

The original documents are located in Box 120, folder “Strip Mining” of the Ron Nessen Papers at the Gerald R. Ford Presidential Library.

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Ron Nessen donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

November 25, 1974

SUBJECT:

SURFACE MINING LEGISLATION

Apparently the strip mining legislation reached a deadlock in conference, with the conferees disbanding without any final bill. Why didn't the President exert some influence to get strip mining legislation this session? Is the President opposed to the strip mining bill?

GUIDANCE: The Administration has long sought legislation establishing reasonable and effective reclamation and environmental protection requirements for mining activities. President Ford has believed that effective legislation can be obtained which strikes a reasonable balance between our need to produce more coal and to protect the environment.

However, the Administration had several objections to the legislation which was in conference, and a letter from Secretary Morton to Congressman Udall outlined our concerns with the objectionable features and asked that changes be made.

What are some of the concerns with the pending surface mining legislation?

GUIDANCE: The bill could contribute materially to inflation by imposing unnecessary governmental and private cost. In addition, it could impair our ability to meet the nation's energy requirements through needless restrictions on coal production and through creation of ambiguous and overly complex regulatory requirements. Also, when fully funded, the bill would involve federal expenditures of approximately \$90 million annually, twice that recommended by the Administration.

I might point out that at today's prices, the bill might reduce current coal production by 14 to 38 million tons, and 1980 production by 18 to 105 million tons as a result of small mine closures and spoil placement restrictions alone. This does not include production losses that could result from strict application of some other provisions.

JGC

December 4, 1974

SUBJECT: CONFEREES AGREE ON STRIP
MINING BILL

The House and Senate Conferees yesterday agreed on Federal Strip Mining legislation. The legislation now must go to each House of Congress for final passage, probably some time next week.

Will the President sign the Strip Mining bill agreed to by the Conferees?

GUIDANCE: We have not yet had an opportunity to review the final version of the Strip Mining bill. It would be premature to comment on the bill until it arrives at the White House and has been reviewed and analyzed by the staff.

Isn't it true that the White House has been opposed to the bill in the past?

GUIDANCE: The bill before the Conferees did include a number of objectionable features. The bill could contribute materially to inflation by imposing unnecessary governmental and private cost. In addition, it could impair our ability to meet the nation's energy requirements through needless restrictions on coal production and through creation of ambiguous and overly complex regulatory requirements. Also, when fully funded, the bill would involve federal expenditures of approximately \$90 million annually, twice that recommended by the Administration.

I might point out that at today's prices, the bill might reduce current coal production by 14 to 38 million tons, and 1980 production by 18 to 105 million tons as a result of small mine closures and spoil placement restrictions alone. This does not include production losses that could result from strict application of some other provisions.

(More)

Why is the President opposed to strip mining legislation?

GUIDANCE: The Administration has long sought legislation establishing reasonable and effective reclamation and environmental protection requirements for mining activities. President Ford has believed that effective legislation can be obtained which strikes a reasonable balance between our need to produce more coal and to protect the environment.

December 19, 1974

STRIP MINING BILL (S. 425)

Q: Is the President going to sign the strip mining bill?

A: There has been no change in our position as spelled out here last week by Frank Zarb. As far as a pocket veto or outright veto, there has been no decision.

I would like to point out, however, that the Administration has received a request from Senator Jackson's staff asking that we try to find room for compromise which could be achieved through corrective legislation which can be passed this session. The Administration is actively working on suggestions for a draft bill that might correct the deficiencies in the present legislation. (FYI: There is no chance of that.)

The Administration has long favored the enactment of surface mining legislation which would strike a balance between our desire for reclamation and environmental protection and our need to increase coal production and reduce inflationary pressures.

We are anxious to achieve acceptable legislation without further delay. I believe the President's advisers would recommend he accept the bill now awaiting signature if Congress passes another bill before I must act on S. 425 which makes the corrections he has outlined.

THE WHITE HOUSE
WASHINGTON

Letter has
Not gone to
The President
25 of 10 A.M. 12/19.
It got lost between
BT & JJ offices

~~Dear Senator Jackson:~~

The Administration has long favored the enactment of surface mining legislation which would strike a balance between our desire for reclamation and environmental protection and our need to increase coal production and reduce inflationary pressures. In response to your request, we have once again reviewed the pending surface mining bill.

