INTERIOR NOMINATIONS

HEARING

BEFORE THE

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS UNITED STATES SENATE

NINETY-THIRD CONGRESS

FIRST SESSION

ON

THE NOMINATIONS OF JOHN H. KYL AND JACK O. HORTON TO BE ASSISTANT SECRETARIES OF THE INTERIOR

FEBRUARY 20, 1973

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TUESDAY, FEBRUARY 20, 1973

U.S. SENATE,
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
Washington, D.C.

The committee met, pursuant to call, at 10 a.m., in room 3110, Dirksen Building, Senator Henry M. Jackson (chairman) presiding.

Present: Senators Jackson, Metcalf, Fannin, Hansen, McClure, Bartlett, Johnson, Stevens, and Hatfield.

Also Present: Jerry Verkler, Staff Director.

The CHAIRMAN. The committee will come to order.

This is an open public hearing to take testimony on two nominations of President Nixon of Assistant Secretaries of the Interior. One is the nomination of Hon. John H. Kyl, of Iowa, to be Assistant Secretary of the Interior for Congressional and Public Affairs.

As we all know, Mr. Kyl was formerly a Member of the House of Representatives and served on the House Interior Committee.

The other nomination is that of Jack O. Horton, of Wyoming, to be Assistant Secretary of the Interior for Land and Water Resources. Mr. Horton has held several positions in the Department of the Interior, including that of Deputy Under Secretary.

With no objection, I shall direct that the biographical sketches of both of these nominees be made a part of our hearing record at this point.

(The biographical sketches follow:)

[From the Office of the White House, Press Secretary, Feb. 6, 1973]

BIOGRAPHY OF JOHN H. KYL

The President today announced his intention to nominate John Kyl of Bloomfield, Iowa, to be Assistant Secretary of the Interior for Congressional and Public Affairs. He will succeed James R. Smith, who has been an Assistant Secretary of the Interior since March 21, 1969.

Mr. Kyl served as a Congressman from Iowa's Fourth Congressional District from December 1959 to January 1965 and from January 1967 to January 1973. He was first elected to Congress in 1959 to fill a vacancy and was re-elected to the 87th and 88th Congresses. He returned to the House of Representatives in 1967 and was re-elected to the 91st and 92nd Congresses.

During his service in the 92nd Congress, Mr. Kyl was a member of the House Committees on Agriculture, and on Interior and Insular Affairs. He was Ranking Minority Member of the Subcommittee on Public Lands of the Committee on Interior and Insular Affairs.

Mr. Kyl was born on May 9, 1919, in Wisner, Nebraska. He received his A.B. degree from Nebraska State Teachers College at Wayne, Nebraska, in 1940, and his M.A. degree in school administration from the University of Nebraska in 1947. From 1940 to 1949, he was a teacher and school administrator at high schools in Nebraska and also taught at Nebraska State Teachers College.

From 1949 to 1953 he was Manager of the Wayne, Nebraska, Chamber of Commerce, and from 1953 until his election to Congress in 1959, he was a merchant in Bloomfield, Iowa. From 1957 to 1959, he was also a television newscaster, then Director of News and Special Events for station KTVO in Ottumwa, Iowa.

Mr. Kyl is married to the former Arlene Griffith. They have three children.

BIOGRAPHY OF JACK O. HORTON

The President today announced his intention to nominate Jack O. Horton, of Saddlestring, Wyoming, to be Assistant Secretary of the Interior for Land and Water Resources. He will succeed Harrison Loesch, who served as Assistant Secretary of the Interior from April 1969 to January 1973.

Mr. Horton has served since March 1972 as Co-Chairman of the Joint Federal-State Land Planning Commission for Alaska.

From 1969 to 1972 he held several positions in the Department of the Interior, including Deputy Under Secretary from June 1971 to March 1972. He was also a consultant in the Office of the Under Secertary from April 1969 to June 1970, Assistant to the Secretary for International Affairs from June 1970 to March 1971, and Deputy Assistant Secretary for Programs from March to June 1971.

Mr. Horton was born on January 28, 1938, in Sheridan, Wyoming. He received his A.B. degree in geology from Princeton University in 1960 and received his M.A. degree in politics and economics from Oxford University after studying there during 1960–1961 and 1965–1966 as a Rhodes Scholar. From 1961 to 1965 he served as an officer in the U.S. Navy. While at Princeton he was All-American in lacrosse in his junior and senior years and at Oxford he was a member of the All South of England Lacrosse Team.

Following his graduation from Oxford, Mr. Horton was engaged in ranch work in Saddlestring, Wyoming, and served as Executive Director of the Wyoming Republican Party.

Mr. Horton is married to the former Grace Espy Ford of Savannah, Georgia. They reside in Washington, D.C.

The CHAIRMAN. Senator Clark is here and will present Mr. Kyl, along with Mr. John Whitaker, Acting Secretary of the Interior.

I think we should have the witnesses come to the table and I will ask Senator Clark and Senator McGee to come to the table, the Acting Secretary.

I will recognize Senator Clark first.

STATEMENT OF HON. DICK CLARK, A U.S. SENATOR FROM THE STATE OF IOWA

Senator CLARK. Mr. Chairman, it is with great pleasure I introduce Mr. John Kyl to this committee to be considered for appointment as Assistant. He was first elected to the U.S. House of Representatives in 1959.

Congressman Kyl has served 12 years as the Representative from the Fourth Congressional District of Iowa.

In that capacity he has certainly come to know and respect the operation of that body. As a member of Congress he has served on the Interior Committee and was one of its most active members.

This experience will surely be invaluable in serving as Congressional liaison officer for the Department of Interior.

Mr. Kyl is certainly an honest man with great integrity and industry and I recommend him for your approval.

I would like, Mr. Chairman, also to read a letter from Senator Harold Hughes, if I may, at this time.

Dear Mr. Chairman: I deeply regret that absence from the country will prevent my joining with my colleague in presenting Mr. Kyl as President Nixon's nominee for the position of Assistant Secretary for the Department of Interior. It has

been my privilege to know Mr. Kyl for a number of years. He is a man of integrity and ability in the field of conservation. In my view, this is an excellent appointment to a sensitive post and I am pleased to give it my full support.

The CHAIRMAN. Thank you, Senator Clark.

We are delighted to have your statement. Like some here on the committee, many of us have had the privilege of serving with Congressman Kyl, both as a colleague in the Congress and working together on common problems affecting the Interior Committee and we are delighted and pleased with his nomination.

Senator McGee, I believe you would like to make a statement.

STATEMENT OF HON. GALE W. MCGEE, A U.S. SENATOR FROM THE STATE OF WYOMING

Senator MCGEE. Thank you, Mr. Chairman.

John and I were born and raised in the same section of Nebraska, but the story is a longer one than that.

I started out at Nebraska Teachers College with some sort of career in mind as a debate coach, public speaking, et cetera.

The CHAIRMAN. You coach well on the floor.

Senator MCGEE. In my senior year I organized the first debate team at the college high school Wayne Prep, ever had. We had a rather fortunate season.

The king-pin on that debate team was John Kyl at Wayne Prep. Our debate season was aided and abetted no less by the wisdom of the judges that presided over those affairs. The key judge in our debate success was a professor of public speaking at Madison Junior College in South Dakota, his name happened to be Carl Mundt. So the three of us ended up here in the same bailiwick and we had a lot of fun over there.

I have known John for some 38 years and have watched with pride his progress. When we left Wayne, I went west to Wyoming and John went east to Iowa. And while he chose the disciplines of another political faith, he practiced what he had been taught well, because in those days I was the first president of the Young Republicans on the Wayne State Teachers campus, so I indoctrinated John, and he never read a book since then.

I would like to say it is a moment of great pride for me that John has been selected by the President for this new responsibility. I know it will be a matter of pride to the country that John will be able to serve this post.

Before I leave, I want to say, likewise I want to nominate our nominee from the State of Wyoming, Jack Horton. I won't make a statement on that, because our colleague, Senator Hansen, will make it.

Thank you, Mr. Chairman.

The CHAIRMAN. We are delighted to have this tri-State representation, because you are really a part of Nebraska, Iowa, and Wyoming, and I would like to ask our colleagues for their statements, and I know you have other meetings, and unless the committee members wish to ask questions of the Senators, I see no reason why they have to stay.

Senator MCGEE. I see, they are kicking us out.

The CHAIRMAN. Well, we are a little suspicious, none of this was contained in his biography.

