

The original documents are located in Box 31, folder “Strip Mining – General (3)” of the John Marsh Files at the Gerald R. Ford Presidential Library.

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MAY 14 1975

THE WHITE HOUSE
WASHINGTON

Date May 14, 1975

TO: Jack Marsh

FROM: CHARLES LEPPERT

Please Handle _____

For Your Information _____

Per Our Conversation _____



Other: This is the latest Minority Whip's Tally on the question of sustaining the President's veto of the Strip Mining bill. Also attached is the unofficial tally of opponents of the bill as passed on by Sam Steiger. An update of the Steiger tally will be obtained today.

Date: 12 May 75

94th Congress
Tally Sheet

Question: Sustain Veto - Surface Mining

Western and Plains (Talcott) (36)

Midwestern States (Myers) (41)

	Yes	No	Und.	N/R
<i>California</i>				
- Bell	/			
- Burgener	/			
- Clausen	/			
- Clawson	/			
- Goldwater	/			
- Hinsbaw	/			
- Ketchum	/			
- Lagomarsino (ARW)	/			
- McCloskey	/			
- Moorhead	/			
- Rousselot	/			
- Talcott	/			
- Wiggins	/			
- Wilson	/			
- Pettis	/			
<i>Alaska</i>				
- Young	/			
<i>Arizona</i>				
- Conlan	/			
- Rhodes	/			
- Steiger	/			
<i>Colorado</i>				
- Armstrong (ARW)	/			
- Johnson	/			
<i>Idaho</i>				
- Hansen	/			
- Symms	/			
<i>New Mexico</i>				
- Lujan	/			
<i>Washington</i>				
- Pritchard	/			
<i>Kansas</i>				
- Sebelius	/			
- Shriver	/			
- Skubitz Till. Pres. dec.	/			
- Winn	/			
<i>Nebraska</i>				
- McCollister	/			
- Smith	/			
- Thone (ARW)	/			
<i>North Dakota</i>				
- Andrews Previous Poll	/			
<i>Oklahoma</i>				
- Jarman	/			
<i>South Dakota</i>				
- Abdnor	/			
- Pressler Previous Poll	/			
Total	17	12	5	2
Total pages 1 and 2	66	55	20	4

	Yes	No	Und.	N/R
<i>Indiana</i>				
- Hillis	/			
- Myers	/			
<i>Iowa</i>				
- Grassley	/			
<i>Michigan</i>				
- Broomfield	/			
- Brown	/			
- Cederberg	/			
- Esch	/			
- Hutchinson	/			
- Ruppe	/			
- Vander Jagt	/			
<i>Minnesota</i>				
- Frenzel (ARW)	/			
- Hagedorn	/			
- Quie	/			
<i>Wisconsin</i>				
- Kasten	/			
- Steiger	/			
<i>Ohio</i>				
- Ashbrook	/			
- Brown (ARW)	/			
- Clancy	/			
- Devine	/			
- Gradison	/			
- Guyer	/			
- Harsha	/			
- Kindness	/			
- Latta	/			
- Miller	/			
- Mosher	/			
- Regula	/			
- Stanton	/			
- Whalen	/			
- Wylie	/			
<i>Illinois</i>				
- Anderson	/			
- Crane	/			
- Derwinski	/			
- Erlenborn	/			
- Findley (ARW)	/			
- Hyde	/			
- Madigan	/			
- McClory	/			
- Michel	/			
- O'Brien	/			
- Railsback	/			
Total	19	18	2	2



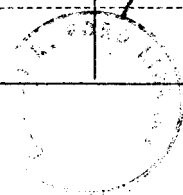
Date: _____
Question: _____

Border and Southern (Young) (33)

New England and Mid-Atlantic (McDade) (35)

	Yes	No	Und.	N/R
<i>Maryland</i>				
Gude	/			
Holt	/			
Bauman	/			
<i>Missouri</i>				
Taylor (ARW)	/			
<i>Kentucky</i>				
— Carter			/	
Snyder	/			
<i>Tennessee</i>				
Beard	/			
Duncan	/			
Quillen	/			
<i>Florida</i>				
Bafalis		/	/	
— Burke			/	
— Frey			/	
— Kelly			/	
— Young		/	/	
<i>North Carolina</i>				
— Broyhill			/	
Martin		/		
<i>South Carolina</i>				
Spence	/			
<i>Virginia</i>				
Butler	/			
Daniel	/			
Robinson	/			
Wampler	/			
— Whitehurst (ARW)		/		
<i>Alabama</i>				
Buchanan	/			
Dickinson	/			
Edwards	/			
<i>Arkansas</i>				
Hammerschmidt	/			
<i>Louisiana</i>				
Moore	/			
Treen	/			
<i>Mississippi</i>				
Cochran	/			
Lott	/			
<i>Texas</i>				
Archer	/			
Collins	/			
Steelman	/			
Total	23	5	5	

	Yes	No	Und.	N/R
<i>Connecticut</i>				
McKinney		/		
Sarasin		/		
<i>Delaware</i>				
duPont		/		
<i>Maine</i>				
Cohen		/		
Emery		/		
<i>Massachusetts</i>				
Conte (ARW)		/		
Heckler		/		
<i>New Hampshire</i>				
— Cleveland			/	
<i>New Jersey</i>				
Fenwick			/	
Forsythe			/	
— Rinaldo			/	
<i>Vermont</i>				
Jeffords		/		
<i>New York</i>				
Conable	/			
Fish		/		
Gilman		/		
— Hastings		/		
Horton		/		
Kemp	/			
— Lent	/			
McEwen	/			
Mitchell (ARW)		/		
Peyser		/		
— Walsh			/	
Wydler			/	
<i>Pennsylvania</i>				
Biester		/		
Coughlin		/		
Eshleman	/			
— Goodling			/	
— Heinz		/	/	
Johnson (ARW)	/			
McDade		/		
Myers		/		
Schneebeli	/			
Schulze		/		
— Shuster			/	
Total	7	20	8	