~~We~~ am anxious to achieve acceptable legislation without further delay. ~~We~~ am prepared to accept the bill now awaiting signature if Congress passes another bill before I must act on S. 425 which makes the corrections ~~to the bill~~.

~~I believe the President's advisors would recommend he~~
These few but essential changes are designed to limit unnecessary production losses, allow clarification of uncertainties and ambiguities in the legislation, and reduce unacceptable inflationary pressures. Briefly the changes involve:

1. Revising the scope of citizen suits provision so as to reduce regulatory uncertainties which could otherwise cause unnecessary production losses.
2. Specifically authorizing the Secretary of the Interior to define ambiguous terms in the legislation.
3. Qualifying the unnecessarily rigid prohibition against increased siltation.
4. Qualifying the prohibitions with respect to alluvial valley floors and hydrology.
5. Focusing the reclamation fund on orphaned strip mined land and reducing the excise tax on coal so as to reduce inflationary pressures.

While not directly related to reduced coal production, three other provisions are objectionable and should be changed. Briefly these include:



- . Removing the unemployment provision. Broadening of unemployment assistance programs is being accomplished by other bills now nearing passage.
- . Deleting the provision with respect to research institutes which unnecessarily duplicate current programs.
- . Limiting unnecessary Federal involvement in State regulatory activities by deleting the requirement for a Federal inspection every 90 days.

Administration officials are prepared to meet with you and your staff to discuss these changes.

Sincerely,

Honorable Henry M. Jackson
Chairman, Committee on Interior
and Insular Affairs
United States Senate
Washington, D.C. 20510

Enclosure

I. Citizen Suits

Section 520 (a)(1)(A) delete the word "and".

Section 520 (a)(1)(B) delete everything after "to the Constitution" and substitute thereafter, "and".

Insert new subsection 520 (a)(1)(C) to read as follows:
"(C) any other person who is alleged to be in violation of any rule, regulation, order or permit issued pursuant to this Act."

Section 520 (b)(1)(A)(iii) delete the words "of the provisions, regulations or order".

Section 520 (b)(1)(B) delete the words "or the regulations thereunder, or the order" and substitute therefore the words "or any rule, regulation, order or permit issued pursuant to this Act".

Section 520 (f) delete the words "the provisions of this Act, or of any regulation, order, permit or plan or reclamation issued by the Secretary," and substitute therefore the words "any rule, regulation, order or permit issued by the Secretary pursuant to this Act,".

II. Sufficient Discretion of the Secretary of the Interior to Define Ambiguous Terms

Section 701 insert "(a)" after "SEC. 701" and add the following new section: "(b) the Secretary is authorized to define pursuant to his general rulemaking authority, such other terms used in this Act as may be susceptible to more than one reasonable interpretation provided that such definitions are not inconsistent with specific provisions of the Act. Any rules or regulations defining terms pursuant to this subsection may be set aside by the reviewing court only if found to be arbitrary, capricious or an abuse of discretion."

III. Siltation

Section 515 (b)(10)(B) insert after the word "prevent" the words "to the maximum extent practicable".

Section 516 (b)(9)(B) insert after the word "prevent" the words "to the maximum extent practicable".

IV. Alluvial Valley Floors & Hydrology

Section 510 (b)(3) insert after the word "prevent" the words "to the maximum extent practicable".

Section 515 (b)(10)(E) insert after the word "preserving" the words "throughout the mining and to the maximum extent practicable."

V. Reclamation Fund

Section 401 (c) following the words "under Section 406" delete the words beginning "and for such use" through "for such purposes".

Section 401 (d) change the words "thirty-five" to read "twenty" and the words "twenty-five" to read "five".

Delete subsection 402 (c) and redesignate subsections (d) and (e) to read (c) and (d) respectively.

Delete Section 404.

Delete subsection 405 (b).

VI. Unemployment

Delete Section 708
(Unemployment problems are being taken care of in legislation now in conference which would extend general unemployment benefits.)

