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Obama Admin's Coal Mining Regulation will be Over-budget, Overdue, and Cost Thousands of Jobs and Energy Security

WASHINGTON D.C. – Today, the Subcommittee on Energy and Mineral Resources held an [oversight hearing](#) on the Office of Surface Mining Reclamation and Enforcement (OSM) Fiscal Year 2013 Budget and received [testimony](#) from OSM Director Joe Pizarchik on the status of the Obama Administration's actions to initiate rewrite coal mining regulations. Direct analysis by contractors hired to conduct the rewrite showed the regulations could cost up to 7,000 direct coal mining jobs and cause economic harm to 22 states across the country.

At the hearing Committee Members specifically questioned the amount of taxpayer dollars being spent to expedite a rewrite of a rule completed in January, 2009 after five years of extensive environmental and scientific review to complete. According to Pizarchik, the Obama Administration has already spent \$3.7million to pay for a contractor that was terminated and awarded Industrial Economics a contract for over \$1 million to finish rewriting the rule. Pizarchik was unable to say how much of OSM's own man-hours have been invested into the process.

When asked by Chairman Lamborn how much more taxpayer money will be needed to finish the rule, Pizarchik replied, "I don't know specifically how much more..." However, the total cost of the rulemaking process is assured to be even more expensive.

Director Pizarchik also admitted OSM will miss their June 29, 2012 deadline to finalize the rule, which was set by a settlement agreement between the National Parks Conservation Association and the Interior Department, which could lead to additional litigation and spending more money.

Chairman Lamborn: *"Do you anticipate finalizing this new rule by June 29th of this year?"*

Director Pizarchik: *"No."*

Lamborn: *"What do you estimate the timeframe to be?"*

Pizarchik: *"I don't have an estimate of the timeframe at this point."*

OSM has already missed one deadline required by the settlement – to issue a proposed rule by February 28, 2011.

However, a recent study by [ENVIRON](#) calculates it will cost over 55,000 direct mining jobs and more than 270,000 total jobs.

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