



HOUSE COMMITTEE ON
NATURAL RESOURCES
CHAIRMAN BRUCE WESTERMAN

To: Subcommittee on Energy and Mineral Resources Republican Members
From: Subcommittee on Energy and Mineral Resources staff: Ashley McManus (Ashley.McManus@mail.house.gov; x6-3044) and Jeanne Kuehl (Jeanne.Kuehl@mail.house.gov; x6-8312)
Date: Wednesday, May 22, 2024
Subject: Oversight Hearing on “*Examining the President’s FY 2025 Budget Request for the United States Geological Survey and the Office of Surface Mining Reclamation and Enforcement*”

The Subcommittee on Energy and Mineral Resources will hold an oversight budget hearing entitled “*Examining the President’s FY 2025 Budget Request for the United States Geological Survey and the Office of Surface Mining Reclamation and Enforcement*” on **Wednesday, May 22, 2024, at 2:00 p.m. in Room 1324 Longworth House Office Building.**

Member offices are requested to notify Jacob Greenberg (Jacob.Greenberg@mail.house.gov) by 4:30 p.m. on Tuesday, May 21, 2024, if their Member intends to participate in the hearing.

I. KEY MESSAGES

- The United States Geological Survey (USGS) provides scientific research data for agencies within the Department of the Interior (DOI), other Federal agencies, and members of the public. The data helps support informed land management, hazard preparation and response, and energy and mineral development. However, USGS has also established several unauthorized programs, utilizing broad discretion granted under the Organic Act of 1879. Substantial oversight is necessary to ensure the agency uses taxpayer dollars efficiently and in accordance with its mission.
- The Infrastructure Investment and Jobs Act (IIJA) appropriated \$11.3 billion for Abandoned Mine Land (AML) cleanup. This hearing will provide an opportunity to examine OSMRE’s annual disbursement of an estimated \$725 million a year from this account.
- The Biden administration has taken repeated actions to hinder coal production on federal, state, and private lands. Its anti-energy decisions have created uncertainty for operators and coal communities alike, jeopardized our nation’s energy reliability, cost millions of dollars in business and tax revenue across the U.S., and imperiled thousands of well-paying jobs.

- Committee Republicans are committed to strengthening the U.S. mineral supply chain by streamlining the federal permitting process and ensuring federal agencies support our nation’s energy and mineral security.

II. WITNESSES

- *Dr. David Applegate*, Director, U.S. Geological Survey, U.S. Department of the Interior, Reston, VA
- *Ms. Sharon Buccino*, Principal Deputy Director, Office of Surface Mining Reclamation and Enforcement, U.S. Department of the Interior, Washington, DC

III. BACKGROUND

Agency	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request	Change From FY 2024 Annualized CR to FY 2025
U.S. Geological Survey (USGS)	\$1.61 billion	\$1.57 billion	\$1.65 billion	+81.1 million
Office of Surface Mining Reclamation and Enforcement (OSMRE)	\$1.48 billion	\$1.50 billion	\$1.58 billion	+86.3 million

U.S. Geological Survey (USGS)

USGS has five mission areas: core science systems, ecosystems, energy and minerals, natural hazards, and water resources. These mission areas conduct analysis of ecosystem health, flood risks, quantity and quality of energy and mineral resources, natural hazards, and many other subjects. Many of these programs are crucial for mitigating losses and preparing communities for natural disasters like landslides, earthquakes, and volcanoes. The USGS FY 2025 request includes \$1.65 billion, including supplemental funding from the IJA and the so-called Inflation Reduction Act (IRA), representing an \$81.1 million, or 5.1 percent increase, over FY 2024 continuing resolution (CR) levels.¹

Energy and Minerals Mission Area

Earth MRI

USGS’s Energy and Minerals mission area is comprised of two elements: the Energy Resources Program and the Mineral Resources Program. The FY 2025 budget request for this mission area calls for \$120.3 million, an increase of \$16.1 million over the FY 2024 CR level. Specifically, the Energy Resources Program requests an increase in funding of \$6.1 million for geothermal

¹ U.S. Department of the Interior, FY 2025 USGS Bureau Highlights, <https://www.doi.gov/media/document/fy2025-us-geological-survey-bureau-highlights>

energy assessments.² The Mineral Resources Program also requests an increase of \$10.0 million, which is intended to support research of critical mineral supply chains, national subsurface storage capacity, and methane emissions from coal mining operations.³ This work builds on supplemental funding from the IJA for the Earth Mapping Resources Initiative (MRI), totaling \$320 million.⁴ Earth MRI is a partnership between state geological surveys and the USGS, designed to map the United States in detail and locate domestic critical mineral resources.⁵