VII. Research Institutes

Delete Title III

VIII. Federal Role

Section 502 (f)(1) delete the words "(but at least one inspection for every site every 90 days)".

February 28, 1975

SUBJECT: HOUSE INTERIOR COMMITTEE REPORTS
STRIP MINING BILL

Congressman Udall has indicated that the President should be able to live with the strip mining bill reported out by the House Interior Committee yesterday. Does the White House agree?

GUIDANCE: We have not yet seen the specific language of the bill nor discussed it with the President, so I cannot give you a final answer. However, on Feb. 6, the President pointed out eight critical changes that were necessary to make the strip mining legislation acceptable. My current understanding is that the Interior Committee has corrected fully and effectively only one of these eight critical problems. If this is correct, the bill will still have a serious and unnecessary adverse impact on domestic coal production at a time when we should be increasing rather than curtailing domestic energy production activities.

The President also identified 19 additional changes that were needed to improve the bill. I understand that a few of these changes may have been adopted, but that those adopted will not help significantly in reducing adverse production impact.

Which of the President's eight changes was accepted?

GUIDANCE: On February 6, the President pointed out that the special unemployment provision of the Congressional bill (1) would cause unfair discrimination among classes of unemployed persons; (2) would be difficult to administer; (3) would set unacceptable precedents, and (4) are inconsistent with P.L. 93-567 and P.L. 93-572 which the President signed into law on December 31, 1975.

I understand that the Committee deleted the special unemployment provision.

(More)



FYI: FEA and Interior have estimated that the bill will adversely impact domestic coal production by 48 to 141 million tons in the first full year of its operation. Each ton of coal is equivalent to four barrels of oil.

If we had to replace 100 million tons of coal with foreign oil, this would mean:

--an increase in oil imports of over one million barrels per day.

--increased dollar outflow of more than \$4 billion per year.

--higher electric bills.

--higher unemployment.

END FYI

JGC

STRIP MINING BILL

Question:

Both the House and Senate Interior Committees have reported out strip mining bills which adopted only a few of the changes which you indicated are "critical" to overcome the objections that led to your pocket veto of the bill last December. Are you going to veto the new bill?

Answer:

The Senate Committee just reported the bill yesterday (Wednesday, March 5) and neither the full Senate nor House have considered the bill so it is too early to reach a final judgment. I understand that only one or two critical changes have been made in the bill but I expect additional changes to be considered on the House and Senate floor.

We will have to look closely at the impact of any new bill on coal production. I have called for doubling of coal production by 1985. The Democratic leadership's energy plan calls for even greater increases. We must see whether the new bill is consistent or inconsistent with those goals. My bill would strike a balance between environmental protection and our need to increase coal production.

We will also have to consider other economic impacts. If coal production is reduced, utilities will have to substitute imported oil. This translates into increased oil imports, higher electric bills and more unemployment.

Background:

- . A preliminary review indicates that the House and Senate Interior Committees have corrected satisfactorily only 2 of the 8 changes in the strip mining bill that were identified as "critical" to overcome your objections. Both Committees rejected proposed changes in citizen suits provisions and refused to provide authority to define ambiguous terms (to reduce chances of production-delaying litigation).
- . Important statistics.
 - FEA and Interior estimated that last year's bill would reduce coal production by 48-141 million tons or 6-18% in the first full year of its application. This impact is mitigated only slightly by action of the Committees.
 - Each ton of lost coal production is roughly equivalent to 4 barrels of oil.
 - . Replacing 50 million tons of coal with imported oil would amount to an increase of 200 million barrels of oil per year or more than half a million barrels per day. (Dollar outflow of more than \$2 billion.)
 - . Replacing 100 million tons of coal with imported oil means 400 million barrels per year or more than 1 million barrels per day. (Dollar outflow of more than \$4 billion.)

March 13, 1975

SUBJECT:

SENATE PASSES STRIP MINE BILL

The Senate yesterday passed 84-13 a strip mine control bill similar to the version vetoed last year by President Ford.

Will the President veto the strip mine bill passed by the Senate since it has made very few of the changes from the bill he vetoed last year?