Alexander (D-Ark.)	Evins (D-Tenn.)	Moore (R-La.)
Andrews (D-N.C.)	Flowers (D-Ala.)	Myers (R-Ind.)
Archer (R-Tex.)	Flynt (D-Ga.)	Nichols (D-Ala.)
Ashbrook (R-Ohio)	Ginn (D-Ga.)	O'Brien (R-Ill.)
Bauman (R-Md.)	Guyer (R-Ohio)	Passman (D-La.)
Beard (D-R.I.)	Hagedorn (R-Minn.)	Patman (D-Tex.)
Bevill (D-Ala.)	Hammerschmidt (R-Ark.)	Poage (D-Tex.)
Bowen (D-Miss.)	Hansen (R-Idaho)	Quillen (R-Tex.)
Breaux (D-La.)	Hebert (D-La.)	Randall (D-Mo.)
Brown (R-Mich.)	Hechler (D-W.Va.)	Rhodes (R-Ariz.)
Brown (R-Ohio)	Hefner (D-N.C.)	Risenhoover (D-Okla.)
Broyhill (R-N.C.)	Hightower (D-Tex.)	Roberts (D-Tex.)
Buchanan (R-Ala.)	Holland (D-S.C.)	Robinson (R-Va.)
Burgener (R-Calif.)	Hubbard (D-Ky.)	Rose (D-N.C.)
Burleson (D-Tex.)	Hutchinson (R-Mich.)	Rousselot (R-Calif.)
Butler (R-Va.)	Ichord (D-Missouri)	Runnels (D-N.Mex.)
Byron (D-Md.)	Jarman (R-Okla.)	Satterfield (D-Va.)
Carter (R-Ky.)	Jenrette (D-S.C.)	Sebelius (R-Kans.)
Casey (D-Tx.)	Johnson (D-Calif.)	Slack (D-W.Va.)
Cederberg (R-Mich.)	Jones (D-N.C.)	Smith (R-Nebr.)
Chappell (D-Fla.)	Jones (D-Okla.)	Snyder (R-Ky.)
Clawson (R-Calif.)	Jones (D-Tenn.)	Spence (R-S.C.)
Cochran (R-Miss.)	Kazen (D-Tex.)	Steed (D-Okla.)
Collins (R-Tex.)	Kemp (R-N.Y.)	Steiger (R-Ariz.)
Conable (R-N.Y.)	Ketchum (R-Calif.)	Stephens (D-Ga.)
Conlan (R-Ariz.)	Kindness (R-Ohio)	Symms (R-Idaho)
Crane (R-Ill.)	Latta (R-Ohio)	Taylor (R-Mo.)
Daniel (D-Va.)	Lott (R-Miss.)	Teague (D-Tex.)
Daniel (R-Va.)	Lujan (R-N.Mex.)	Thornton (D-Ark.)
Davis (D-S.C.)	McDonald (D-Ga.)	Treen (R-La.)
Derrick (D-S.C.)	McEwen (R-N.Y.)	Vander Jagt (R-Mich.)
Derwinski (R-Ill.)	Mahon (D-Tex.)	Waggonner (D-La.)
Devine (R-Ohio)	Mann (D-S.C.)	Wampler (R-Va.)
Dickinson (R-Ala.)	Mathis (D-Ga.)	Whitten (D-Miss.)
Downing (D-Va.)	Michel (R-Ill.)	Wilson (R-Calif.)
Duncan (R-Tenn.)	Milford (D-Tex.)	Wright (D-Tex.)
Edwards (R-Ala.)	Mills (D-Ark.)	Young (R-Alaska)
English (D-Okla.)	Montgomery (D-Miss.)	Young (D-Tex.)
Erlenborn (R-Ill.)		

5 Paired against conference report.

de la Garza (D-Tex.)	Gonzalez (D-Tex.)	Landrum (D-Ga.)
Goldwater (R-Calif.)	Holt (R-Md.)	

1 Not voting on conference report but voted against bill.

McCollister (R-Nebr.)



23 Republicans likely to vote to sustain.

* Clausen (Calif.)	**Madigan (Ill.)	Cleveland (N.Hamp.)
** Lagomarsino (Calif.)	**Hillis (Ind.)	**Harsha (Ohio)
* Moorhead (Calif.)	Grassley (Iowa)	**Wyllie (Ohio)
Young (Fla.)	*Winn (Kansas)	Shuster (Pa.)
Frey (Fla.)	*Skubitz (Kansas)	Goodling (Pa.)
Bafalis (Fla.)	Ruppe (Michigan)	**Johnson (Pa.)
Burke (Fla.)	**Thone (Nebr.)	**Abdnor (S.D.)
Hyde (Illinois)	McCollister (Nebr.)	

20 Republicans who probably will support President.

*Wiggins (Calif.)	*Forsythe (N.J.)	McDade (Pa.)
Hinshaw (Calif.)	Lent (N.Y.)	Coughlin (Pa.)
*Armstrong (Colo.)	Hastings (N.Y.)	Eshleman (Pa.)
**McClory (Ill.)	Gradison (Ohio)	Schneebeli (Pa.)
Esch (Mich.)	**Clancy (Ohio)	Myers (Pa.)
Broomfield (Mich.)	Whalen (Ohio)	*Whitehurst (Va.)
Quie (Minn.)	*Miller (Ohio)	

6 Democrats who probably will support President.

Sisk (Calif.)	Brinkley (Ga.)	Fountain (N.C.)
Sikes (Fla.)	Stuckey (Ga.)	Henderson (N.C.)

* voted consistently with us in the 93rd
** voted with us at least once in the 93rd



**Talcott (R-Calif.)

**Bell (R-Calif.)

Pettis (R-Calif.) ✓

Kelly (R-Fla.) ✓

**Railsback (R-Ill.) ✓

Findley (R-Ill.)

Emery (R-Maine)

Cohen (R-Maine)

Gude (R-Md.)

Rinaldo (R-N.J.)

Wydler (R-N.Y.) ✓

Gilman (R-N.Y.) ✓

Mitchell (R-N.Y.)

*Jones (D-Ala.)

Natcher (D-Ky.) ✓

Long (D-La.)

Litton (D-Mo.) ✓

Hungate (D-Mo.)

Walsh (R-N.Y.) ✓

Horton (R-N.Y.)

Andrews (R-N.D.)

**Stanton, J.W. (R-Ohio) ✓

Mosher (R-Ohio)

Schulze (R-Pa.)

Pressler (R-S.D.)

Steelman (R-Tex.)

Jeffords (R-Vt.) ✓

Pritchard (R-Wash.)

Steiger (R-Wisc.) ✓

Kasten (R-Wisc.) ✓

Delaney (D-N.Y.)

Wilson (D-Tex.) ✓

White (D-Tex.) ✓

Krueger (D-Tex.)

**McKay (D-Utah) ✓



May 15, 1975

MEMORANDUM FOR: THE PRESIDENT
FROM: JACK MARSH
SUBJECT: Strip Mining Bill

John Rhodes spoke to me this afternoon and asked me to convey the following information to you, some of which I suspect he has previously mentioned to you on the phone in his conversations with you.

