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PRESS RELEASE

Montana Rancher Testifies Before U.S. House Subcommittee On Federal Coal Reform

WASHINGTON, D.C. – Today, the House Energy and Mineral Resources Subcommittee held an oversight hearing on [“The Future of the Federal Coal Program”](#) to consider reform of the Department of the Interior coal leasing program. The Subcommittee heard testimony from four expert witnesses including [Steve Charter](#), a rancher from Shepherd, Mont., and member of the Northern Plains Resource Council and the Western Organization of Resource Councils.

Charter’s testimony drew on his personal experience as a coal country rancher whose pastures are threatened by an underground coal mining operation and his decades of experience with federal coal leasing policies. He told the Subcommittee that the federal government must urgently reckon with new risks posed to coal communities by the erosion of coal markets and resulting coal company bankruptcies, particularly the recent closures of two Blackjewel mines in Wyoming.

“The federal coal program is still being managed for a different era,” said Charter. “Whether we like it or not, the future of the federal coal program will be and must be very different from its past.”

“Subsidies and loopholes won’t change coal markets and bring the coal industry back to what it was, but they have led to greater costs for communities, workers, taxpayers, and the entire world as we begin to experience the real costs and effects of climate change,” Charter continued. “It is critical that the laws and agencies that regulate coal mining and manage publicly owned coal resources be adjusted to prepare for the future.”

Charter called on the committee to update the federal coal program to adjust to today’s markets, energy sources and understanding of coal’s impacts; ensure a fair return to the American public; and minimize costs of coal’s decline on communities, workers and taxpayers. Charter also suggested that new policy should eliminate self-bonding and ensure that bonding and reclamation requirements result in complete and timely restoration of mined lands and water while also calling for expedited clean up of legacy abandoned mine lands.

“While state and federal laws require restoration of mined lands and coal ash ponds, reclamation is not guaranteed,” said Charter. “With the longwall mine on our ranch, the company will have to reclaim areas affected by subsidence, but we are most concerned about whether they can and will replace the water resources that our ranching operation relies upon.”

Publicly owned coal accounts for more than 40 percent of all coal produced in the U.S. and is responsible for more than 10 percent of the country's greenhouse gas emissions. In June 2012, [the Institute for Energy Economics and Financial Analysis released a report](#) documenting that taxpayers lost an estimated \$28.9 billion in revenue from federal coal leases over 30 years as a result of the BLM failing to get fair market value for coal mined from public lands. The IEEFA report, coupled with inquiries from members of Congress, led to audits of the federal coal leasing program by the [Office of Inspector General](#) and the [Government Accountability Office](#). Both audit reports exposed flaws in DOI's coal valuation methodology and found DOI practices to be outdated.

"The coal under my ranch in the Bull Mountains is a good example of how the federal government has either outright given coal away, or sold or traded it for very little," Charter said regarding federal coal valuation. "In the early 1990s, the federal government traded millions of tons of coal in the Bull Mountains away for a fishing access site, valuing the coal for less than one and a half cents per ton. Then, in 2013, the rest of the coal was leased in a non-competitive bid of 30 cents per ton. "

In response to these long-standing problems, Interior Secretary Sally Jewell issued an order in 2016 to initiate a comprehensive review of the federal coal program and put in place a moratorium on new federal coal leasing while the review would take place. The Jewell Order started a programmatic environmental impact statement for reviewing the federal coal program. As part of the Order, the BLM held six public meetings around the country in the summer of 2016. At those public meetings, a broad-spectrum of Americans supported reform, including ranchers, hunters and public lands recreationists, small business owners, conservationists, academics and economists, and climate activists. The Jewell Order was revoked through a Secretarial Order issued by former Interior Secretary Ryan Zinke in March 2017.

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Northern Plains is a grassroots conservation and family agriculture group that organizes Montanans to protect our water quality, family farms and ranches, and unique quality of life.

The Western Organization of Resource Councils (WORC) is a network of eight grassroots organizations in seven Western states with 15,000 members, many of them ranchers and farmers committed to common-sense reform in agriculture, oil and gas development, coal mine reclamation, and rural economic development. Headquartered in Billings, Mont., WORC also has offices in Colorado and Washington, D.C.