GUIDANCE: We are looking very closely at the impact any new legislation will have on coal production. As you know, the President has called for the doubling of coal production by 1985, while the Democratic leadership's energy plan calls for an even greater increase in coal production. We must consider any new legislation in the context of these goals. We still feel that it is extremely important that any legislation strike a balance between the need to protect the environment and our need to increase coal production.

As you are well aware, if this legislation has an adverse impact on coal production, we must consider the economic impact. If coal production is reduced, utilities will have to substitute imported oil. This translates into increased oil imports, higher electric bills, and possibly more unemployment.

If the Senate bill came to the President at this time, would he veto it?

GUIDANCE: I would expect additional changes to be considered ⁱⁿ ~~on the House floor, and then the bill will probably go to a~~ conference committee. We will continue to work with ~~the House and~~ the conference to get a bill that is consistent with the objectives of the President and of the Democratic leadership's plan.

Why might this legislation passed by the Senate have an adverse impact on coal production?

GUIDANCE: This legislation could restrict mining activities by preventing surface mining in some areas, such as on steep slopes, and potentially, it could prevent some surface mining in the West because of rigid environmental and reclamation requirements.

(More)

In addition, small mine operators may not have resources to comply with the bill's strict requirements.

Another concern is the additional possibility that the complex provisions of the 1600 plus page bill will lead to extensive litigation that will hold up for months, if not years, mining activities.

Ron, can't you give us a yes or no on whether the President would veto the Senate-passed bill if he received it at this time

GUIDANCE: As I said, the bill must be considered in the context of the President's goals and those of the Democratic leader's energy plan. It would be premature, with additional changes expected in the House and in the conference, to comment on any possible veto or signing at this time.

April 9, 1975

SUBJECT:

MEETING OF STRIP MINERS

For Your Information

Approximately eight representatives from the coal industry, (strip miners), will meet with Administration officials at noon today in the Roosevelt Room.

Participating from the Administration will be: Frank Zarb, Jim Cannon, Mike Duval, and Charlie Leppert of Congressional Relations. Congressman William Wampler of Virginia helped set up the meeting and will also attend.

JGC

April 9, 1975

SUBJECT:

MEETING OF STRIP MINERS

For Your Information

Approximately eight representatives from the coal industry, (strip miners), will meet with Administration officials at noon today in the Roosevelt Room.

Participating from the Administration will be: Frank Zarb, Jim Cannon, Mike Duval, and Charlie Leppert of Congressional Relations. Congressman William Wampler of Virginia helped set up the meeting and will also attend.

JGC

April 22, 1975

SUBJECT: CONFEREES MEET ON STRIP MINE BILL

Conferees will meet again tomorrow on the strip mining legislation and may reach agreement on a bill before the end of the week.

Has the President made a final decision as to whether he will veto or sign the strip mining legislation?

GUIDANCE: The President is very concerned about the bills now pending before the House-Senate Conference Committee. Frank Zarb will be sending a letter to the Conferees today outlining the President's concern and identifying changes that are needed to produce an acceptable bill.

I would just reiterate that the President favors action to protect the environment and reclaimed land disturbed by surface mining of coal and wants to prevent abuses that have accompanied such surface mining in the past. However, the President feels we must also recognize that surface mining legislation also must take into account the possibilities of higher consumer costs, particularly for electricity, the outflow of dollars to other nations, and an increase in unemployment.

As you are aware, the President has called for a doubling of coal production, reaching 1.2 billion tons by 1985. The energy plan advanced by the Congressional Democratic leadership calls for 1985 production of 1.37 billion tons. There is now a serious risk that the Conference could adopt a bill that is inconsistent with those goals. It appears that the pending bills in the Conference would have an adverse impact on coal production and rather than increase coal production, would actually end up decreasing coal production.

One must understand that each ton of coal is equivalent in energy value to roughly 4.3 barrels of oil. If the legislation now pending, would result in the loss of 50 million tons per year (some estimates are as high as 160 million tons), alternative energy equivalent to 215 million barrels of oil would have to be obtained from other sources. Importing that amount of oil would increase dollar outflow by more than 2.3 billion dollars and cost more than 10,000 jobs. The loss in domestic energy production could more than offset the results

of our energy conservation actions.