1. He says time is of the essence and if you are going to veto, he recommends that you do this as quickly as possible.
2. Interests in Oklahoma have been in touch with Carl Albert and Carl has advised him that if he receives the veto message by the first of the coming week, he can schedule it for a veto prior to the recess.
3. John is of the view that it would be better to vote on the veto question prior to the recess rather than after the recess.
4. He feels that momentum is on your side which causes him to recommend action sooner rather than later.



May 16, 1975

MEMO FOR: JOHN ROTCHFORD

FROM: JACK MARSH

Attached is some additional correspondence in reference to H. R. 25, the Surface Mining Bill. I would appreciate your appropriate handling of this correspondence.

Many thanks.



MAY 20 1975

THE WHITE HOUSE

WASHINGTON

May 20, 1975

MEMORANDUM FOR:

RON NESSEN

FROM:

JERRY WARREN

SUBJECT:

Telephone Calls to Editorial Writers
Concerning the Strip Mining Veto

Margaret Earl, Margita, and I today called the chief editorial writers of several key newspapers to alert them to the President's veto and the House vote tomorrow and to offer to provide highlights from the message by phone as well as follow-up phone interviews with Frank Zarb. Our approach was low-key and our emphasis was on providing factual information. The reaction was uniformly one of appreciation and in several cases we are sure the President's position will be more clearly articulated in editorials.

Following are some results:

Chicago Tribune

John T. McCutcheon, Chief Editorial Writer, was most appreciative of the information provided for an editorial which will run tomorrow. I provided him the key points of the President's message, quoted some of its passages and elaborated on some points based on the additional information in Zarb's briefing of yesterday.

Wall Street Journal

Robert Bartley, Editor of the Editorial Page, indicated the Journal was not planning an editorial but thought my calling was a "marvelous innovation" since in situations such as this his editorial staff in New York have difficulty obtaining texts and substantive information.



Los Angeles Times

Anthony Day, Editor of the Editorial Page, appreciated the offer of information. His "strip mining man" was not in the office and he told me that he would call me or Zarb if he needed information. He called Zarb.

San Diego Union/Tribune

DeVan Shumway, Director of Research, called me for information on the President's handling of the Mayaguez incident, especially a chronology, for a column he is writing praising the President. I daxed him the Press Office Chronology. He indicated the Union/Tribune has written 3 or 4 editorials opposing the strip mining bill. No editorial is planned for tomorrow but the strip mining bill will be one item in a strong weekend editorial criticizing Congress. I am sending him the President's veto message and the Zarb briefing.

Washington Post

Philip Geyelin, Editor of the Editorial Page, was sure the Post already had the President's veto message by the time he returned my call this afternoon. He expressed thanks for my courtesy in calling him, especially in view of the Post's position on the issue.

Christian Science Monitor

Talked to Joseph Harsh and an editorial writer named Nordell... expressed great interest, so I read entire veto message... they will call Zarb on follow-up questions on Virginia and privately-held lands.

Cleveland Plain Dealer

Talked to Bill Barnard, chief editorial writer and editorial writer Howard Preston... expressed great interest, but no commitment on editorial... sent copy of veto message to Washington Bureau to be TWXed to Cleveland.

New York Times

Margaret
called John Oakes... was out of the office... left explanatory message, but no return call... may call Zarb directly.

Washington Star-News

Margaret
talked with Jack Germond who promised to relay message... if interested, will call me... no response.



Philadelphia Bulletin

John McCulloch will do an editorial.

Others being contacted:

Detroit News

Miami Herald

Minneapolis Tribune

Atlanta Constitution

Boston Globe

Dallas Morning News

Kansas City Star

cc: Frank Zarb

Jack Marsh ✓



May 20, 1975

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I am today returning without my approval, H.R. 25, the proposed Surface Mining Control and Reclamation Act of 1975. I am unable to sign this bill because:

1. As many as 36,000 people would lose jobs when unemployment already is too high.
2. Consumers would pay higher costs -- particularly for electric bills -- when consumer costs are already too high.
3. The Nation would be more dependent on foreign oil -- when we are already overly dependent and dangerously vulnerable.
4. Coal production would be unnecessarily reduced -- when this vital domestic energy resource is needed more than ever.

America is approaching a more serious domestic energy shortage, and we are not facing up to it.

We can develop our energy sources while protecting our environment. But this bill does not do that. I have supported responsible action to control surface mining and to reclaim damaged land. I continue to support actions which strike a proper balance between our energy and economic goals and important environmental objectives.

Unfortunately, H.R. 25 does not strike such a balance.

Since I submitted my comprehensive national energy program earlier this year -- a program which included a tough but balanced surface mining bill -- our energy situation has continued to deteriorate. With domestic energy production continuing to drop, we are today more vulnerable to the disruption of oil supplies than we were during the Mid-East oil embargo. We will be even more vulnerable as our economy recovers and energy consumption increases. This vulnerability places us in an untenable situation and could result in new and serious economic problems.

Coupled with this steadily deteriorating situation is the fact that the Congress has yet to act on a comprehensive energy program capable of achieving goals on which we all agree. Several Congressional committees have worked hard to develop solutions. Unfortunately, their proposals are inadequate to achieve the energy objectives I have set.

more



As the one abundant energy source over which the United States has total control, coal is critical to the achievement of American energy independence. In the face of our deteriorating energy situation, we must not arbitrarily place restrictions on the development of this energy resource.

It is with a deep sense of regret that I find it necessary to reject this legislation. My Administration has worked hard with the Congress to try to develop an acceptable surface mining bill and other energy programs which could, when taken together, enable us to reduce energy imports and meet environmental objectives. While the Congress accepted in H.R. 25 some of my proposals, it rejected others necessary to reduce the adverse impact on coal production and to clarify various provisions of the legislation to make it precise and more workable.

The Department of the Interior and the Federal Energy Administration now advise me that, if this bill were to become law, a production loss of 40 to 162 million tons would result in 1977. This would mean that six to twenty-four percent of expected 1977 coal production would be lost. Actually, production losses resulting from H.R. 25 could run considerably higher because of ambiguities in the bill and uncertainties over many of its provisions.

The bill I sent to the Congress in February would have also entailed production losses estimated between 33 and 80 million tons. Even though these losses would have been substantial, we could have accepted them if Congress had enacted the comprehensive energy program I proposed. But, now the potential losses of H.R. 25 are intolerable.