Mr. Horton, why don't you come up, too, at the same time.

May I say that we are very sorry that Secretary Morton is unable to be here this morning. Again I know, speaking for the entire committee, we want to wish him a speedy recovery from his illness and the therapy that he is receiving out in Palo Alto. We deeply regret to learn of the news, but we are convinced that there will be a speedy and full and complete recovery.

We are delighted to have the Acting Secretary to make a statement at this time, Under Secretary John Whitaker.

I thought we would take the testimony jointly here this morning, Mr. Secretary, for both the nominees.

STATEMENT OF JOHN C. WHITAKER, UNDER SECRETARY OF THE INTERIOR

Mr. WHITAKER. Thank you, Mr. Chairman and members of this committee.

As Under Secretary, as you know, I am standing in this morning for Secretary Morton who this morning entered the hospital for radiation therepy upon an early stage prostate disorder. The Secretary's physician has assured him there is no reason for apprehension due to the early stage of discovery.

The Secretary talked with the President about this matter last week and he told him to get back on the job as soon as he can. I had lunch with him yesterday, he is just as cheerful as he can be about this thing. He will be ambulatory during this, and he is opening an office in Menlo Park, and he is very active and very much in the middle of things. If I may, to read the statement that the Secretary had prepared for this occasion at this time, Mr. Chairman. And these are the Secretary's words.

Mr. Chairman, and distinguished members of this committee, I have the honor this morning to introduce to the members of this committee two gentlemen, each nominated by the President to be Assistant Secretary of the Department of the Interior. They are Mr. John Kyl of Iowa, who is nominated as Assistant Secretary for Congressional and Public Affairs; and Mr. Jack Horton of Wyoming, who is nominated as Assistant Secretary for Land and Water Resources.

Both Mr. Kyl and Mr. Horton are uniquely suited to meet the challenges and responsibilities of these critical posts. Each of them has an extensive record of experience and achievement in resource management and environmental affairs within Government.

John Kyl has served with distinction in the House, representing Iowa's Fourth Congressional District for almost a decade, and was a member of the Committees on Agriculture and on Interior and Insular Affairs.

As one of the original members of the President's Outdoor Recreation Resources Review Committee, he played a key role in enacting much of the legislation which continues to provide millions of Americans with recreation, park, and environmental experiences today.

Prior to his election to the Congress, Mr. Kyl was a professional newscaster and has had a long and meaningful relationship with the news media. Aside from these and other qualifications, he has been

associated with the members of this committee and the leadership within the Congress, and brings a mix of proven management ability, sensitivity, and insight to make the Interior Department more responsive to the Congress and to the American people.

Jack Horton was raised on his family's ranch in Saddlestring, Wyo., and has an outstanding record of performance in policy and program management positions at the Interior Department, including:

Executive Secretary of the Federal Task Force on Alaskan Oil Development and Deputy Under Secretary—I have already gotten to know that the Deputy Under Secretary is one of the greatest qualifications for anything—and most recently, cochairman of the Joint Federal-State Land Use Planning Commission in Alaska.

A trained earth scientist, he graduated from Princeton University with honors in geology in 1962, and was a Rhodes scholar.

He received his M.A. degree in politics and economics from Oxford University in 1966. Prior to completing his graduate work in England, Mr. Horton served as a fighter pilot in the U.S. Navy and received numerous decorations for more than 160 combat and reconnaissance missions he flew over the South China Sea.

In a message to the American people last week, President Nixon reaffirmed the basic principles underlying our national effort in natural resource management. "The first principle," he said, "is that we must strike a balance so that the protection of our irreplaceable heritage becomes as important as its use. The price of economic growth need not and will not be deterioration in the quality of our lives and our surroundings."

I believe, Mr. Chairman, that these words express not only the President's personal commitment to preserving the integrity of our environment; they also mark the common bond between this committee's goals and our primary responsibility within the Department of the Interior.

Mr. Kyl and Mr. Horton are here today not only because they have earned the trust and confidence of the President, but because in their professional lives they have demonstrated their dedication and belief in America's need to achieve that balance.

With your concurrence, I look forward to sharing with them our common task.

Thank you.

The CHAIRMAN. Thank you, Secretary Whitaker.

I understand that you have an urgent appointment and would like to be excused early. I will defer asking any questions of the Secretary and I will ask, of course, questions of the nominees.

Does anyone wish to ask questions of the Secretary?

Senator FANNIN. No questions of the Secretary.

The CHAIRMAN. Thank you, Mr. Secretary.

Mr. WHITAKER. Thank you very much, Mr. Chairman.

The CHAIRMAN. First, I wanted to ask both of the witnesses, first Congressman Kyl, about your understanding of the organization of the Department and what your responsibilities will be and has there been or is there a contemplated change in the task of Assistant Secretary for Congressional Relations.

STATEMENTS OF HON. JOHN H. KYL OF IOWA TO BE ASSISTANT SECRETARY OF THE INTERIOR FOR CONGRESSIONAL AND PUBLIC AFFAIRS, AND HON. JACK O. HORTON OF WYOMING, TO BE ASSISTANT SECRETARY OF THE INTERIOR FOR LAND AND WATER RESOURCES

Mr. KYL. This is my understanding of the post that I would fill, if you see fit to confirm me to that job.

I have first charge of the Office of Congressional Relations, also under my jurisdiction would be the Public Information Office, which at this time is headed by Mr. Robert Kelly and also the Legislative Office, the Acting Legislative Counsel at this time is Kenneth Brown.

Those would be the three functions under my supervision, Mr. Chairman.

The CHAIRMAN. Who would you report to?

Mr. KYL. To the Secretary.

The CHAIRMAN. Directly to the Secretary?

Mr. KYL. Yes.

The CHAIRMAN. So while this is the first time, I believe, this position has been designated, category of Assistant Secretary, has it not, for Congressional Relations?

Mr. KYL. Yes.

The CHAIRMAN. As I understand, this job organizational-wise will be the same as it has been except for the new rule of Assistant Secretary?

Mr. KYL. That's correct, with the additional fact, as I mentioned, that we will coordinate the effort of the Communicative Office.

The CHAIRMAN. Legislative Counsel's Office will be in your shop?

Mr. KYL. Yes.

The CHAIRMAN. But the present setup on Congressional Relations will remain, basically the same, will it?

Mr. KYL. Yes.

The CHAIRMAN. All right, sir.

Now, I want to ask you and then I will ask Mr. Horton, the same question:

As you know, the Democratic caucus has taken a position on which we have been asking all of the nominees subject to appointment assurances that they will be responsive to any inquiry or question of the committee to appear and so on. Of course, with your long service in the House, I take it you will be willing to respond to any reasonable question made by the chairman of a committee or chairman in behalf of other members of the committee to appear?

Mr. KYL. You are right, sir.

The CHAIRMAN. Mr. Horton, I will ask you that same question later about the constitutional responsibility that we have, of course, as Senators, to make sure we are kept adequately informed.

May I make sure that you too will be responsive to any reasonable questions we may make for you to appear?

Mr. HORTON. You may, sir.

The CHAIRMAN. Mr. Horton, can you specifically state your understanding of your responsibilities as announced as Assistant Secretary for Land and Water areas of the Department?

Mr. HORTON. Yes, Mr. Chairman, I am pleased to do that. I have provided a synopsis of that in the statement. I will paraphrase from page two of my statement.

The Assistant Secretary for Land and Water Resources is a new office in the Department of the Interior which incorporates certain functions of the former Assistant Secretary for Public Land Management, the former Assistant Secretary for Water and Power Resources, and the former Assistant Secretary for Program Policy.

Within the aegis of this new Office will be the Bureau of Land Management, the Bureau of Reclamation, the Office of Land Use and Water Planning—renamed from the Office of Regional Planning—the Office of Saline Water, and the Office of Water Resources Research.

The office of this new Assistant Secretary will also provide a fulcrum for the coordination of River Basin Commission activities and for stimulating Federal and State coordination on land use and water planning activities.

(The prepared statement of Mr. Horton follows:)

STATEMENT OF JACK O. HORTON, NOMINEE FOR ASSISTANT SECRETARY FOR LAND AND WATER RESOURCES, DEPARTMENT OF THE INTERIOR

Mr. Chairman, Senator Fannin, and members of the Committee, it is a great personal honor to appear before you as the President's nominee for the position of Assistant Secretary for Land and Water Resources in the Department of the Interior.