Inflationary impact--consumers have already been subjected to higher costs because of our heavy reliance on expensive foreign oil. If domestic coal, which is used primarily in producing electricity, must be replaced by foreign oil, consumer costs would be forced still higher.

Unemployment--a greater outflow of dollars for foreign oil means loss of jobs in the United States. Interior and EPA estimate that jobs lost as a result of legislation would range from 9,000 to 36,000 jobs in the case of the Senate bill and 14,000 to 36,000 jobs in the case of the House bill.

What are some of the changes the Administration wants in the pending strip mining bills?

GUIDANCE: Some of the major problems concern the following:

- Modify citizen suit provisions to avoid unnecessary and unacceptable production delays or curtailments.
- Change hydrologic disturbance provisions to avoid requirements which would be impossible to meet, are unnecessary to provide reasonable environmental protection, or which would preclude most mining activities.
- Reduce the excise tax on coal to 10¢ per ton because this amount would be adequate to support a fund for reclamation of abandoned surface mined lands.
- Remove the special unemployment provisions which would result in unfairly discriminating among classes of unemployed persons, would set undesirable precedents and are inconsistent with unemployment program modifications signed into law on December 31, 1974.
- Make clear that State laws and regulations do not cover Federal coal lands.
- Avoid requirements that precludes mining in alluvial valley floors which could lock up surface mineable coal reserves.
- Avoid setting new precedents with respect to water rights.
- Permit surface mining on national forest lands when this is found to be in the national interest.

April 30, 1975

SUBJECT:

CONFEREES AGREE TO STRIP
MINING BILL

The House-Senate Conferees yesterday agreed to a slightly remodeled version of a previously vetoed strip mining bill. The bill must now go to the House and Senate for final passage.

Is the bill agreed to by the House-Senate Conferees on strip mining acceptable to the President, or will he veto it?

GUIDANCE: The President has not yet made any final decisions on the strip mining bill. As you know, the Committee just yesterday finished their work on the bill, and we have not yet had a chance to see the final language agreed upon by the Conferees.

We are now attempting to get a copy of the final legislation, then after a thorough review of the Conference bill, the recommendations will be made to the President.



JGC

May 22, 1975

SUBJECT: 36,000 JOBS WOULD BE LOST
THROUGH STRIP MINING BILL

The President, when he vetoed the strip mining bill, said that as many as 36,000 people would lose jobs when unemployment is already too high. Congressman Heckler has stated that this figure is ridiculous and there are only 38,000 people in the whole industry.

How do you reconcile the statements by the President, Mr. Zarb, and Congressman Heckler?

GUIDANCE: The Administration figures are based on a review done by an Inter-Agency Task Force made up of Commerce, Labor, Interior, FEA, and EPA, and CEQ. As we have stated the 36,000 is an upper range.

It should be noted that the job loss figure that we are talking about is for 1977, the first full year of implementation of this legislation. We see the strip mining industry growing at the rate of about 7.3% per year for the next ten years. So the total number of people working in the strip mine area would be greater in 1977 than at the present time.

In addition, of the 36,000 jobs that could be lost, 20,000 are direct jobs that would be lost, based upon the potential production loss from this legislation. Also, the Departments of Commerce and Labor estimate that for each direct job lost, 0.8% additional indirect jobs would be lost or 16,000 indirect jobs. Therefore, 20,000 direct and 16,000 indirect make a total of 36,000 jobs lost. I would remind you again that this is the upper range of jobs that could be lost based on the upper range of potential production that could be lost.

JGC

May 22, 1975

SUBJECT: 36,000 JOBS WOULD BE LOST
THROUGH STRIP MINING BILL

The President, when he vetoed the strip mining bill, said that as many as 36,000 people would lose jobs when unemployment is already too high. Congressman Heckler has stated that this figure is ridiculous and there are only 38,000 people in the whole industry.

How do you reconcile the statements by the President, Mr. Zarb, and Congressman Heckler?