The reduction in coal production would mean that the United States will be forced to import more foreign oil. To demonstrate the seriousness of this problem, it is estimated that we would be forced to import an additional 215 million barrels of oil a year at a cost of \$2.3 billion for every 50 million tons of coal not mined. At a time when our dependence on Mid East oil is expected to double in just 2-1/2 years, I believe it would be unwise to further increase this dependency by signing into law H.R. 25. This kind of setback in coal production would cause our dependence on Mid-East oil to triple by 1977.

Additional reasons for withholding approval of H.R. 25 are its legislative shortcomings. These include:

- Ambiguous, vague and complex provisions -- as the record of Congressional debate indicates. The bill would lead to years of regulatory delays, litigation and uncertainty against the best interests of achieving either our environmental or energy objectives.
- Cumbersome and unwieldy Federal-State regulatory and enforcement provisions. H.R. 25 would inject the Federal Government immediately into a field which is already regulated by most states. Since 1971, 21 states which produce over 90 percent of the nation's surface mined coal have either enacted new environmental legislation governing surface mining or have strengthened laws already on the books.

more



- H.R. 25's tax provisions which would be excessive and unnecessarily increase the price of coal.
- Its provisions which enable State governments to ban surface mining of coal on Federal lands -- thus preventing a national resource from being used in the national interest.
- Its provisions permitting the Federal government to pay private landowners 80 percent or more of the cost of reclaiming previously-mined land, leaving title to the land in private hands, could provide windfall profits at the expense of coal consumers.

In short, I favor action to protect the environment, to prevent abuses that have accompanied surface mining of coal, and to reclaim land disturbed by surface mining. I believe that we can achieve those goals without imposing unreasonable restraints on our ability to achieve energy independence, without adding unnecessary costs, without creating more unemployment and without precluding the use of vital domestic energy resources.

GERALD R. FORD

THE WHITE HOUSE,

May 20, 1975.

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Office of the White House Press Secretary

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more

(OVER)

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GERALD R. FORD

THE WHITE HOUSE,

May 20, 1975.

#



Pressure grows for natural gas price increases

By John D. Moorhead
Business and financial writer of
The Christian Science Monitor

Boston

A fabric mill in Virginia is scrambling to avoid a shutdown this coming winter — which would idle 10,000 — for lack of natural gas. The same danger faces fertilizer manufacturers of glass products, farmers who must irrigate, bakers of bread for... They all depend on getting...

Washington Post
Wednesday, May 21, 1975

Ford Cites Problems On Energy

By Carroll Kilpatrick
Washington Post Staff Writer

President Ford, declaring that America's energy situation is continuing to deteriorate, said yesterday that "we are today more vulnerable" to a Mideast oil embargo than ever before.

The President's comments in a... the surface mir... by overwhelm... both ho... nounce... woul...

Energy Action Postponed By Democrats in House

Delay Linked to Party Split and G.O.P. Opposition — Scott Indicates Ford May Raise Oil Fee as a Result

By DAVID E. ROSENBAUM

Special to The New York Times

WASHINGTON, May 20—The House Democratic leadership postponed indefinitely today a House vote on legislation that would raise the Federal gasoline tax and take other steps to conserve energy. The postponement is the result of the running of the President.

Washington Post
Wednesday, May 21

Foreign Oil Seen Rising \$2 a Barrel

By Thomas O'Toole

Washington Post Staff Writer

The world's oil-producing countries are expected to raise prices \$2 a barrel at the end of the summer, a move which could deepen the worldwide business recession and would add up to 8 cents to the gallon price of gasoline in the United States.

At the very least, many economists believe that a rise in world oil prices would postpone the time when an upswing in business might take place.

Some economists have felt that the recession triggered by the rise in world oil prices at the end of the summer would be averted.

Pressure grows for natural gas price increases

By John D. Moorhead
Business and financial writer of
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Boston

A fabric mill in Virginia is scrambling to avoid a shutdown this coming winter — which would idle 10,000 — for lack of natural gas.

The same danger faces fertilizer manufacturers, of glass processors, farmers who must irrigate, bakers of bread for the poor. They all depend on getting a

Ford Cites Problems On Energy

By Carroll Kilpatrick
Washington Post Staff Writer

President Ford, declaring that America's energy situation is continuing to deteriorate, said yesterday that "we are today more vulnerable to a Mideast oil embargo than ever before."

The President's comments in a speech to the surface mining industry by overwhelming support, both here and abroad, would

Foreign Oil Seen Rising \$2 a Barrel

By Thomas O'Toole
Washington Post Staff Writer

The world's oil-producing countries are expected to raise prices \$2 a barrel at the end of the summer, a move which could deepen the worldwide business recession and would add up to 8 cents to the gallon price of gasoline in the United States.

At the very least, many economists believe that a rise in world oil prices would postpone the time when an upswing in business might take place.

Some economists believe that the recession triggered by the rise in world oil prices at the end of the summer

Energy Action Postponed By Democrats in House

Delay Linked to Party Split and G.O.P. Opposition — Scott Indicates Ford May Raise Oil Fee as a Result

By DAVID E. ROSENBAUM

Special to The New York Times

WASHINGTON, May 20 — The House Democratic leadership soon could postpone indefinitely today a long-delayed House vote on legislation that would raise the federal gasoline line tax and allow the government to conserve energy.

The postponement of the vote on the legislation is a result of the party split in the House. President Ford

Sustain the strip mining veto

Balancing our growing need for energy against concern for the environment, President Ford has again vetoed legislation that would set federal standards for restoring strip-mined coal fields. We urge that the United States House of Representatives sustain the veto.

The veto is not going to win Mr. Ford many friends among the conservationists, but it is a sound decision. What we need most now is to develop existing and new energy resources. We are too dependent upon foreign oil as it is, and the strip mine bill would make it difficult, if not impossible, to make use of our most abundant energy resource—coal.

Mr. Ford pointed out in Tuesday's veto message that the strip mine bill would throw about 36,000 people out of work, raise the cost of electricity to the consumer, increase our dependence on foreign oil, and reduce coal production when more output is needed. Moreover, the bill is ambiguous and contains cumbersome enforcement provisions.

Twenty-one states producing 90 percent of the nation's coal already regulate strip mining and require restoration of strip mined land. The federal measure would be overkill.