Critical Minerals List

The USGS publishes and updates the critical minerals list (CML) every three years.⁶ The most recent list was published in 2022 and consists of 50 hardrock minerals. To be classified as “critical,” a mineral commodity must be (1) a nonfuel mineral or mineral material essential to the economic and national security of the United States; (2) produced from a supply chain that is vulnerable to disruption; and (3) serving an essential function in the manufacturing of a product, the absence of which would have substantial consequences for the US economy or national security.⁷ The 2022 CML released by the Department of the Interior included notable changes, including removing uranium and helium.⁸ These exclusions suggest that political pressure, rather than pure scientific analysis, influenced USGS’s methodology. Uranium, for example, has vital fuel and nonfuel uses, and the recent bipartisan passage of a ban on Russian enriched uranium imports demonstrates the pressing need to build domestic production capabilities.⁹ In February 2022, Chairman Westerman sent a letter to DOI requesting USGS reconsider de-listing both uranium and helium.¹⁰

The CML is also limited by its reliance on *current* supply and consumption data to make supply risk determinations rather than analyzing near-term supply and consumption projections. This approach is particularly short-sighted when considering a mineral like copper, which was not on the 2022 CML, but is expected to see unprecedented demand increases in the coming decades. By comparison, other national evaluations, such as the Department of Energy’s Critical Materials List and the National Defense Stockpile, utilize such projections.

Natural Hazards Mission Area

The Natural Hazards mission area consists of six programs to assist and mitigate the effects of natural disasters. The FY 2025 request totals \$210.6 million, an increase of \$10.4 million from the FY 2024 CR level. Specifically, the budget request includes \$2.2 million for the Earthquake Hazard Program. This program funds ShakeAlert, an earthquake early warning (EEW) system

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ CRS Reports, Critical Mineral Resources: National Policy and Critical Minerals List, [https://crsreports.congress.gov/product/pdf/R/R47982/1#:~:text=Section%207002\(c\)%20of%20the,it%20places%20on%20the%20CML.](https://crsreports.congress.gov/product/pdf/R/R47982/1#:~:text=Section%207002(c)%20of%20the,it%20places%20on%20the%20CML.)

⁷ *Id.*

⁸ *Id.*

⁹ [https://www.congress.gov/bill/118th-congress/house-bill/1042.](https://www.congress.gov/bill/118th-congress/house-bill/1042)

¹⁰ Letter from Ranking Member Bruce Westerman and Members of the Committee on Natural Resources to Secretary Debra Haaland, re: critical minerals list and Eastern European unrest, February 3, 2022.

that sends alerts immediately after detecting seismicity.¹¹ The Coastal and Marine Hazards and Resources Program, Volcano Hazard Program, Landslide Hazards Program, Global Seismographic Network Program, and Geomagnetism Program all request increases over FY 2024 CR levels.

Ecosystems Mission Area

The Ecosystems Mission Area is the biological research arm of USGS and provides science to support ecosystems management. This mission consists of seven national programs supporting research conducted at 15 Ecological Science Centers, a National Climate Adaptation Science Center, nine Regional Climate Adaptation Science Centers, and 43 Cooperative Research Units. The FY 2025 request totals \$326.12 million, an increase of \$18.9 million from the FY 2024 CR level.¹²

The budget request includes cuts to programs of importance to our committee members such as the Chesapeake Bay and Sagebrush Sea Ecosystems. For more information about this mission area, please contact WWF Subcommittee staff at x5-8331.

Water Resources Mission Area

The Water Resources Mission Area works with partners to monitor, assess, conduct targeted research, and deliver information on a wide range of water resources and conditions including streamflow, groundwater, water quality, and water use and availability. The FY 2025 request totals \$309.5 million, an increase of \$5.1 million from the FY 2024 CR level. One of its most well-known programs is the Groundwater and Streamflow Information Program. The program supports streamflow and water-level information collection and delivery at approximately 8,500 sites and provides water-level information alone for more than 1,700 additional sites. The data are served online to users in near real-time to provide information on potential flooding dangers and other matters.¹³ The FY 2024 budget request proposed a \$6.5 million increase from the FY 2024 CR level of \$114.5 million.¹⁴ For more information about this mission area, please contact WWF Subcommittee staff at x5-8831.

