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Opening Statement
The Honorable Doug Lamborn
Chairman, Energy and Mineral Resources Subcommittee
Oversight Hearing On

“Effect of the President’s FY-2013 Budget and Legislative Proposals for the Office of Surface Mining on Private Sector Job Creation, Domestic Energy Production, State Programs and Deficit Reduction.”

Tuesday, March 6, 2012

During today's hearing we will hear from the Administration justification for the President’s proposed FY-2013 budget for the Office of Surface Mining including legislative proposals to change the 2006 amendments to Title IV of the Surface Mining Reclamation and Control Act or SMCRA – amendments that took 10 years to negotiate and pass, and to impose an AML fee on hard rock mines on each ton of material moved including non-mineralized rock and soil – frequently referred to as the dirt tax.

Just prior to last year’s budget hearing, documents related to the Administration’s re-write of the Stream Buffer Zone Rule had been released to the press. Subsequently, the Natural Resources Committee initiated an investigation of OSM’s rewrite of the rule and their relationship to the contractor.

As part of the investigation the Committee has requested information from Secretary Salazar regarding communications between the Interior Department, OSM and the contractor and held several oversight hearings on the matter. I anticipate that some Members will ask questions today relating to this ongoing rulemaking.

For instance you state that; “In the continued drive to decrease our Nation’s dependence on foreign oil, coal will continue to be part of our domestic supply of energy for the foreseeable future.”

Furthermore, the budget proposal before us proposes to decrease and or eliminate funding to the States and Tribes specifically to the certified States and Tribes (overturn the 2006 Amendments to SMCRA), and at the same time advocates for a significant increase in funding for OSM so you can add an additional 25 FTEs (full time employees).

So I’m puzzled as to why you would include this statement; “Of the almost **2,400 employees** involved in carrying out these two responsibilities on a daily basis, **less than 25 percent are employed by OSM**. The rest are State and Tribal employees who implement programs approved by the Secretary of the Interior with assistance from OSM. **States permit and regulate 97 percent of the Nation’s coal production. States and Tribes also complete well over 90 percent of the abandoned mine land reclamation projects.**”

With the states and tribes responsible for 97 and 90 percent of the workload created by SMCRA why does the federal government have 25 percent of the personnel and have the audacity to come before Congress asking us to cut state funding and increase federal funding so you can add additional people to conduct the 3 and 10 percent federal part of the program. This makes absolutely no sense in cost, productivity or function.

That being said, I look forward to hearing from our witnesses today.