Frank Zarb, federal energy administrator, estimates that the legislation would reduce coal production by between 40 million and 162 million tons a year, depending on interpretation of the ambiguous provisions. For every 50 million tons of coal not mined, the nation will have to substitute 215 million barrels of oil a year at a cost of \$2.3

billion. Why should we pay foreign oil producers for energy which is available at home and at a much lower cost? Further, as the nation recovers from the recession, our energy demands will increase.

Since Congress seems less and less likely to enact a comprehensive energy bill this year, it is all the more important that the veto of the strip mining bill should be sustained.

Pressure grows for natural gas price increases

By John D. Moorhead
Business and financial writer of
The Christian Science Monitor

A fabric mill in Virginia is scrambling to avoid a shutdown this coming winter — which would idle 10,000 — for lack of natural gas.

The same danger faces fertilizer manufacturers, of glass panes for farmers who must irrigate, bakers of bread for the masses. They all depend on gas for their gettings.

Ford Cites Problems On Energy

By Carroll Kilpatrick
Washington Post Staff Writer

President Ford, declaring that America's energy situation is continuing to deteriorate, said yesterday that the country is today more vulnerable to a Mideast oil embargo than ever before.

The President's comments in a speech to the surface mining industry by overwhelming support of both houses of Congress would have been a surprise.

House Democrats Delay Energy Bill

By Peter Millus

Washington Post Staff Writer
House Democrats yesterday postponed until next month a controversial energy bill that would raise the federal gasoline tax 3 cents a gallon next year, and possibly 20 cents more thereafter. The Democratic leadership delayed the bill back late in the year, as it became increasingly clear the tax increase might not survive a test this week on the floor. About 100 amendments were introduced.

Ill.), third ranking Republican in the House, predicted Mr. Ford will now impose his second \$1. He called yesterday's decision "another indication of the inability of the majority party and the Democratic leadership to come up with an energy bill" capable of passing.

"It's a sad day for the country," he said.

His objective is to slow down U.S. oil imports, lest the country become even more vulnerable to pressure from the Arabs and other foreign producers. The Democratic alternative

Its troubles yesterday were in the House Rules Committee, which had been asked to clear it for floor action beginning today.

Foreign Oil Seen Rising \$2 a Barrel

By Thomas O'Toole
Washington Post Staff Writer

The world's oil-producing countries are expected to raise prices \$2 a barrel at the end of the summer, a move which could deepen the worldwide business recession and would add up to 8 cents to the gallon price of gasoline in the United States.

At the very least, many economists in world oil prices would postpone the time when an upswing in business might take place.

Some economists felt that the recession triggered by the oil price rise in world oil prices at the end of the summer would be a major factor in the recession.

Energy Action Postponed By Democrats in House

Delay Linked to Party Split and G.O.P. Opposition — Scott Indicates Ford May Raise Oil Fee as a Result

By DAVID E. ROSENBAUM

Special to The New York Times

WASHINGTON, May 20 — The House Democratic leadership postponed indefinitely today a major energy bill that would raise the federal gasoline tax 3 cents a gallon next year, and possibly 20 cents more thereafter.

The postponement was a surprise, as the bill had been expected to pass the House in the next few days.

MAY 23 1975

THE WHITE HOUSE
WASHINGTON

May 23, 1975

NOTE FOR: JACK MARSH

FROM: JERRY WARREN J

Here is the two-pager on strip mining for your use.

D - 1. Copy to
done 5/26
dp
MAX

Attachments

cc: Donald Rumsfeld
Ron Nessen
Max Friedersdorf

2.



May 23, 1975

Background on Surface Mining Control and Reclamation Act of 1975

On May 20, President Ford vetoed the Surface Mining Control and Reclamation Act of 1975. The legislation was unacceptable to the President for four reasons:

First, in spite of our need to produce more, not less, domestic energy, the bill would prompt a reduction of our current coal production by as much as 25%.

Second, it would raise unemployment by as many as 36,000 people.

Third, it would force consumers to pay more for electricity.

Fourth, its vague and contradictory language would invite protracted litigation and create greater uncertainty in the coal industry. This would even further aggravate unemployment and would increase production losses.

Had the Congress, in the time since the President's State of the Union address, taken strong action to move the Nation toward energy independence, the President said he could have lived with the potential energy losses embodied in H. R. 25. However, the national energy situation has actually deteriorated since January--in the first quarter of this year we produced a half million barrels of oil per day less than in the same period last year--and Congress has not responded.

The President has constantly reiterated the need for a strong national energy program, the product of close cooperation between the Executive branch and the Congress. But we have reached the Memorial Day recess, and the only substantive action taken to date has been administrative. At a time when this Nation must double its coal production in under 10 years, the strip mining bill would be an intolerable burden.

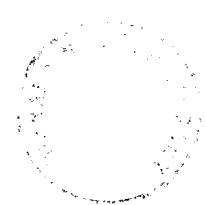
There are other problems with this particular piece of legislation. For instance, many of its provisions are ambiguous, vague and complex, and could tie up Government officials in years of litigation. Also, it permits the Federal Government to pay private owners 80 percent or more of the cost of reclaiming previously-mined land. By taking title from the Government, windfall profits could be made at the expense of the coal consumer.



Another consideration that the President regards as significant is the passage by 21 States, controlling 90 percent of the Nation's surface mined coal, of new or strengthened laws governing strip mine production. In this regard, H.R. 25 would only be injecting the Federal Government into a field already regulated by most concerned States.

The President recognizes that the bill he sent to the Congress in February would also have entailed substantial losses in the production of coal. His bill, unlike the current one, however, was designed to balance both our energy needs and our environmental concerns.

President Ford has consistently stated his support for reasonable land reclamation and environmental protection for mining activities. This particular bill, however, not only duplicates the efforts being made in this area by the States, but does so at the risk of our critical energy and economic goals.



THE WHITE HOUSE
WASHINGTON

Max

M

Let's discuss



John

~~TO: JACK~~

ZARD APPEARED

SUNDAY - want

MAY 27 1975

THE WHITE HOUSE
WASHINGTON

May 23, 1975

MEMORANDUM FOR: JACK MARSH
MAX FRIEDERSDORF *M.F.*

THRU: VERN LOEN *VL*

FROM: CHARLES LEPPERT, JR. *CLJ.*

SUBJECT: Strip Mining on Sunday TV Talk Shows

Two suggestions have been forwarded by Hill personalities working in opposition to the passage of the strip mining bill. The two suggestions are as follows:

One, the Administration should arrange for one of its spokesmen to appear on one of the Sunday TV Talk Shows either on June 1 or 8th and state the Administration position on the strip mining bill in accordance with the language of the veto message.