The Committee will recall that I appeared in March of 1972 as the nominee for the Federal Co-Chairmanship of the Joint Federal-State Land Use Planning Commission for Alaska.

I presented myself at that time as a concerned American deeply committed to the balanced use and intelligent management of the manifold resources of the State of Alaska.

I extend that concern and commitment today to include the broader National responsibilities for land, water and resource planning which fall within the assignment for which I am now proposed.

The Assistant Secretary for Land and Water Resources is a new office in the Department of the Interior which incorporates certain functions of the former Assistant Secretary for Public Land Management and the former Assistant Secretary for Water and Power Resources, and the former Assistant Secretary for Program Policy.

Within the aegis of this new Office will be the Bureau of Land Management, the Bureau of Reclamation, the Office of Land Use and Water Planning (renamed from the Office of Regional Planning), the Office of Saline Water and the Office of Water Resources Research.

The office of this new Assistant Secretary will also provide a fulcrum for the coordination of River Basin Commission activities and for stimulating Federal and State coordination on land use and water planning activities.

Decisions on the use of water, inescapably, are decisions on the use of land.

I believe that the reorganization of these two areas within the Department, and their close affiliation with the new land and water planning office, represent a historic step of pivotal importance for optimum future management and protection of these two basic resources.

It is to be expected that additional benefits will be realized, including the streamlining of administrative actions addressing land and water issues; and, within the total departmental reorganization, an overall decrease in personnel ceilings and a substantial cost saving.

Mr. Chairman, my service with the Joint Federal-State Land Use Planning Commission for Alaska has been one of continuing challenge and great personal benefit.

Among the broad values realized from this extraordinary experience has been the appreciation of the critical importance of Federal-State cooperation in the interplay of land and resource management. This is the reason that our most immediate focus in the Commission was to establish a balanced and sensitive Federal-State framework in which diverse voices could be heard with fairness and objectivity.

Another observation has been the recognition of the basic importance that comprehensive resource information plays in the planning process. This is the reason that the Commission has strongly supportedt he establishment of a twenty-five man Federal-State Resource Team of resource scientists and professional managers who provide the base data, conflict analyses and planning alternatives to the planning process.

A third impression of no less importance, is the critical role that communication plays in planning and management decision making. This is the reason that the Commission decided in its early days to open all meetings to the public and to conduct hearings throughout virtually all of rural and metropolitan Alaska, and in areas outside Alaska, before recommending on new national parks, national forests, wildlife refuges, and wild and scenic rivers which will comprise almost a quarter of the area of the State.

The most fundamental issues, however, are not the conflicts between parks and mining or free flowing streams and water development, but the balance between, and management systems imposed upon, these uses of land and water and how this balance provides for and enhances the livelihood of mankind.

I extend these general observations to the Committee not in any sense as qualifications for the office to which I have been nominated, but as early personal observations from the first Joint Federal-State Land Use Commission created by the Congress.

Mr. Chairman, this completes my brief introductory remarks, and I am happy to answer questions from the Committee.

The CHAIRMAN. For the sake of procedure here, I had intended to call upon Senator Hansen to formally present John Horton and let the proceedings that are now about to take place appear right after the Secretary's statement, and I would like to ask Senator Hansen to make that presentation.

Senator HANSEN. Thank you very much, Mr. Chairman.

It is a real personal pleasure and privilege for me to be able to present my good friend, Jack Horton, for consideration by this committee and, I hope, subsequent confirmation as Assistant Secretary of the Department of the Interior.

I won't take the committee's time to reiterate what has already been said about him. You could talk a long time, and do it all within the context of restraint, in telling about the many accomplishments of Jack Horton. He is not only a very eminent scholar, he is also a very avid sportsman. He was a Rhodes Scholar. He won all-American honors during his junior and senior years at Princeton as a member of the lacrosse team. He was named to the All-Southern lacrosse team by his school when he studied abroad.

As previously mentioned, he has been a fighter pilot. He is well known in Wyoming rodeo circles. He can rope a calf and ride a bucking horse, and do several other things that may not be quite familiar to some members of the committee.

He has been called upon by the Secretary of Interior to undertake the very difficult and demanding assignment of overseeing the environmental impact study on the Alaskan pipeline. I can think of no single burden that has been more onerous in its execution than that one.

When you contemplate all of the problems involved in preparing a study that has the ramifications that this one does to present to the public, and the appropriate governmental agencies, I think it can easily be said that in addition to his other qualifications, he is a very good organizer and a very good manager. He is a man with considerable sensitivity in the increasingly important areas of environmental concern.

He has been tapped by Russell Train, now the chairman of the Council for Environmental Quality, to perform duties under Mr. Train in the past. It seems to me he comes before this committee well qualified for the duties which he proposes to undertake.

The CHAIRMAN. Thank you, Senator Hansen.

Senator Stevens.

STATEMENT OF HON. TED STEVENS, A U.S. SENATOR FROM THE STATE OF ALASKA

Senator STEVENS. I am pleased that you recognize me as the Senator from the State which now claims Jack Horton.

We are sorry to lose Secretary Horton from the position of Federal Cochairman of the Federal State Alaska Land Use Planning Commission, because we are extremely pleased with the job that he has done up there. However, we know there is a tough job to do in this new assignment, too, and it is a promotion for Jack, and I am pleased to be here to demonstrate to you that Alaskans are most pleased with the job he has done there. I am convinced he will do a good job in this new assignment.

I would like to put my statement in the record.

The CHAIRMAN. Without objection, it will be so ordered.

(The prepared statement of Senator Stevens follows:)

STATEMENT OF HON. TED STEVENS, A U.S. SENATOR FROM THE STATE OF ALABAMA

Mr. STEVENS. Mr. Chairman, it gives me a great deal of pleasure to briefly speak to you this morning and urge the nomination of Mr. Jack O. Horton, to be Assistant Secretary of the Interior for Land and Water Resources. I think Mr. Horton is extremely well qualified for the position. I have personally known him for several years and have been highly impressed with his ability and his enthusiasm.

While he was Deputy Under Secretary of the Interior and previously Deputy Assistant Secretary, we dealt with each other often on a number of matters, particularly the Alaska Native Claims Settlement Act. Since March of last year, he has been the Federal Co-chairman of the Joint Federal/State Land Use Planning Commission for Alaska. He was one of the original people appointed to this Commission and has really been largely responsible for its success.

We will be sorry to see him leave his position as chairman of the Commission, but I know he will do an outstanding job as an Assistant Secretary of the Interior. I wish him well and sincerely believe I am not exaggerating when I say that it is to the benefit of the entire country when men of Mr. Horton's caliber agree to serve in positions of responsibility in the federal government.

The CHAIRMAN. I have had the privilege of working with John Horton when he first came to Washington. I am impressed by his expertise, and his ability to tackle some very tough problems. I would like to say that Congressman Kyl has made a fine record in the House, especially on the Interior Committee where I have observed his fine work.

Senator Fannin.

Senator FANNIN. Thank you, Mr. Chairman. I welcome the opportunity to welcome John Kyl and Jack Horton here this morning.

I had the pleasure of working with Congressman John Kyl on the Landlord Review Committee. I am very proud that he was willing to let one of his progeny go to Arizona. We have, from his good graces, a very outstanding young leader in Arizona, John Kyle, Jr. I believe

he is referred to as Junior. John is a brilliant young leader and making a great name for himself in our State.

I am very pleased that Congressman Kyl will be working with us. We are pround to have the privilege of his association. I am very pleased to wholeheartedly recommend his confirmation.

I am also pleased that my colleague, Senator Hansen, along with my other colleagues, to welcome, as I stated before, Mr. Horton.

I do note on the second page of the statement that was read for Secretary Morton, that there is the reference to the message that the President gave to the American people when he said the first principle, that we must strike a balance, so that the protection of our irreplaceable heritage becomes as important to us as its use. The principles of economic growth need not and will not be deterioration in the quality of our lives and surroundings.

I am sorry to hear the misinterpretation that has come about as a result of that statement. I would like to ask Mr. Horton a few questions in that regard.

I think his interpretation is quite natural as the President intended it.

Do you believe that the management of the OCS can become more efficient by combining the branch of Marine Minerals and Conservation Division of USGS?

Mr. HORTON. Senator Fannin, if, at this time I could indicate my appreciation to Senator Hansen and Senator Stevens for their introductory remarks.

In response to your questions, I have been back from Alaska now 1 week. I have not been involved in substantive discussions on the reorganization. The best way to manage a leasing program for the OCS and for coal, oil, and gas has been widely discussed.