GUIDANCE: The Administration figures are based on a review done by an Inter-Agency Task Force made up of Commerce, Labor, Interior, FEA, and EPA, and CEQ. As we have stated the 36,000 is an upper range.

It should be noted that the job loss figure that we are talking about is for 1977, the first full year of implementation of this legislation. We see the strip mining industry growing at the rate of about 7.3% per year for the next ten years. So the total number of people working in the strip mine area would be greater in 1977 than at the present time.

In addition, of the 36,000 jobs that could be lost, 20,000 are direct jobs that would be lost, based upon the potential production loss from this legislation. Also, the Departments of Commerce and Labor estimate that for each direct job lost, 0.8% additional indirect jobs would be lost or 16,000 indirect jobs. . Therefore, 20,000 direct and 16,000 indirect make a total of 36,000 jobs lost. I would remind you again that this is the upper range of jobs that could be lost based on the upper range of potential production that could be lost.

JGC

STRIP MINING LEGISLATION

Q. The Congress indicated that many modifications were made in the strip mining bill to accommodate the Administration's position. What accommodations were made?

A. Actually, very few. Out of 29 issues of conflict, only five were resolved to the Administration's satisfaction. A few additional ones were partly resolved and the rest remain unresolved.

Those unresolved provisions relate primarily to items that held greatest potential for incurring production losses; these include provisions on alluvial floors, hydrological data collection and disturbances, ambiguous terms, interim timing, and lack of variance provisions.

In addition, many of the provisions that were partly resolved were not changed enough to prevent a serious cutback in production.

June 10, 1975

STATEMENT BY FRANK ZARB

The House action in sustaining the President's veto of the strip mining bill should not be characterized as a victory for the Administration over Congress. There is no joy involved either for the President or for myself as one of his advisors in playing out a confrontation with Congress to its final act whether or not the result is in our favor. That is especially true in the energy area where we are acutely aware that every day's delay intensifies the country's problems. It is, of course, satisfying that the President's position was sustained. However, I would rather view today's action as both an end and a beginning--an end to acrimony and a beginning of a bipartisan effort to which I pledge my whole hearted support to produce a workable, acceptable strip mining program.

July 1, 1975

SUBJECT: PRODUCTION LOSS FROM STRIP
MINING VETO HELD SLOPPY

Baltimore Sun states that the figures on the loss of coal production cited by President Ford to justify his veto of the strip mining bill appear to have been based on the roughest kind of estimates. Some of the material to substantiate production losses was hastily assembled after the veto was announced.

What's your reaction to the stories that the coal production losses cited by President Ford to justify his veto were done after the veto and were the roughest kind of estimates?

GUIDANCE: The figures prepared by the Department of Interior and FEA were the result of many, many man-years of effort. These figures were based on numerous studies done over the years on surface mining.

It is my understanding that the Bureau of Mines and the Department of Interior did an engineering estimate based in part on experience, based in part on the extensive data bank the Federal government has on coal and based in part on the many, many studies done over the years connected with surface mining. One must realize that there is a large experience factor in the Bureau of Mines, not only because of the Bureau's people in the mines all of the time, but secondly because of the overall data base that the Bureau of Mines has on coal.

In addition, it is also obvious that there was a considerable amount of material prepared and research performed prior to the first veto of the strip mine bill last December. Since that time, the Department of Interior and FEA have refined those figures and where changes were made in the original strip mine bill, these figures were updated. So to say that the material was hastily assembled after the veto was announced is just not true, based on the facts that were already there from the last veto.

(More)

PRODUCTION LOSS FROM STRIP
MINING VETO HELD SLOPPY

According to the story, professional engineers at the Bureau were directed to assume for their calculation of production losses a possible court order ban on all strip mining that substantially affected the alluvial valley floors in the West. The resulting estimates accounted for a major part of the production loss figures.

What's your reaction to that statement?

GUIDANCE: The way the bill is written, it is a very strong possibility that the court could order a ban on all strip mining on alluvial valley floors. Therefore, it is imperative that estimates on production losses take this into account.

