government Land Rather Than Private Land. According to an opinion by former Gov. Brian Schweitzer for the Lake County Leader-Advertiser, "So let's add up the subsidy: Assume one-third of the cattle stay on Koch land and two-thirds on government land. Cattle only graze nine months of the year, and eat hay the other three months. That's a pretty normal Montana cattle operation. Let's look at it closer: First, the Montana subsidy. 666 cattle times nine months, with a subsidy of \$18.50 per month (a \$25 private lease minus the State rate of \$6.50), for a whopping Montana subsidy of \$110,889 per year, times the 50 years of ownership, for a grand total of \$5,544,450. Now, for the Federal subsidy. 666 cattle times nine months, with a subsidy of \$23.50 per month (a \$25 private lease minus the Federal rate of \$1.50), for a Federal subsidy of \$140,859 per year, times 50 years — a very generous \$7,042,950. Yup, the Koch Brothers got some 12.5 million bucks in government subsidies to pay 11 AFP staffers to intimidate and hoodwink the Montana Legislature into rejecting hundreds of millions of Federal dollars annually for healthcare of 70,000 Montana citizens, which would create thousands of Montana jobs, many at rural hospitals in areas represented by Responsible Republican legislators." [Gov. Brian Schweitzer – Lake County Leader-Advertiser, 2/18/15]