It has been the Secretary's decision to keep separate at this time the elements of the Geological Survey. The conservation division, and the elements of the BLM that are now jointly managing the leasing program. It is my understanding that these discussions are continuing and if the Secretary deems it wise in the future, with the foreknowledge of the committee, he will announce another policy on the management of the leasing office.

Senator FANNIN. Why I am asking you, is that in your position it would be on your initiative to determine the desirability of reorganizing the offices involved in leasing programs.

I think you realize how much the Nation is dependent that the OCS leasing program go forward. I gather from your statement you would like to see it go forward.

Mr. HORTON. I approve and certainly support an expansion of the leasing program, obviously, with proper environmental controls. It is my understanding that we now anticipate three OCS sales this year.

Senator FANNIN. Do you believe that the fair market value for offshore resources can be obtained by more frequent or larger sales?

Mr. HORTON. I am not sure, Senator, I am totally qualified or experienced to give you a totally satisfactory answer.

The three lease sales that are announced this year, one is of 500,000 acres and the two remaining are of 1 million acres. Whether larger or smaller acreages would optimize future lease sales, I don't know at this time.

Senator FANNIN. I would appreciate the questions upon which you desire to furnish an additional statement, we would give you those questions in writing, with the hope that you would elaborate on them in your answers.

Mr. HORTON. I would be happy to respond to any questions you put before me or the Department.

Senator FANNIN. Since you have been connected so closely with the Alaskan development, when do you propose the Department undertake formal action to initiate environmental impact statements for the Gulf of Alaska and the offshore mid-Atlantic coast?

Mr. HORTON. Senator Stevens would be pleased to hear me say that the commission on which I serve now as cochairman, does not have advisory responsibilities for the OCS.

To answer your question, it is my understanding that the Department is still considering all possible lease sales and they have made no decisions at this time to pursue a lease sale in the Gulf of Alaska until additional analytical work is done.

I understand, however, that there are some very severe environmental and technological problems that must be overcome in the Gulf of Alaska before a responsible lease sale can take place. But given the state of present technology, I believe that these can be overcome.

Senator FANNIN. Realizing the seriousness of our supplies of energy, and the desire to do everything within our power to overcome these problems, only 1 percent of BLM lands under lease, are under production, would you support additional coal leasing?

Mr. HORTON. Senator Fannin, I am not sure my technical knowledge goes that far. I would refer back to the President's speech, for his promotion of an equitable balance. I am not at this time able to support a competitive or noncompetitive leasing program until I know more about it.

Senator FANNIN. One of the most important projects that we can support, is to accelerate the development of coal, geothermal system or any source of energy that could be available to us.

I am wondering what action you would take to accelerate our dependence on gas and crude import products?

Mr. HORTON. If there is one key point that has a high priority in my opinion, it is to put the energy programs together in the Department. I understand that the Secretary announced last Friday the policy on the development of coal leasing.

I think that is before you and I am prepared to answer questions from that. Because basically there was an indication that leasing could continue under emergency conditions now, but as far as the blanket-leasing program that would await the completion of what is called a programatic environmental impact statement and additional research and analytical actions that are now being taken by the Department.

It seems to me once again we have to continually emphasize the balance in the leasing of coal as well as other areas.

Senator FANNIN. I agree we have to think about the balancing factor, but I have been vitally concerned that we have not been going forward with some of the projects that are underway or extending them, as was indicated sometime ago, would take place.

With the huge sums of capital necessary for coal gasification and oil shale refraction, may I ask what action would you take to urge the BLM to appropriately capitalize on the investment?

Mr. HORTON. To start with, basically, the administration is proposing an R. & D. budget for the total coal research program of some $52 million, and I understand that this is focused primarily on coal gasification. It would seem to me, whatever leasing action that is taken in the near future of an emergency nature, this should not inhibit the development of coal for a coal gasification program.

Senator FANNIN. In light of the discussion concerning the importation of billions of dollars of fuel, don't you think when you mention only a few million dollars that we are not seriously approaching the problem?

Mr. HORTON. Sir; I am not in a position to say whether the $52 million that is in the R. & D. budget is sufficient or not, but it indicates to me, it has some priority.

Incidentally, the research for energy programs does not fall under my aegis, but under the Assistant Secretary for Energy and Minerals.

The CHAIRMAN. What efforts would you take to provide the opportunity to enter into allotment management plans?

Mr. HORTON. I am sorry, sir; I don't know what allotment management plan is. If this is a management action involving the BLM and the ranchers, I would not support anything without communications from the ranchers.

Senator FANNIN. In other words, you would want to hear from the ranchers and not make a decision without having a full understanding by the ranchers as to what is being considered.

Mr. HORTON. Not only would I be prepared to do that, but I would consider that to be a basic necessity.

Senator FANNIN. As you know, all of the Colorado River Basin States are very much dependent on the Colorado River. We have hopefully solved most of our problems, but we still have only a limited start insofar as the Federal Government taking care of the Mexican Treaty.

Would you support programs to increase the methods of augmenting water supplies to the Colorado River?

Mr. HORTON. It is my understanding that was a decision taken by OMB in their recent action on encouraging the Bureau of Reclamation to resolve the salinity problems in the Colorado record.

If their interpretation is correct, of course, I would support it.

Senator FANNIN. I believe Mr. Brownell will be making recommendations to support an increase in the budget of the Office of Saline Water. What efforts will be made as to this program?

Mr. HORTON. My knowledge goes only to the extent that this report is in the White House, and the decision will be made by the White House in response to Mr. Brownell's report.

And, of course, I will support whatever decisions are made by the people who make them. I think the report was sent directly to the White House.

Senator FANNIN. I feel that we have many questions that should be clarified, should be asked of you and then your responses made available to the committee. Because this position is quite a change as far as the Department in which you will be officiating and I would like rather than to take the time this morning to provide you with

the written questions about which I am talking, and then delay the final hearing pending receiving your reply.

I do feel we are all entitled to have answers to these questions.

Mr. HORTON. I will be happy to receive those questions and do my best to answer them in an expeditious fashion.

The CHAIRMAN. Senator Metcalf.

Senator METCALF. Thank you, Mr. Chairman.

I am delighted to have both of these outstanding and distinguished gentlemen before us today.

We all are aware of your ability to handle the problems that are involved with Interior, Congressman Kyl, and your ability to do your job.

I am afraid I am going to direct most of my inquiries to Mr. Horton.

Mr. KYL. I won't feel slighted, sir.

Thank you.

Senator METCALF. You and I have directed inquiries to each other over the years and I certainly look forward to working with you and cooperating with you in making researches over the years ahead.

I met with Mr. Horton yesterday, and I was certainly grateful for the opportunity to talk to him about some of his ideas in the management of public land.

I am certainly satisfied with our discussion, Mr. Horton, but I would like to put a few things on the record.

Under the new organization schedule that has been already put in the record you will be responsible for administration of the Bureau of Land Management, and that agency administers more land than all of the other land combined.

It consists of some of the most fragile land in America and some of the most neglected.

You will have a vacancy in the Department for Director of BLM.

Mr. HORTON. No, sir, that is incorrect. There have been below the surface comments that could indicate that. There is no announcement as to a vacancy at this time.

I would be happy to respond to your question to the extent I can on the chance there might be a vacancy.

Mr. Burton Silcock is in that position now, and I have heard that he may be considering another office which has not been announced nor has he accepted the office at this time.

Senator METCALF. Yesterday I received a copy of a telegram directed to Secretary Morton and Senator Proxmire from 19 conservation organizations calling upon an appointment of a director in accordance with the 1946 Reorganization Act, as a *professional from civil service.*

Are you in support of that proposition?

Mr. HORTON. I am totally in support of that. I was strongly in support of the appointment of Mr. Burton Silcock, and I assure the committee that as far as any other participation in the decisionmaking that I will be suggesting a range of alternatives to the Secretary which will have professional people of a career civil service nature from within the Bureau.

Senator METCALF. I understand the 1946 Reorganization Act, the requirement is that the appointment not only has to include, but the director has to be from classified civil ervice, and we would prefer it

be a man trained in range or range management or land management program.

Mr. HORTON. Yes, sir, as I understand the man need not necessarily come from the BLM. I should also stress that the ultimate decision is the Secretary's and not mine and that I would certainly preserve his prerogative to make whatever selection is his best choice within the requirements of the law.

Senator METCALF. In view of your experience and your background as a user of land in the West, I would hope that you make a recommendation to continue the on-going program.