Two, the Administration spokesman, which need not be FEA Administrator Zarb, should be prepared to state that Udall has sent a letter to the President stating that he will hold hearings on June 3rd in the House Caucus room for the purpose of impeaching the credibility of the figures used by the President in the veto message and requesting from the President the staff advice, comments, memoranda and other analysis considered prior to his decision to veto HR 25. The purpose here would be to show that Udall is seeking to go behind the President's decision when Udall has repeatedly stated that the bill has had full, complete and exhaustive hearings.

cc: Bennett



• THE WHITE HOUSE
WASHINGTON

May 27

Mr. Marsh --

Attached are the two
letter you requested.

Thanks.

Donna



14
STEVEN D. SYMMS
1ST DISTRICT, IDAHO

WASHINGTON OFFICE:
1410 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
202-225-6611

COMMITTEE ON INTERIOR
COMMITTEE ON AGRICULTURE

Congress of the United States
House of Representatives
Washington, D.C. 20515

DISTRICT OFFICES:
Box 1190
BOISE, IDAHO 83701
208-336-1492
305 FEDERAL BUILDING
COEUR D'ALENE, IDAHO 83814
208-664-5490
PONDEROSA-LEWIS AND
CLARK MOTOR INN
LEWISTON, IDAHO 83501
208-743-1492

end
MR
May 20, 1975

see attached
rec'd strip mining letter

President Gerald R. Ford
White House
Washington, D.C. 20500

Dear President Ford:

Enclosed is a copy of my dear colleague letter to sustain your veto of the Strip Mining Bill.

Keep up the good vetoes!

Yours for a free society,

Steve Symms

Steve Symms
Member of Congress

SS:bs:ms



STEVEN D. SYMMS
1ST DISTRICT, IDAHO

WASHINGTON OFFICE:
1410 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
202-225-6611

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PONDEROSA-LEWIS AND
CLARK MOTOR INN
LEWISTON, IDAHO 83501
208-743-1492

May 20, 1975

Dear Colleague:

I am enclosing a cartoon from the Idaho Journal of Commerce which shows what we are doing to the American consumer.

We do have a serious energy problem, and a dangerous dependency on foreign sources of fuel. To help stabilize our own economy, and protect the future safety of this country, we need to move this country in the direction of greater self-sufficiency.

Coal is one of the most important options we have. I hope you will help sustain the President's veto of the strip mining bill, so that we don't cripple development of this most valuable resource.

We all are concerned about the quality of life, but we should all remember that, "The quality of life begins with bread and butter on the table."

Best regards.

Yours for a free society,



Steve Symms
Member of Congress

SS:sp
Attachment



For Immediate Attention

Wednesday May 21

Some items in this folder were not digitized because it contains copyrighted materials. Please contact the Gerald R. Ford Presidential Library for access to these materials.

May 21, 1975

Dear Steve:

I understand you were prepared to support my veto on the surface mining bill which was postponed today.

I am pleased that you share my deep concern about the loss of thousands of jobs and reduced energy production which would result from this bill.

It is crucial this veto be sustained on June 10, and I will be counting again on your strong support.

With thanks and kindest regards,

Sincerely,

The Honorable Steven D. Symms
House of Representatives
Washington, D.C. 20515

GRF:MLF:RW:beo



THE WHITE HOUSE
WASHINGTON

Discuss with:

1. Cheney

2. Max

3. Zerk.

4. Gensper.

5. ~~Buchen~~



MAY 27 1975

THE WHITE HOUSE
WASHINGTON

May 27, 1975

MEMORANDUM FOR: RON NESSEN
 JACK MARSH ✓

FROM: DICK CHENEY D

Attached is a paper prepared by a staff member of the Council of Economic Advisers on the strip mining bill.

It makes some key points in terms of trying to sustain our veto.

You ought to be aware of this in the course of what's said publicly and on the Hill as we try to round up votes to sustain the President's veto of the strip mining bill.

Attachment



UNITED STATES GOVERNMENT

Memorandum

TO : Alan Greenspan

FROM : Allan Pulsipher

SUBJECT: Strip Mining

DATE: May 23, 1975

Jack Carlson assembled an ad hoc group yesterday to assist him in formulating a response to a Congressional staff request for the methodology and assumption used by the Administration to estimate the production and employment repercussions of the vetoed strip mining bill. I came away from this exercise with two general impressions.

1. The Administration runs a real risk of being embarrassed (and perhaps losing the veto) if it continues to emphasize the employment losses it asserts are associated with the bill -- particularly, if the Administration continues to "support" its "own" bill.

The employment loss estimates are very crude, rule-of-thumb type arithmetic deductions solely dependent on estimated production losses. The 36,000 job loss figure that was featured so prominently in the veto publicity is derived from an upper limit estimate of production losses. The estimated range of the production losses is very wide and the upper reaches of it imply an extreme form of national masochism.

Even so, however, if the same assumptions that were used to make the Administration's estimates were to be used to estimate the difference between the employment impact of the vetoed bill and the "Administration bill" the additional unemployment is insignificant. This suggests to me that it might be wise to reassess the rationale being used to defend the veto, and this brings me to my second point.

2. In my view the "real" reason for vetoing the bill was that it was fundamentally inconsistent with crucial short-run energy policy objectives. The bill would have provided such a tempting array of opportunities for those opposed to strip mining per se that it would have clearly complicated significant expansion of coal output that will be required during the rest of the 1970's. In a period in which utilities are using the



unavailability of coal contracts as their principal argument to resist FEA's coal conversion program and in a period in which a pervasive program of coal conversion is a principal method of avoiding an acceleration of oil imports, enactment of legislation which had this effect would be self defeating. The difficulty of shifting the argument to these more persuasive energy policy grounds is complicated, of course, by the existence of the Administration's own bill -- which would have much the same effects as the one that was vetoed.

One way out of this dilemma may be to stress that the Administration's bill was premised upon the assumption that by the time it was implemented, the President's energy program would also be in place and that Congressional inaction had forced the abandonment of this assumption. This line of argument may be vulnerable to a careful analysis of the compatibility of the Administration's strip mining bill with the President's energy program, but I fail to see other viable alternatives.

cc: JD, MS



MAY 29 1975

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR BOB WOLTHIUS
FROM MIKE DUVAL
SUBJECT: STRIP MINING VETO

The following is a summary of action items which were assigned at today's meeting chaired by Max.