July 1, 1975

SUBJECT: PRODUCTION LOSS FROM STRIP.
MINING VETO HELD SLOPPY

Baltimore Sun states that the figures on the loss of coal production cited by President Ford to justify his veto of the strip mining bill appear to have been based on the roughest kind of estimates. Some of the material to substantiate production losses was hastily assembled after the veto was announced.

What's your reaction to the stories that the coal production losses cited by President Ford to justify his veto were done after the veto and were the roughest kind of estimates?

GUIDANCE: The figures prepared by the Department of Interior and FEA were the result of many, many man-years of effort. These figures were based on numerous studies done over the years on surface mining.

It is my understanding that the Bureau of Mines and the Department of Interior did an engineering estimate based in part on experience, based in part on the extensive data bank the Federal government has on coal and based in part on the many, many studies done over the years connected with surface mining. One must realize that there is a large experience factor in the Bureau of Mines, not only because of the Bureau's people in the mines all of the time, but secondly because of the overall data base that the Bureau of Mines has on coal.

In addition, it is also obvious that there was a considerable amount of material prepared and research performed prior to the first veto of the strip mine bill last December. Since that time, the Department of Interior and FEA have refined those figures and where changes were made in the original strip mine bill, these figures were updated. So to say that the material was hastily assembled after the veto was announced is just not true, based on the facts that were already there from the last veto.

(More)

According to the story, professional engineers at the Bureau were directed to assume for their calculation of production losses a possible court order ban on all strip mining that substantially affected the alluvial valley floors in the West. The resulting estimates accounted for a major part of the production loss figures.

What's your reaction to that statement?

GUIDANCE: The way the bill is written, it is a very strong possibility that the court could order a ban on all strip mining on alluvial valley floors. Therefore, it is imperative that estimates on production losses take this into account.

June 11, 1975

SUBJECT: STRIP MINE

Will the Administration resubmit its own strip mine legislation?

GUIDANCE: The Administration is currently reviewing this whole area, but I know of no decision to resubmit strip mine legislation at this time.

However, the President is still committed to the principles of reclamation and of preventing the abuses that have accompanied surface mining in the past.

Are you saying you have abandoned your own strip mine legislation submitted in February?

GUIDANCE: The President's strip mine bill would have resulted in some production losses (33-80 million tons) and this could have been acceptable if the Congress had enacted the comprehensive energy program. However, without an energy program, the losses from H.R. 25 are intolerable, and the losses from the President's original bill will have to be looked at very closely.

JGC

SURFACE MINING BILL

- Q. This weekend the EPA called into question the figures on worker productivity losses that were used in your veto of the Surface Mining Bill. Would you please comment on this?
- A. I understand that the EPA study was not an agency study but a low level staff memorandum that was released to the press prior to being reviewed by anyone inside or outside of EPA. Senior officials at EPA have now reviewed the memorandum, which was an assessment of the availability of low sulfur coal, not the impact of H.R. 25, and have found a number of serious technical deficiencies. When those technical deficiencies are accounted for, the memorandum's assessments are very close to those used in my veto statement. John Quarles, Deputy Administrator of EPA, has issued a clarifying statement on this unfortunate event.

I might add that all of the charges that have been made regarding those estimates have been answered--that the estimates still stand.

JH/6/9/75

Step = up to 36000 jobs.

Miner 40-160 million tons a year.

EPA staff size = up to 90.

STRIP MINING: DOES ADMINISTRATION WANT ANY BILL?

Q. Does the Administration want any surface mining reclamation bill?

A. The Administration has consistently maintained that Federal regulation of surface mining activity is desirable. The development of such legislation, however, should seek to balance the Nation's energy and environmental needs. The proposal presently being considered by Congress would not accomplish the objective, but it could instead cause a substantial reduction in coal production, thus increasing our reliance on imported oil to help meet our domestic energy requirements. The proposal would also have the effect of reducing the number of jobs available in the surface mining industry. This is an extremely critical issue especially when viewed in light of the Nation's overall employment problem.

We firmly believe that we can develop legislation that will protect the environment without severely increasing our dependence on foreign sources for energy or increasing our present rate of unemployment. The present bill would not do that.

FEA/D. Jones
6/6/75