Mr. HORTON. Yes, sir. I think it wise that I not begin an active search or series of interviews until if and when I am directed, but I would certainly look in that direction.

Senator METCALF. Thank you.

You have been in charge of the Alaska Native Claims Act in Alaska. We have, I think, made a very important and significant proposal in the abstract of setting up 80 million acres there for land withdrawal.

You will be in direct charge of implementing that act, is that correct?

Mr. HORTON. I think, as a general principle I will be closely involved in the Secretary's ultimate decisions as to how much and where these 80 million acres are located. These involve a lot of acreage of BLM land. Assistant Secretary Reed and the Under Secretary will be closely involved in this.

Senator METCALF. Can you see meeting the December deadline for determination or disposition of this 80 million acres?

Mr. HORTON. Yes, sir. We are in the process of setting up steps now to meet these. I think the Department and Commission will make that deadline.

Senator METCALF. What do you feel about wilderness to be carved out of areas administered by the Bureau of Land Management?

Mr. HORTON. To clarify one point, wilderness is not one of the four systems (under 17(d)(2) of the Alaska Native Claims Settlement Act). I look to wilderness as a zoned area within past or future withdrawn lands. If I could ask for your forbearance, I would like to withhold my own personal judgment on that until I hear the arguments pro and con.

Senator METCALF. I certainly will rely on your own interest and good judgment on that. But we will talk about that in the future. Both of us know there are some areas in this vast domain that have wilderness quality and are not subject at this time to the wilderness act, and there is going to be some demand on the part of the people to take the wilderness out of those areas, and it is going to be, in some areas, up to you to make those decisions.

Senator HANSEN. Will the Senator yield?

Senator METCALF. I will be delighted.

Senator HANSEN. Do I understand your statement to imply that the Congress would not have the authority to establish a wilderness area but rather insofar as the responsibilities of the appropriate Assistant Secretary is concerned, it is not one of his duties to make recommendations for inclusion in the wilderness system those appropriate areas under BLM jurisdiction now; is that what you are implying?

Senator METCALF. Yes, and I suggest that all wilderness has to be created by Congress. I would hope, however, that within this vast

public domain administered by the Bureau of Land Management, there are, of course, some areas just as beautiful and remote and wild as any other wilderness, that consideration would be given to study and recommend to Congress that they also be created as wilderness areas.

Senator HANSEN. I thank you, Senator Metcalf.

Senator METCALF. I certainly wouldn't take away from Congress to determine what a wilderness is, what the boundaries are.

The CHAIRMAN. I believe, of course, that all BLM lands would be subject to a requirement of congressional law. We limit the areas in which they could be declared and set aside by the executive branch and that was for the National Parks and Wildlife Areas, and National Forests, and the rest are excluded.

Senator METCALF. I was hoping the study would be expanded to include some of these areas that have wilderness qualifications under the BLM.

In response to some of the questions that Senator Fannin asked you, you discussed a matter of great concern to us in the West where we have this low sulfur coal existing in a vast amount. It is my understanding that you said to Senator Fannin that the Department is not currently leasing.

Mr. HORTON. Let me repeat my former answer, but let me step back to assure the committee, that our ranch lies on the west periphery of the Wyoming-Montana coal area.

I have a personal as well as a professional concern about the extraction of that coal.

I understand from the Department, as of the announcement on Friday—which I think has been sent to Congress—that, in general, no more exploration permits for coal leasing are now being entertained by the Department of Interior. Except in special emergency or high priority conditions, that leasing in a large-scale way will not be undertaken by the Department until a programmatic environmental statement is prepared. Mr. Kyl informs me that the deadline is September 1.

Mr. KYL. And we haven't issued any permits, of course, for the 19 or 20 months.

Senator METCALF. As you know, last year in the House of Representatives, there was passed a surface mining act, and the Senate is reporting an act. So we are very close to enacting some sort of regulations for surface mining.

Is it your intent to refrain from leasing for the next 2 or 3 months to give Congress an opportunity to act upon these acts?

Mr. KYL. Senator, as you know, we have a great environmental concern in the country today. So, all resource management has to reflect that environmental concern. We also have a great consumer concern.

And we now have an energy crisis which, in some areas, is very real, and that has to be taken into concern. At the same time, we have a number of legislative proposals carried over from last year—national land use management, BLM Organic Act, surface mine protection, amendments to the 1872 Mining Act, and the 1920 Mineral Leasing Act. While those matters are pending, I can state simply what our attitude is. We do not regard our relationship with the Congress as an adversary process. We are trying to work closely with

this committee and other committees of the Congress which deal with this kind of legislation. We hope we can find the proper answers.

In the meantime, on the specific item you mentioned, we have not issued any permits for 22 months. We have stopped the exploration except in three or four very specific categories where there is an emergency. For instance, Senator Hansen has some mines that produce the coal which goes to Kansas City to produce the electricity there. If there would be an emergency, we would have to move on it.

Now, because of the environmental concern, each time a permit is requested, we have to go through a 102 statement on that single process. It is terribly time-consuming and, in effect, it is not good because it relates to one specific rather than the total picture.

So the Department decided to develop a programmatic environmental statement for the whole coal mining industry, to have that ready for announcement by September 1. Then when we have a specific request it would be relatively easy to fit that into this whole picture.

Senator METCALF. I hope that we on the legislative level will be able to maintain the same good relations with the Department of Interior and give you some good legislation that will be a guideline within the next 2 or 3 months.

Mr. KYL. We pledge that you will have our cooperation, Senator.

Senator METCALF. Thank you very much.

I certainly appreciate the frankness and forthrightness of both of your answers, and I look forward to working with you over the years ahead.

Thank you very much.

The CHAIRMAN. Senator Johnston.

Senator JOHNSTON. Thank you, Mr. Chairman.

Mr. Horton, your testimony before this committee has indicated that a large proportion of the potential reserves in the United States are offshore in the gulf.

One of the big problems of development in the gulf is capital to develop that. The last lease sales out there, the lease sale money itself was $1.6 billion and $1.6 billion is a big piece of change, particularly when you have to come up with all of the money to develop it, too.

My question is, will the Department or has the Department considered some other formula for bids, for taking of these leases other than competition on the question of money? Because if we could have that $1.6 billion for development offshore, I am sure we can come a lot closer to solving the energy crisis.

Mr. HORTON. Senator, from my past experience I know there have been extensive discussions given to the formula of bonus bidding versus royalty bidding. I can assure you that we will examine at any time a better way if there is one.

I think it would be unwise for me at this time to commit myself further on that, because I don't know where we stand.

Senator JOHNSTON. At least to me it is very clear, other than the need of the treasure for the money, it is very clear to me that the better formula would be to have it on something better than putting up $1.6 billion of something that could be used for development.

I think it is important to have that additional capital for development.

One of the chief impediments to development on the Outer Continental Shelf has been the policy of the Interior. I won't say policy of the Interior, has been the problem created by lawsuits which, in turn, have given no schedule to development where the lease sales have been sporadic, intermittent, haven't been planned, haven't been regular.

And when you have to have as much capital as those companies have to have out there, they need to be able to plan it well in advance and on a regularly scheduled basis.

You are aware, I am sure, that the need for a regular schedule of lease sales is very important in the Outer Continental Shelf.

Mr. HORTON. A regular schedule is desirable.

On the other hand, as long as there exists ambiguities in the National Environmental Policy Act, as long as any developmental action is open to litigation, I am afraid we can expect lawsuits.

Senator JOHNSTON. Would you suggest any change in the Environmental Policy Act with respect to lease sales?

Mr. HORTON. Senator, without committing the Department, from my own experience, I would certainly support a greater specificity in the requirements of the act so the administering agencies would have better guidelines as to how they could comply with it.

If there could be better guidelines drawn to assist the administering agency, I think there would be better——

Senator JOHNSTON. Don't you think the lawsuits ought to be regulated as well so you don't have——

Mr. HORTON. I think that might require congressional action.

Senator JOHNSTON. Right, but do you have any recommendations on it?

Mr. HORTON. I would certainly study those. I am not sure what the Department could do to make these to Congress.

Senator JOHNSTON. Does the Department have a policy on reports now?

Mr. KYL. The Interior Department does not have total jurisdiction.

The President has sent powerplant siting Legislation to the Hill, which has been designed to ease the necessity or the burden of lengthy litigation. Superports are not specifically the jurisdiction of the Interior Department.

