

RICH NOLAN President & CEO

May 25, 2021

The Honorable Raúl Grijalva Chairman House Natural Resources Committee 1324 Longworth House Office Building Washington, DC 20515

The Honorable Alan Lowenthal
Chairman
House Natural Resources Subcommittee on
Energy and Mineral Resources
1324 Longworth House Office Building
Washington, DC 20515

The Honorable Bruce Westerman Ranking Member House Natural Resources Committee 1329 Longworth House Office Building Washington, DC 20515

The Honorable Pete Stauber
Ranking Member
House Natural Resources Subcommittee on
Energy and Mineral Resources
1329 Longworth House Office Building
Washington, DC 20515

Dear Chairman Grijalva, Ranking Member Westerman, Chairman Lowenthal, and Ranking Member Stauber:

The National Mining Association (NMA) urges opposition to H.R. 1733, the "Revitalizing the Economy of Coal Communities by Leveraging Local Activities and Investing More (RECLAIM) Act" and H.R. 1734, "The Surface Mining Control and Reclamation Act Amendments of 2021." Rather, NMA supports H.R. 2462, the "Abandoned Mine Land Reclamation Fee Reauthorization Act" and encourages its enactment to help ensure the long-term viability of the industry and the Abandoned Mine Lands (AML) Fund.

H.R. 1733 and H.R. 1734 fail to fix longstanding flaws in the AML Fund by reauthorizing a program that has allowed decades of misallocation of industry tax dollars away from the intended purpose of reclaiming high priority abandoned coal mine sites towards lower priority projects and expenditures entirely unrelated to coal reclamation. Our opposition to the bills should not be viewed as opposition to economic revitalization and diversification of distressed coal mining communities; there are separate programs to accomplish those important goals.

H.R. 2462 introduced by Representative Liz Cheney (R-Wyo.) will help bring the program into closer alignment with its intended purpose: to reclaim coal mines that were abandoned prior to 1977. The past extensions of the AML tax have only rewarded the continued diversion of funds away from priority sites. To date, the coal industry has paid more than \$11.6 billion into the AML fund only to see the majority of those funds disappear. Due to prior weaknesses in program management, just one in three dollars spent by the fund has gone to priority coal projects that the fund was intended to rehabilitate. High administrative costs have also diverted funding from the AML fund's core purpose. H.R. 2462 will refocus the program on priority reclamation projects and bring discipline to the program and management of funds.

H.R. 2462 also recognizes the state of an already strained coal industry and will provide a realistic path for continued revenue for reclamation activities. Since the program was last reauthorized in 2006, coal production has fallen 53 percent. The newly proposed rate reflects this new reality, and the fact that reauthorizing the tax at the prior rate would only further disadvantage coal against competing energy sources, likely leading to a further job loss at coal mines and throughout the coal supply chain.

There is no reason to believe that if the AML tax is reauthorized by H.R. 1734 that the program would be administered any differently than it has over the past 40 years. The 2021 expiration of the fee should carry a sense of urgency for reforming the administration of the program to deliver the funding to its intended purpose. We urge you to vote against H.R. 1733 and H.R. 1734 and insist on reforms to fix a program that has already strayed from its purpose and mission, and instead support H.R. 2462 that provides a sustainable path forward.

Sincerely,

Rich Nolan