Office of Surface Mining Reclamation and Enforcement (OSMRE)

Federal coal mining and associated mine reclamation is regulated by the Surface Mining Control and Reclamation Act (SMCRA) of 1977¹⁵ and overseen by the Office of Surface Mining Reclamation and Enforcement (OSMRE). The Bureau of Land Management (BLM) manages

¹¹ CRS Reports, The ShakeAlert Earthquake Early Warning System and the Federal Role, <https://crsreports.congress.gov/product/pdf/R/R47121>.

¹² FY 2025 U. S. Geological Survey Greenbook, p. 19 <https://www.doi.gov/media/document/fy-2025-u-s-geological-survey-greenbook>.

¹³ U.S. Geological Survey, "USGS Streamgaging Network" April 27, 2021 <https://www.usgs.gov/mission-areas/water-resources/science/usgs-streamgaging-network>.

¹⁴ FY 2025 U. S. Geological Survey Greenbook, p. 97 <https://www.doi.gov/media/document/fy-2025-u-s-geological-survey-greenbook>.

¹⁵ Surface Mining Control and Reclamation Act of 1977, Pub. L. No. 95-87.

coal leasing on 570 million acres of federal lands;¹⁶ OSMRE is also the primary regulator of coal mining operations in the United States. States and tribes may assume the role of primary regulator—or attain what is referred to as “primacy”—if they can comply with all requirements under SMCRA in managing their coal regulatory program.¹⁷ While the federal government fronts the cost of coal regulatory programs on federal lands, SMCRA directs states and the federal government to equally split the cost of such regulatory activity on non-federal lands.¹⁸

Abandoned Mine Lands (AML)

SMCRA requires coal mine operators to pay an Abandoned Mine Land (AML) reclamation fee based on the tonnage of coal produced.¹⁹ Funds are then distributed to states and tribes to restore AML. The IIJA reauthorized the coal mine reclamation fee through September 30, 2034, and lowered the fee amounts by 20 percent, beginning in FY 2022. The IIJA also provided \$11.3 billion in new funding for reclamation grants to states and tribes.²⁰ According to OSMRE, AML funds are being distributed at a rate of approximately \$725 million a year.²¹

The FY 2025 OSMRE budget request includes \$175.8 million for the discretionary Abandoned Mine Reclamation Fund, a \$6.9 million increase from the FY 2024 CR levels, and \$1.3 billion in overall mandatory funding for reclamation grants to states and tribes, United Mine Workers of America (UMWA) health benefit plans, and the 1974 UMWA Pension Plan.²² It also includes \$135 million for the Abandoned Mine Land Economic Revitalization (AMLER) grant program. The requested budget for the Regulation and Technology Account, which supports the regulatory functions defined by SMCRA and environmental protection activities, is \$128.9 million.²³

Active Coal Mining

While BLM is responsible for federal coal leasing under the Mineral Leasing Act,²⁴ OSMRE regulates active coal mining leasing. Executive Order (EO) 14008 placed a moratorium on new onshore energy leasing, including coal.²⁵ While a June 15, 2021, injunction lifted the moratorium on oil and gas, the Biden administration continued its ban on coal leasing. On August 15, 2022, a federal judge fully reinstated the coal moratorium on new leasing.²⁶ In February 2024, the Ninth

¹⁶ U.S. Bureau of Land Management, National Coal Statistics Table, <https://www.blm.gov/programs/energy-and-minerals/coal/coal-data>.

¹⁷ *Supra* note 15.

¹⁸ *Id.*

¹⁹ *Id.* at § 701.

²⁰ Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, tit. VII, § 40701-40703.

²¹ OSMRE, FY 2025 Budget Justification and Performance Information, p. 2, https://www.osmre.gov/sites/default/files/inline-files/FY25-OSMRE-Greenbook_1-4.9.24_0.pdf.

²² *Id.* at p. 5.

²³ *Id.* at p. 19.

²⁴ 30 U.S.C. § 181 et seq.

²⁵ Exec. Order No. 14008, 86 Fed. Reg. 7619, at 7625.

²⁶ Clark Mindock, “Judge reinstates Obama-era coal-leasing ban,” Reuters, August 15, 2022, <https://www.reuters.com/legal/litigation/judge-reinstates-obama-era-coal-leasing-ban-2022-08-13/>.