We have had people involved with four or five other offices of the administration on that subject. We have not reached any conclusion on it as far as a measure to the Congress is concerned.

Senator JOHNSTON. With the dichotomy and the proliferation with respect to those agencies that represent, too, superports and locations and permits, do you think it would be advisable to have legislation that would focus its responsibility in one department?

Mr. KYL. Yes, sir. I think both of us are committed to this so you get a department to solve problems, rather than to simply represent constituencies.

Senator JOHNSTON. Thank you very much.

Senator HANSEN. Mr. Chairman, a number of the questions that have been of concern to me, have been already asked.

I would like to say, though, in the overall context of our growing energy crisis, a subject that has been of real concern to our chairman, he has spoken a number of times and raised a number of very relevant questions, it seems to me, that need now to be considered and re-

sponded to by the Congress and by the administration. I have in mind a question such as how do we balance out our national dependency upon energy on the one hand with our environmental interests and on the other hand with our declining reserves? And how do these questions impinge on our ability to make independent decisions.

Undergirding, of course, this wide area of concern is the fact that among all nations in the world ours is the most profligate, that may not be the best word, but we use the most energy.

We haven't been giving up with the development of our resources, despite their enormity. There is a lot of testimony on record from the American Association of Petroleum Geologists, from other scientific and knowledgeable groups of people, who contend if we are willing to commit ourselves to a policy which will give sufficient incentive there is much that can yet be done.

Obviously oil and gas at the present time is our most widely used source of energy. But with coal and coal gasification, geothermal steam, oil shale, a subject that has hardly been touched upon, but one that needs serious consideration to be given it, and add to those the possibility of nuclear power being made more important in our overall energy needs and the rather even more remote sources of solar energy, I would like to ask, do you believe, Mr. Horton, that this Nation should undertake a policy that will accomplish what I think most of us would agree needs to be done in order to maintain the standard of living that we have, to address ourselves to the increased demands for energy as we try to solve some of the environmental crises that obviously can only be solved with more, not less, energy. As we seek to continue a policy of doing our best as a concerned Nation among the nations of the world in order to promulgate an extension of peace and to bring our weight and influence to bear on the positive side of things, do you think we can develop a policy which will see to it that we do not become overly dependent upon any foreign country for energy, that we will not bring about a degradation in the standard of living and in the quality of living in America, and that we can do these things in a manner which will be acceptable to most of the American people?

Mr. Horton. Senator, not only do I agree with you completely, but as far as I am getting a reading from the Administration, I think that we are attempting to address the energy crisis with the priority attention it should be given.

I can assure you, as far as my own office is concerned, there will be no issue that receives any greater priority than that of the energy crisis, if I am confirmed.

Some of the main check points of our energy program are the oil shale leasing, the possibility of geothermal leasing, when the 102 statement is completed, and the expanded R. & D. research budget, particularly for coal gasification. The energy program will provide, I hope, a resolution of the environmental controversy on the development of coal. I think we have to go ahead on two fronts, but I think the resolution of the strip mining problem will promote safe, orderly and an environment compatible for going ahead with coal.

I see this concern reflected with much greater intensity this year in Washington then I did last year.

Senator HANSEN. There are those who say we should turn to foreign countries for an increasing share of our energy needs.

I have read all sorts of projections, some which indicate that we may be paying by 1985 as much as $25 million per year to one nation alone, one foreign nation alone if we pursue a course which places increasing dependency upon going abroad for the energy that we might be trying more intensely to develop in this country, but there is concern about the fact that this balance of payments, this outflow of money, would exacerbate the very conditions that have been so much in the news in the last two weeks.

Do you share the concern that some of us have that coupled with the other compelling reasons in any judgment for trying to develop our own resources to a greater degree makes sense in trying to achieve some sort of level in our balance-of-payments postion which without domestic development would become of even greater concern?

Mr. HORTON. Yes, sir, I think it makes sense for all sorts of reasons, particularly the balance-of-payments consideration.

The recent crisis in the dollars in the last two or three weeks is another important consideration and I have seen the figure of $25 billion of imbalance in trade by the year 1990. I think this is one of the reasons we are promoting the delivery of oil from the North Slope of Alaska to market in the United States as well as the development of oil shale, coal, to meet the pressing energy situation.

Senator HANSEN. Do you think it would be possible to pursue as independent a foreign policy as we might think is in the best interest of this country, while at the same time accepting an energy program which would inevitably make us more and more dependent upon any one foreign country?

I had in mind the Middle East particularly at that moment. It would seem to me our policy toward some of the nations in the Middle East might not fit at all with the kind of pragmatic approach we would have to take if we were to look upon some of the Arab nations for our energy.

Mr. HORTON. Senator, I don't favor to any degree greater than is absolutely necessary the dependency on the Middle East for our oil. I think to the extent we can transfer oil production from overseas to home markets the better off and more secure this country will be.

Senator HANSEN. If you are confirmed, as I indeed predict you will be, your department will have great control over much of the public lands owned by the people in the United States.

As you know so well, a very major share of that real estate is in the West.

On more than one occasion the distinguished Senior Senator from New York, Mr. Javits, has observed to me that, in his judgment, some of the problems of the big metropolitan areas in America reflect a failure of rural areas to maintain a standard of living and supply the kind of job opportunity that would have kept some of the people in rural America from migrating to the cities in the last two decades.

In light of this observation and your personal knowledge of the important role that public lands play in the West, do you realize that the decisions you make can be of vital importance to the western States and to the people who live there? Indeed your decisions may help determine whether they and their children will continue to live

there or whether they, too, may become forlorn of hope and be compelled to go elsewhere for job opportunities.

Mr. HORTON. Senator Hansen, I have thought a lot about that question. The Federal lands are publicly owned and belong to all Americans. But nonetheless special consideration simply must be given to the people who live in and adjacent to the public domain whether they are in Alaska, Wyoming, Colorado, or Utah.

I am not so sure we necessarily have a policy confrontation here. I am not so sure the policies need to be adverse one to the other.

I think we can work out policies acceptable to both sides. I would mention here as an example the extent to which wilderness areas should be withdrawn in the State of Alaska or the State of Wyoming or different policies for public usage of public lands.

I am not sure, as I have listened carefully over the last few years, not only on the pipeline, but on the disposition of the public domain in Alaska, I am not certain now that there is as sharp cleavage as I thought before between the two groups.

But I think special focus and attention should be given to the people who live in these areas.

Senator HANSEN. I didn't mean to imply by my question there was necessarily an adversary situation or that one would inevitably result, but rather to suggest that much of the development of the West in the past and to a degree continuing that way today, manifests that the use of the public lands in the West is important to many of the operations that hire people, provide job opportunities, and develop income. These considerations are important to the western States for the people who live there and indeed if they are given their due attention they could help minimize or slow down this out migration of people which troubles us all so much as we view the problems of the major cities. I was just wondering if you share my feeling that these are important considerations.

Mr. HORTON. Yes, sir, I do share your opinion on that.

Mr. KYL. Your question, sir, leads me to an observation that I think should be made, because I know all of us are concerned about this.

The basic problem involved in energy and in your second series of questions can be resolved only if we are willing to face some issues.

For instance, with regard to the energy, we have offshore oil wells which flare off natural gas.

We have one well which flares off sufficient gas to take care of the needs of the District of Columbia, but it is absolutely not economical to capture that gas and pipe it.

Now, if the Secretary of Interior, or the gentlemen in other power offices, could arbitrarily increase the price of gas at the well for the operator, we know how the media would react and how they should react. It would look like you are giving some kind of bonanza to somebody.

There has to be some facing of this problem by the Congress so we have a law which permits this kind of flexibility. We can save this gas if we can transport it to the shore in a manner that at least covers the cost involved. You can't do it under the existing circumstances.

Senator HANSEN. Let me ask you, would it be your feeling that the action of the FPC in arbitrarily fixing the price of gas at the wellhead in the past has been a serious deterrent to what formerly otherwise

would have occurred to let these economic factors make determinations on the question of whether you can afford to bring gas in from an offshore well or not?

Mr. KYL. Sir, we have had a month of hearings in the House and I have read the hearings from this side of the Capitol, and if we can take the testimony of the experts as fact, there isn't any question about it.

There are many tough problems we have to face.

You remember on the public land law review commission we decided first of all that the Federal lands were going to be retained, that the historical policy of disposal of public lands would be changed completely.

If we do that, then we have to make other difficult decisions.

