

HAL QUINN
President & CEO

June 22, 2017

United States House of Representatives Washington, DC 20515

Dear Member of Congress:

The National Mining Association (NMA) urges you to vote in opposition to the "Revitalizing the Economy of Coal Communities by Leveraging Local Activities and Investing More (RECLAIM) Act" (H.R.1731). The bill fails to fix longstanding flaws in the Abandoned Mine Lands (AML) Program and would perpetuate and accelerate the practices that have diverted most of the coal industry's AML fees away from the primary purpose for the AML Fund. NMA's Count on Coal will include this vote on its Congressional Scorecard for the 115th Congress.

The coal industry has paid more than \$10 billion in AML fees, but the Department of the Interior's Office of Surface Mining (OSM) reports that only \$2.8 billion in priority abandoned coal mined lands have been reclaimed. OSM has been unable to fully account for the remaining amount spent. This gap represents both a financial and credibility gap for the program.

Despite these persistent shortcomings, the RECLAIM Act would effectively perpetuate and accelerate these unsatisfactory results. First, additional AML funds would be automatically provided to states without any demonstration that they can be deployed in the near term for actual reclamation on the ground. Second, the bill allows for the diversion—at least 30 percent—of more coal industry's AML fees to lower priorities. Third, the bill provides states "bonus payments" for merely "committing" previously received funds even if they have not been expended to accomplish any reclamation. Finally, the bill adds more red tape and costs for projects by imposing additional consultations, evaluations, formulas and criteria.

Our opposition to the bill should not be viewed as opposition to its ostensible purpose for promoting economic revitalization and diversification of distressed coal mining communities. However, we do not see how pushing more coal industry AML fees out the door when there is no commensurate assurance they will be promptly deployed for actual reclamation of priority coal AML sites will promote anything apart from

transferring the surplus of coal industry AML fees from the federal treasury to the state treasuries. Moreover, when it comes to leveraging AML reclaimed sites into economic development opportunities, almost half a million acres of reclaimed AML sites along with more than 2.5 million acres of reclaimed post-SMCRA mines already exist that can serve that purpose. Nor is there a lack of expertise for doing so since dozens of federal and state agency programs are tasked already with the mission of promoting economic development and diversification activities in these communities.

Finally, since, as the legislation suggests, the AML Fund balance reflects a large excess of revenues currently, perhaps the AML tax on coal production should be suspended.

Sincerely,

Hal Quinn