

# United States Senate

WASHINGTON, DC 20510-1804

September 23, 2010

The Honorable Harry Reid  
Majority Leader  
522 Hart Senate Office Bldg  
Washington, DC 20510

Dear Majority Leader Reid:

I write to inform you that I cannot grant my consent to advance the nomination of Jack Lew to the post of Director of the Office of Management and Budget. Due to the Administration's unwillingness to reverse or modify its policies that have halted all deepwater and nearly all shallow-water energy exploration, I cannot in good conscience allow this nomination to proceed until I receive a commitment from Mr. Lew, the President, or another senior economic advisor to reverse these policies, which have been so detrimental to working families across the Gulf Coast.

I do not take this step lightly. But the fact is that the Administration's moratorium on new energy exploration is profoundly impacting the economy of the Gulf Coast, while doing nothing to improve safety or environmental performance. The Administration has steadfastly pursued this deepwater drilling policy even though a Federal Court has twice struck down the moratorium as arbitrary and capricious, its own panels of experts have indicated that the policy is unnecessary, and their own economic forecasts released this month show that the moratorium will impact 12,000 jobs.

Although not officially covered by the deepwater moratorium, shallow water drilling has also been brought to a standstill. Before the BP spill, the Minerals Management Services (MMS) approved an average of three to six shallow water permits per week which averaged to be about 12 to 24 permits per month. In contrast, since May, the Bureau of Ocean Energy Management (BOEM) has only issued five shallow water permits for new wells. Like the deepwater drilling ban, this de facto moratorium on shallow water drilling is having a devastating impact on the economy of the Gulf Coast. Yet the Administration has no economic analysis to help it understand the very real impacts of its ill-conceived policy.

In repeated meetings and correspondence with Secretary of the Interior Ken Salazar and BOEM Director Michael Bromwich, I have underscored how damaging this moratorium is to Louisiana, the Gulf Coast, and the nation. Unfortunately, I have seen no measurable progress. I have written numerous letters to these officials decrying the Administration's actions. I have supported litigation challenging the Administration's moratorium. I have done everything within

my power to get this Administration's attention. But the policy remains in effect, and Louisiana's economy continues to suffer.

Although Mr. Lew clearly possesses the expertise necessary to serve as one of the President's most important economic advisors, I found that he lacks sufficient concern for the host of economic challenges confronting the Gulf Coast. The fact that the most acute of these economic challenges, the moratorium, results from a direct (and reversible) Federal action only serves to harden my stance on Mr. Lew's nomination. I cannot support further action on Mr. Lew's nomination to be a key economic advisor to the President until I am convinced that the President and his Administration understand the detrimental impacts that the actual and de facto moratoria continue to have on the Gulf Coast.

Sincerely,



Mary L. Landrieu  
United States Senator

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