Most Americans don't realize there are eleven individual States west of the 100th meridian that have more public land than do all of the States east of the 100th meridian combined.

Eighty-seven percent of the land in the State of Nevada is federally owned. Additional land is owned by the State. Utah has little land tax base.

How can the Federal Government compensate, on a reasonable basis, a public land State when Federal lands are going to be saved for recreation, wilderness, for these other factors and when we are going to limit the activity because of environmental concerns which are reasonable and have to be considered. How do we keep that State as a viable instrument?

It is a question that the Congress is going to have to face so we have a statutory base for the administration of public lands. That is the whole purpose of the BLM Organic Act, to get a statutory base which gives the administrator some guidelines on how he should administer these lands to the best advantage of the entire public in 50 States.

We are going to have to get basic and face the issues.

Thank you.

Senator HANSEN. Thank you.

The CHAIRMAN. The Senator from Idaho.

Senator MCCLURE. Thank you, Mr. Chairman.

We have covered most of the ground that was of concern to me.

I would like to be brief in any questioning. I would also like to say it is a great pleasure for me to have you, John Kyl, before this committee and have an opportunity to commend you and the consideration on their selection of you for submission to the Congress.

I don't think I ever served in the Congress with a person more dedicated or more able, and sitting beside you as I did for several years and listening to your perception of the questions was an education for me for which I shall always be grateful.

We had some problems that remain unsolved, as you pointed out, and your list was by no means exclusive.

The questioning of the changing relationship of the Federal Government with Indian peoples and the Indian peoples with the society in which they live, is another one I know is a matter of great concern to you.

I think your expression was one that caused me to have some encouragement, because there are some of us who are your friends here, who respect your ability, who were a little fearful that your ability will be lost in the job of liaison.

I get the idea from the statement that you may indeed have some eas of your own which may be expressed occasionally. I am grateful for that, and I hope you will have not only our encouragement, but encouragement from the Secretariate to do likewise.

You talk about some questions we have to face and you got into the question of payments in lieu of taxes and you, Mr. Horton, talking about the special concern for the rights of the people in which these these public lands are located.

I couldn't help but think in passing that the 25 percent fund which has been the historic basis of the relationship on national forest lands has been eroded over the years and now in the latest budget proposed by the administration it is proposed that it be eroded further by shifting more of the burden by the building of the major network of forest highways to the shoulders of the country and school districts in which those lands are located.

I exploded a little out of my own frustration when Secretary Morton was before the committee recently when he reiterated the litany that has become too familiar, that these lands belong to all of these people of the United States, which they do.

If the people of the United States want to be the owners of the land then let them bear the burden of being the managers of the land. I hope this gets down to OMB because the public of the United States is not paying their share of the load of the management and we are suffering from resource mismanagement as a result.

I know we are engaged in a great battle right now about budgets and priorities, but somewhere in all of this mess of congressional indecision there has to be a recognition of the place natural resources plays in the basic economy and the basic welfare of all our citizens.

If that is not to be faced, we will have trouble with our social reforms as well.

So much for the speeches, but I couldn't help but make some reference to what I think is a very basic problem.

This leads again to the question that you have mentioned of the cessation of coal leasing. It has already been 20 months since any leases were granted and you have indicated that perhaps this 102 statement can be filed by September.

If this is to be accomplished, when would then the first coal leases be available to industry?

Mr. HORTON. Senator McClure, I am sorry. I am not presently a member of the Interior Department. I am simply reflecting their briefing to me. I don't know the specific answer. I think I mentioned that under emergency conditions, such as Mr. Kyl mentioned, that those leases would be allowed under those conditions.

Senator MCCLURE. Do you know how many coal operators will have to close down substantially as a result of the cessation of leasing activity?

Mr. KYL. Senator, each individual case is being considered and each case is being considered thoroughly. If there is an emergency determined under the specific guidelines of this policy statement, appropriated action will be taken.

In other words, the Department is certainly not trying to force anybody out of business, or to stop the coal mining industry, but instead of considering the proposition in mass, each case is considered individually.

We hope the Congress will pass and the President will sign a surface protection act. I would hope that can be done before September. I don't know that it can. But all of the proposals which have been submitted by individual Members of the House and Senate and the administration bill seek to answer a number of the problems which are inherent in this business, and if that legislation is passed, then we have a satisfactory basis for granting the permits.

Each permit will be an individual matter under that act.

Senator McCLURE. As I should have anticipated, you anticipated my next question with respect to whether or not this kind of individual operator emergency was one of the things that was taken into consideration.

Mr. KYL. Yes, sir, every single one of those cases was listed and each one is being studied.

Senator McCLURE. While there can be occasion where there is no national emergency, it can be that kind of emergency for the individual operator or the men and women who depend on that operator for their jobs.

This is a matter of concern, certainly not in my statement, but in several other areas where this policy will have some effect upon the continued employment of a great number of people.

Mr. KYL. I should interject, Senator, in the interest of propriety, that the statements such as I just made are not my decisions. I am the reportorial agency for the Department with you, and we are trying to keep that discourse completely open.

Senator McCLURE. I can understand that and respect that. One thing that concerns me, Mr. Horton, about reorganization as might get lost as we realine organization rather than enhancing the administration is the ability of the Bonneville Power Administration to meet its commitments.

We do have a hydrothermal accord that encompasses the investor owned utilities and public owned utilities, both State and Federal under which the Federal Government assumes certain obligations as did the other matters to take an agreement, and the Federal Government among all of the participants in the agreement alone fails to meet its agreements.

It has turned out to be the least reliable of the partners. The separation of BPA marketing function, as outlined in the organizational chart, could lead to a further deterioration of the Federal commitment under the hydrothermal report.

Do you have any comment?

Mr. HORTON. I would say the purpose is just the opposite. I would direct your attention to page 2 of my statement which would indicate the Bonneville Power Authority would not come under the authority of my office.

I would be working closely with the Assistant Secretary to Power and Minerals who would have that authority.

Senator McCLURE. The very fact that it was separated from the proposed area of your responsibility indicated to me a predisposition to assume that all of the resource and development requirements of the Bonneville Power Administration are behind and that the only function remaining for the Federal Government in BPA was the parking of power, which, of course, under the hydrothermal accord is simply not true.

Mr. HORTON. Sir, I don't think your assumption is correct.

The reorganization enhances the concern that Senator Hansen had that we give overall attention to the total energy picture.

I support totally the reorganization, the concepts behind it and I hope that your assumptions are incorrect and I will do my best to enlighten myself on it.

Senator MCCLURE. Thank you very much.

I appreciate your appearance this morning, both of you have been very candid in your remarks.

Mr. KYL. May I say, Senator, I personally treasure those months and weeks and days and years I had the pleasure in sitting next to you in committee.

Senator METCALF (presiding). Senator Bartlett.

Senator BARTLETT. Mr. Horton, would you consider it just as important to have land use planning apply to Federal lands as it is to have them apply to private lands?

Mr. HORTON. Yes, sir, I do. I see no reason if land use planning makes sense in one area certainly it makes sense in the other.

Senator BARTLETT. Senator Fannin asks if I would like to include Indian lands in that question, and I will ask it again.

Do you favor the land use planning affecting and covering Indian lands?

Mr. HORTON. I think a comment from Mr. Kyl would be very appropriate on this.

Let me clarify for the record the Indian lands will not be under my office.

Mr. KYL. Sir, this question you ask is a very difficult legal question, as you well know. There is very little general Indian law. The law and treaties relate to individual tribes.

There was a legal question, for instance, as to whether the environmental statement requirement goes to Indian land. A court said "Yes". So far as the Department is concerned, at this moment we are assuming that it does. But there is a great deal of autonomy on Indian land.

You, from your Governor's chair, undoubtedly found that out.

Mr. HORTON. With respect to Alaska, and the Alaska Native claims settlement, the Congress withdrew 40 million acres for Alaska Native selection. The authority of the Land Planning Commission to impose does not extend planning to those lands.

Our ability with respect to Native lands in Alaska is simply the opportunity to persuade them to plan their own land.

I think it may well have been a question in the minds of the committee, when the bill was drafted, to what extent did Federal authority apply to Alaskan Native in the area of land planning.

Senator BARTLETT. Mr. Horton, desalting programs are very important to a lot of people. Large-scale desalting has not yet proved to be feasible and economical. The present budget for this coming year includes an amount of $2.5 million for saline water which is far below the previous level of $27 million.

Would you comment on the future of the Federal research program in desalting?