<u>Deadline</u>	<u>Item</u>	<u>Responsible Person</u>
5/28	Distribute Counsel's Office anti-lobby memo.	Duval
5/29	Prepare list of additional governors, mayors, etc. who support veto. Submit to Vern Loen.	Falk
5/30	Set up briefing for outside groups - plan for June 3-10 time frame.	Baroody
5/30	Reply substantively to Udall/Mink letter. State that Zarb will represent Administration.	Lazarus/Hill
6/2 (noon)	Prepare briefing package on 1) Strip mining and overall energy policy 2) Production impact 3) Unemployment impact 4) Consumer prices	Hill/Carlson in coordination with CEA, Labor, Commerce

Each package should contain:
A) One-page summary
B) Two- to four-page Fact Sheet
C) Short narrative argument



6/2	(noon)	Distribute briefing package to:	Duval
		. Friedersdorf, et al.	
		. Warren	
		. Baroody	
		. FEA (Hill)	
		. Interior (Carlson)	
		. Falk	
		. Senior W. H. Staff	
		. Cabinet (via Connor)	
6/2		Prepare brief paper describing Inflation Impact Statement for President's bill and H.R. 25.	Hill
6/2	(p.m.)	Friedersdorf and Zarb brief minority members of Senate and House Committee.	Friedersdorf/ Zarb
6/2		Press mailer and backgrounders	Warren
6/3		Hearings	Friedersdorf/ Zarb
6/5		President meets with GOP Leadership.	Friedersdorf
6/8		Present our position at National Governors Conference meeting.	Falk

NOTE: After the hearings on June 3, we should plan to meet again on strategy from then up to the vote. (Max may want a meeting on Monday, June 2.)

cc: Seidman
Baroody
Cavanaugh
Warren
Lazarus
O'Neill
Hill and Frizzell (advised by telephone)



THE WHITE HOUSE
WASHINGTON

Date J-31-75

TO:

JACK MARSH

FROM: CHARLES LEPPERT

Please Handle _____

For Your **ATTENTION** Information _____ ✓

Per Our Conversation _____

Other:



JAMES A. HALEY, FLA., CHAIRMAN

ROY A. TAYLOR, N.C.
 HAROLD T. JOHNSON, CALIF.
 MORRIS K. UDALL, ARIZ.
 PHILIP BURTON, CALIF.
 ROBERT W. KASTENMEIER, WIS.
 PATSY T. MINK, HAWAII
 LLOYD MEEDS, WASH.
 ABRAHAM KAZEN, JR., TEX.
 ROBERT G. STEPHENS, JR., GA.
 JOSEPH P. VIGORITO, PA.
 JOHN MELCHER, MONT.
 TENO RONCALIO, WYO.
 JONATHAN B. BINGHAM, N.Y.
 JOHN F. SEIBERLING, OHIO
 HAROLD RUNNELS, N. MEX.
 ANTONIO BORJA WON PAT, GUAM
 RON DE LUGO, V.I.
 BOB ECKHARDT, TEX.
 GOODLOE E. BYRON, MD.
 JAIME BENITEZ, P.R.
 JIM SANTINI, NEV.
 PAUL E. TSONGAS, MASS.
 ALLAN T. HOWE, UTAH
 JAMES WEAVER, OREG.
 BOB CARR, MICH.
 GEORGE MILLER, CALIF.
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 OKLA.
 WRIGHT PATMAN, TEX.

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 STEVEN D. SYMMS, IDAHO
 JAMES P. (JIM) JOHNSON, COLO.
 ROBERT J. LAGOMARSINO, CALIF.
 VIRGINIA SMITH, NEBR.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

U.S. HOUSE OF REPRESENTATIVES

WASHINGTON, D.C. 20515

CHARLES CONKLIN
STAFF DIRECTORLEE MC ELVAIN
GENERAL COUNSELMICHAEL C. MARDEN
MINORITY COUNSEL

May 30, 1975

The President
 The White House
 Washington, D.C.

Dear Mr. President:

On May 22, 1975, a letter signed by Rep. Patsy T. Mink and me was delivered to the White House, in which we requested that we be furnished by May 28 with copies of "any memoranda or other analysis" dealing with the projected impacts of H.R. 25 cited as a justification for your disapproval of that bill in the veto message. We also requested that you make available for the Subcommittees' hearing schedule for June 3, those individuals who developed these figures and projections.

As of 12:00 noon today, neither the requested materials nor a list of witnesses has been furnished to us, nor has counsel to our Committee been able to obtain this information from White House staff.

It is the purpose of this letter to reiterate our request for the materials--which are needed immediately if we are to have sufficient opportunity for evaluation--and to request that certain individuals be made available for the hearing.

It has come to our attention that the individuals identified on the attached list were intimately involved in the interpretation of the legislation or in the development of your projections. Of course, the list is not intended to be exhaustive, and you are certainly welcome to make available individuals in addition to those listed who developed the projections.

In order to achieve our mutual goal of establishing the impact of enactment of H.R. 25, it is imperative that



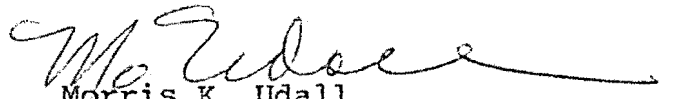
The President

May 30, 1975

the Subcommittees be apprised of the availability of the requested witnesses. I make the further request, therefore, that my office be notified of the names of the witnesses you will be making available for appearance at the hearing by 10:00 a.m., Monday, June 2, 1975.

Your cooperation in this matter will be sincerely appreciated.

Sincerely,


Morris K. Udall
Chairman, Subcommittee
on Energy and the Environment



R.A. Pense	Bureau of Mines	
R. Hadley	U.S.G.S.	Denver
Jack Reed	U.S.G.S.	Reston
W.R. Keefer	U.S.G.S.	Denver
Dan Colby	Bureau of Mines	
George Miller	Bureau of Mines (Environmental Division)	



JUN 2 1975



FEDERAL ENERGY ADMINISTRATION
WASHINGTON, D.C. 20461

May 31, 1975

DEPUTY ADMINISTRATOR

MEMORANDUM FOR: SEE BELOW
SUBJECT: STRIP MINING TESTIMONY
FROM: JOHN HILL *John A. Hill*

Attached is a first draft of Frank's testimony for the Udall strip mining hearings. I need your comments by 1:00 today in order to complete a second cut on the testimony by tonight.