Circuit vacated this decision.²⁷ Despite the favorable ruling, DOI has failed to reverse course and resume proper review of expansion plans.²⁸

In response to activist litigation and a court order requiring BLM to base decisions on a climate change agenda,²⁹ BLM selected the "no action" alternative regarding future coal leasing for two Resource Management Plans (RMPs) in Montana and Wyoming. The decision will remove millions of acres from consideration for future coal leasing on federal lands. Without consideration for the thousands of American miners whose livelihoods depend on access to domestic resources or the millions of Americans who rely on coal to power their daily lives, the BLM instead stated, "Reducing the availability of Federal lands for coal leasing reduces the contribution of greenhouse gas emissions from the development and combustion of Federal coal."³⁰ Removing millions of acres of land from future coal leasing will slash AML fee collections, federal and state mineral revenues, and federal, state, and local tax revenues generated by the coal industry in Montana and Wyoming.

OSMRE expects to complete six mining plan decision documents for review by the end of FY 2024, it also expects to begin the mine plan recommendation or modification processes and associated NEPA analysis for only "three to four projects in FY 2024 and FY 2025."³¹

Rulemakings Impacting Future Coal Development

On April 9, 2024, OSMRE issued a final rule titled "Ten-Day Notices (TDN) and Corrective Action for State Regulatory Program Issues."³² This rule, which went into effect May 9, 2024, increases the role of OSMRE in two key functions previously delegated to primacy states: 1) conducting oversight of states' regulatory activities; and 2) notifying a state of potential mine operators' violations—or TDN—so the state can take appropriate action. This rule transforms the TDN process into an enforcement mechanism that lessens states' regulatory independence under Title V of SMCRA. States with delegated authority are disturbed that this rule usurps their exclusive authority over their own programs.

The states also have concerns about an anticipated rulemaking on mine dam safety, specifically in regard to Emergency Action Plans (EAPs) and After-Action Reports (AARs) for dams.³³ SMCRA does not grant OSMRE authority over dam regulatory functions at the state level. Adopting a national rule on dam safety without meaningful engagement with the states could

²⁷ Hannah Northey and Niina Farah, "9th Circuit ruling axes Obama-era freeze on coal leasing", E&E, Feb. 21, 2024, <https://www.eenews.net/articles/9th-circuit-ruling-axes-obama-era-freeze-on-coal-leasing/#:~:text=The%20appellate%20court%20panel%20found,moratorium%20on%20new%20coal%20leasing.&text=A%20federal%20appellate%20court%20on,coal%20leases%20on%20public%20lands>.

²⁸ Hannah Northey, "Coal Company sues Interior over delayed leasing," Mar. 7, 2024,

<https://subscriber.politicopro.com/article/eenews/2024/03/07/coal-company-sues-interior-over-delayed-leasing-00145339>.

²⁹ *Western Organization of Resource Councils, et al. v. BLM*, CV 00076-GF-BMM (Aug. 3, 2022).

³⁰ BLM, *Notice of Availability of the Proposed resource Management Plan Amendment and Final Supplemental Environmental Impact Statement for the Miles City Field Office, Montana*, No. 2024-10793, to be published in the Fed. Reg. May 17, 2024, unpublished notice at <https://public-inspection.federalregister.gov/2024-10793.pdf>.

³¹ OSMRE, FY 2025 Budget Justification and Performance Information, p. 34, https://www.osmre.gov/sites/default/files/inline-files/FY25-OSMRE-Greenbook_1-4.9.24_0.pdf.

³² 89 FR 24714.

³³ Testimony of Thomas Clarke, Exec. Director, Interstate Mining Compact Commission to the Subcomm. on Interior, Environment, and Related Agencies, Comm. on Appropriations, 118th Cong. (May 10, 2024).

conflict with or duplicate existing state regulations. There are safety concerns as well, as layering a national rule on top of state regulations would inevitably result in levels inefficiency and inconsistency, which could pose a danger in an emergency.

Budget Transparency

Until three years ago, OSMRE met with states at least twice a year to review states' utilization of funding, as appropriated by Congress for regulatory program grants under Title V of SMCRA. However, OSMRE discontinued this practice despite multiple requests from states for regular meetings.³⁴ After states spent three years requesting meetings and updated Title V grant utilization metrics, the agency finally announced a small-group meeting with states on May 23, 2024—the day after this hearing will take place. The information OSMRE shares with states helps determine each state's ability to manage its program finances properly and is necessary given recent cuts in Title V grant funding. As OSMRE calculates and distributes each state's share of federal funding, states will remain uninformed of the status of the funds Congress appropriated for their use without the transparency these briefings provide.

³⁴ *Id.*