Mr. HORTON. It is my understanding that decisions were taken with respect to adjusting the priorities in the desalination program. I

understand this decision was to concentrate in the sea water, reverse osmosis, membrane technology.

I understand that the research has proceeded to the point where commercial desalinization was feasible.

Senator BARTLETT. Are you aware of the National Water Commission's draft report recently made public.

Mr. HORTON. I have not seen the report, Senator. I understand it has been issued in draft form, and the Department will be submitting comments on it.

I am sorry to say I have not seen the draft myself.

Senator BARTLETT. Thank you very much.

Mr. Chairman, thank you.

Senator METCALF. Thank you very much, Senator Bartlett.

Thank you all.

I want to thank Congressman Kyl, an old friend, and Mr. Horton for your appearance here.

Thank you for your frank, forthright, and helpful responses to the questions.

I have forgotten to ask one question.

All during the time when I have been in Congress one of the most exciting things we have been working on is the desalination program, hopeful at times we might make the desert bloom by the cheap conversion of saline water.

Yet in the current budget we have cut out almost all of the appropriation for desalination program.

Is it your proposal to phase out that program? Wouldn't that come under your administration, Mr. Hortor?

Mr. HORTON. I would prefer to say it is not my proposal.

I would prefer to say I am inheriting a proposal. If my understanding of the program is correct, the conceptual rationale for creating it in the first place was to develop techniques to the point where it was commercially feasible for the private operators to take over.

If the technology in the other areas has proceeded to the point where further refinement is no longer necessary with Federal funds, then I totally agree that the present research effort should be focused in the present salt water membrane technology.

Mr. KYL. We have reached a point where this becomes more than just a saline water proposition. For instance get into it from the environmental standpoint. There have been techniques developed for desalination that can clean up industrial plants effluents.

Take the case of a dairy plant. The effluent going from this plant was pure enough to drink. But when dumped into a stream it became pollutant.

Industry has found that they can reclaim protein solids which are salable and in so doing, remove the pollutants.

Another case involves nickel plating. Using desalinization techniques, pollution was stopped. The equipment was paid for in the first year it was installed.

In the last 10 days, in Senator Fannin's State a private consortium has decided to go ahead on a project without Government help.

We need Federal research—in desalinization, but it should be coordinated with other elements of water research. We need coordination.

If it is in the wisdom of Congress to authorize specific projects for a specific purpose, of course, Congress has that prerogative.

Senator FANNIN. Will the Senator yield?

Senator METCALF. Surely.

Senator FANNIN. I will just say, Secretary Kyl, it was with great disappointment the Federal Government decided to drop out of that program. They had, I would say, tacitly approved joining in the program in the amount of approximately $70,000, as I recall, and then when the project was to be initiated and we were going to have a little sermon, they found out that the Federal Government would not participate.

This is one great disappointment. This is a BLM land we are supposedly trying to encourage these projects, and when the consortium was willing to pay most of the money, I think just from the standpoint of having an input from the Federal Government would have been very beneficial.

Senator METCALF. I am encouraged that you do not believe that we are going to abandon the Federal Government's role in research. You just feel we arrived at a time that we can turn much of this over to private research and private development and maybe there would be an opportunity for building a plant that would be profitable.

Nevertheless, we have asked the Department to give us a report on a pilot plan and have never received that information from the Department and I hope that you will look into finding out just what is the continuing role of the Federal Government and how we can ultimately find out whether this program is going to work, the membrane process to have desalination of large quantities of water that were so exciting during the early stages of our research.

Mr. KYL. Would the Senator care to give me the name of that plant?

Senator METCALF. The staff will give you the name.

Mr. KYL. There is one other element here that does become Government business, if the report on salinity in the Colorado River concerning our obligation to Mexico involves a governmental action——

Senator METCALF. It was not that area. We asked for a report on the feasibility of a large development of a private plant for a desalination program to ascertain and determine in what direction our research was going.

Mr. HORTON. Senator, I can assure you if you asked for a report and didn't receive a response, I will know and you will get the answer within 24 hours.

Senator METCALF. Before we close we have our distinguished colleague from Oregon, Senator Hatfield.

Senator HATFIELD. Mr. Chairman, I was trying to work out some arrangement with the Rules Committee to get some money to keep this committee running. So I am sorry I was not here.

I am very happy to welcome Mr. Kyl here and have confidence in his role that he played in the Interior Department.

(Whereupon, the public session was concluded, and the committee proceeded into executive session.)

EXECUTIVE SESSION

NOMINATIONS OF JOHN H. KYL AND JACK O. HORTON TO BE SECRETARIES OF THE INTERIOR

TUESDAY, FEBRUARY 20, 1973

U.S. SENATE,
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
Washington, D.C.

The committee met in executive session in room 3110, New Senate Office Building, Senator Henry M. Jackson (chairman).

Present: Senators Jackson, Metcalf, Fannin, Hansen, McClure, Bartlett, Johnston, Stevens, Hatfield.

Also present: Jerry Verkler, staff director.

Senator METCALF (presiding). Thank you again.

Under the new rules we hold these meetings in public so now we will go into discussion of the confirmation of Mr. Kyl, and as I understand it, Senator Fannin is going to propound some questions and some of the other members may decide to propound some questions to Mr. Horton.

At this time we will not act on the confirmation of Mr. Horton until he has had the opportunity to answer those questions.

The questions will be sent to you for written answer.

Mr. HORTON. Thank you.

The CHAIRMAN. The committee will go into a public executive session to discuss your confirmation at a later time.

This deferral is certainly without prejudice, Mr. Horton. However, we can at the present time pass on confirmation of Mr. Kyl, the Assistant Secretary.

I have examined the statement of assets and so forth. I believe there is nothing that needs to come before the committee insofar as that is concerned relating to a conflict of interest.

Senator METCALF. Mr. Kyl, I have examined the letter that you have prepared.

You have a first page of a financial statement which I don't believe would be detrimental to put in the record, but I think rather than inserting any part of that matter that you have submitted to the committee, and which has been before the committee, just for the record, do you know of any conflict of interest in your investments, in your financial statement or any of the financial holdings that you have which would prevent you from carrying out the duties of your office?

Mr. KYL. I do not know of any potential conflicts of any kind.

I think if there had been any skeletons in the closet, a half dozen campaigns would have exposed those. I have no lands that ever belonged to the Federal Government.

I am not involved in any stock in any corporations doing business with the Government. I know of no single factor or multiple factors which could cause any difficulty.

The only pain I have in preparing this statement is in revealing to you what a poor individual I am.

The CHAIRMAN. As I understand, you have real estate which consists of home property and some unimproved property that does not involve any public lands.

You have personal property, household goods, automobile, some objects of art and the rest of life insurance.

Mr. KYL. Yes, sir.

Senator METCALF. Does any other Senator desire to have a part in this discussion before we act on Senator Fannin's motion?

Senator HATFIELD. Mr. Chairman, for the record, I will object, even though I understand the law requires this, but I shall use this opportunity each time to point up hypocrisy of pointing out conflcts of interest in the executive branch without applying the same test to us in the legislative branch.

I feel I cannot go into matters like this, checking out conflicts of interest, when I have heard they exist in the legislative branch.

Senator FANNIN. I move the nomination be accepted.

The CHAIRMAN. I second.

Senator METCALF. All in favor say aye.

(Chorus of ayes.)

Senator METCALF. No opposition.

Having voted in favor of the confirmation, it will be so reported.

Mr. HORTON. Mr. Chairman, may I have a timeframe as to when I will receive these questions?

Senator METCALF. It will be under the chairman. Senator Fannin has indicated he desires to submit some questions.

The CHAIRMAN. Might I suggest that the questions be completed by tomorrow.

Senator FANNIN. That would be agreeable.

The CHAIRMAN. As soon as the questions have been answered, the chairman has received a copy, it ought to go both ways. Send a copy to the chairman and the original to the members asking the questions.

We will call a meeting of the committee to act on the nomination.

Mr. HORTON. Thank you, sir.

Senator METCALF. Let me again reiterate this deferment is completely without prejudice.

Mr. HORTON. My question was asked only with respect to the continuing responsibility that I have in Alaska.

Senator METCALF. You will get them in the mail.

The CHAIRMAN. How many Senators do have questions? Senator Fannin I know. Any others?

Senator METCALF. Some of our colleagues on the other side.

The CHAIRMAN. We will have the staff get word to them.

(Whereupon, the executive session was adjourned at 12 noon.)

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