

RESOLUTION

INTERSTATE MINING COMPACT COMMISSION

BE IT KNOWN THAT:

WHEREAS, the Interstate Mining Compact Commission (IMCC) is a national multi-state organization representing the natural resource, environmental protection and abandoned mine land (AML) remediation interests of its 26 member states, and

WHEREAS, Title IV of the Surface Mining Control and Reclamation Act of 1977 (SMCRA) established the AML reclamation program and pursuant thereto IMCC member states administer AML programs funded and overseen by the Office of Surface Mining Reclamation and Enforcement (OSM), U.S. Department of the Interior; and

WHEREAS, SMCRA, Title IV, establishes a reclamation fee on each ton of coal mined in the United States to pay for abandoned mine land reclamation and these fees are deposited into the AML Trust Fund; and

WHEREAS, SMCRA, Title IV requires that OSM make mandatory disbursements from the AML Trust Fund to states and tribes with approved programs during each fiscal year under a specific allocation method; and

WHEREAS, since FY 2013, OSM has been sequestering a percentage of the annual mandatory payments to the states and tribes pursuant to the requirements of the Budget Control Act of 2011 (BCA) and to date, the state programs have lost \$39,448,478 and will, by the forecasted end of the sequestration period, stand to lose another \$136 million, given current sequestration rates; and

WHEREAS, the BCA provides the Office of Management and Budget (OMB) the authority to determine on an annual basis which mandatory accounts are exempt from applicable sequestration cuts in a particular fiscal year; and

WHEREAS, the BCA requires that OMB apply the specific exemptions listed in Sec. 255 of the Balanced Budget and Emergency Deficit Control Act (BBEDCA) and abide by the special rules listed at Sec. 256 regarding which accounts are to be exempted from sequestration; and

WHEREAS, several stipulations of BBEDCA Sec. 255 and 256, including the even application rule and the dedicated trust and private donations exemptions, require that the AML Trust Fund be deemed exempt from sequestration, as further elaborated in the attached briefing paper; and

WHEREAS, certain payments under SMCRA Sec. 411(h) require corresponding transfers to the historic coal share, and as a result of this payment structure, sequestration reductions have the effect of causing further, cascading reductions (double sequestration), as further elaborated in the attached briefing paper; and

WHEREAS, due to the vagaries of the budget process, including impacts related to sequestration, state AML programs have in recent years received grants late in the fiscal year, and as a result have lost an entire construction season by the time necessary administrative procedures are complete; and

WHEREAS, this reduced funding severely complicates the states' ability to efficiently undertake construction projects, thereby constraining their ability to meet the stated goals, objectives, and priorities under SMCRA, as further elaborated in the attached briefing paper; and

WHEREAS, sequestration cuts to AML grants do not simply represent a programmatic inconvenience to be temporarily endured through belt-tightening, but rather, due to the structure of the AML program, the cuts have caused profound impediments to the program's essential function, i.e. the elimination of hazardous AML sites to the benefit of public safety and environmental health.

NOW, THEREFORE BE IT RESOLVED:

That the Interstate Mining Compact Commission urges Congress and the Administration to deem mandatory payments to the states and tribes from the AML Trust Fund exempt from sequestration, as is required by the BCA pursuant to the relevant sections of the BBEDCA.

Issued this 17th day of October, 2014

ATTEST:



Gregory E. Conrad, Executive Director