Attachment

Addressees:

Jim Lynn
Jim Cannon
Mike Duval
Max Friedersdorf
Charles Leppert
Glenn Schleede
~~Jack Marsh~~
Jack Carlson
Ray Peck
Tom Falkie



Mr. Chairman:

It is a privilege to be with you today to discuss the reasons why the President believes that enactment of H.R. 25 would be against the National interest.

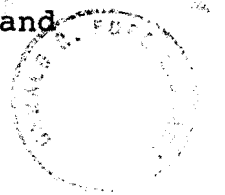
I would like to make several general points at the outset, because I feel it is important that people realize that Congress and the Administration share certain views on this legislation. My first point relates to statements made in a letter of May 23 from the Chairman and three other members of the Subcommittee and Representative Mink, Chairperson of the Subcommittee on Mines and Mining, to their colleagues.

I quote:

"A number of Members who had formerly supported the bill were concerned with the assertions that enactment of the legislation would result in the loss of thousands of jobs, drive up electric utility bills, and preclude the production of millions of tons of coal."

"Those of us who are close to the development of this legislation are certain that these charges cannot be substantiated--our support would be irresponsible if they could be--and during the next two weeks we will be attempting to set the record straight."

I could not agree more with the desire that we all act responsibly. In fact, we hope that these hearings will set the record straight, and you will see, Mr. Chairman, that the President vetoed this bill because he felt that to do otherwise would be irresponsible. The facts and figures that we and



others will present during these hearings should, we feel, convince you that the responsible course has been taken. I wish to make one preliminary point. It has been suggested publicly that this Administration is prepared to tolerate continuation of environmental abuses that have resulted from surface mining in the past. That is simply not the case.

The Administration first submitted legislation to impose minimum Federal standards on surface mining in 1971. Since then, on numerous occasions in testimony, in correspondence and in countless conferences with members and staff of this Committee and its counterparts in the Senate we have stressed our commitment to the enactment of measures to balance the compelling environmental and energy considerations involved in the surface mining of coal.

As recently as February 6, 1975, the President transmitted to Congress proposed surface mining legislation. In submitting that legislation, the President specifically identified the areas of difference between S. 425 and our proposal and stressed the overwhelming importance of these areas in terms of lost coal production, unemployment and other adverse economic impacts.

Notwithstanding this detailed review of the deficiencies of S. 425, the Congress passed H.R. 25, which would, in many respects, have had even greater adverse impacts than S. 425.



I am here today to discuss that impact. In doing so, I must again point out that, in some areas, it is not quantifiable. For example, there is the issue of coal miners' health and safety -- an issue of American lives. Surface mining is intrinsically safer than deep mining. No one gets black-lung in a strip mine, and the fatalities in strip mines are at most half what they are underground. Moreover, differing interpretations of specific language in H.R. 25 by regulatory authorities and courts could result in varying degrees of adverse impacts in virtually every area. As a result, even our most precise estimates must be set forth as ranges of possible impact rather than as projections of concrete effects.

Before proceeding to specific provisions of H.R. 25, I wish to make the further observation in regard to the problem of interpreting certain of its provisions. Ambiguous language-- and there is a lot of it in H.R. 25 -- breeds litigation, because the courts are the ultimate arbiters of the conflicting claims of individual citizens.

Ambiguous language, thus, forces the courts to legislate, and, while a district court in California may rule one way, its counterpart in New York may rule another. Then each is subject to being overruled by its respective Court of Appeals, and ultimately, after years of uncertainty, by the Supreme Court.



Recent history -- the case of the Trans-Alaska Pipeline, for example -- demonstrates how long these periods of confusion can last. And we cannot afford seven years of deferred coal production while we wait for the courts to thrash out problems that should be resolved at the legislative, not the judicial, stage in the first place.

And recent history -- the case of the "non-significant deterioration" language of the Clean Air Act, for example -- demonstrates that the courts generally gravitate toward the more rigid possible interpretations of ambiguous language -- interpretations that may be far more inflexible than Congress intended.

Now, as to the specifics of H.R. 25 and our views on its impact.

On May 23, 1975, Dr. Thomas Falkie submitted to Chairman Metcalf of the Senate Subcommittee on Minerals, Materials and Fuels an analysis of the adverse impact that we predict if H.R. 25 were to become law. I understand that copies of this material have been distributed to the Committee, but I would like to submit it at this time for the record.

In general, the low range of our estimates represents the adverse impact we expect if the bill were to be interpreted loosely, that is, if its provisions were interpreted in ways



that would minimize production losses, economic costs and mine closures. The high range of estimates represents those losses that we would expect if a strict, literal interpretation and vigorous implementation were given to each provision.

In brief, we have estimated that from 40 to 162 million tons of annual coal production would be lost during the first full year of implementation. Losses would occur in three general categories: reduced production or closures of small mines, delays or prohibitions arising from the steep slope, siltation and aquifer protection provisions, and bans on mining operations in alluvial valley floors.

Each of these items is identified in Dr. Falkie's submission to Senator Metcalf, and he is here today prepared to discuss them in more detail. I will, however, discuss each of them briefly.

First, small mines. In preparing our estimates, we have classified as "small," mines with annual production of 50,000 tons or less. As noted by the Council on Environmental Quality in its report to Congress in 1973, at that level of production a mine's capital availability, cash flow and technical resources are limited. As a result, operators of this size would simply not be able to bear the front-end costs of applying for and obtaining permits to mine.



Faced with this inability to obtain a permit, many such mines would be required to close. Our estimate is that 40% of projected production from small mines would be precluded under H.R. 25, with the principal impact in the East. As the Council on Environmental Quality pointed out, such mines account for up to 56% of current production in some states of the Appalachia region. I might also note here that these losses attributed to small mines, which I have just mentioned, are not included in the loss estimates that I will be discussing during the remainder of my testimony.

With respect to provisions concerning steep slopes, siltation and aquifer protection, we have estimated losses ranging from seven to 44 million tons in the first full year of implementation. Strict interpretation and application of H.R. 25's steep slope provisions alone would result in loss of production from virtually every mine operation on slopes in excess of 20 degrees -- loss totalling from seven to 25 million tons. Much of this loss is, in our view, unnecessary.

With appropriate environmental restrictions, some variances from the absolute requirements of H.R. 25 could be provided that would greatly reduce production losses, without environmental danger.

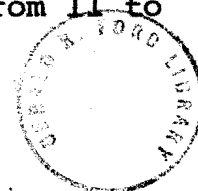
The aquifer protection provided by H.R. 25 is also set forth in absolute terms. Consequently, a literal interpretation of

these provisions could result in termination of all production near aquifer-fed water sources. We estimate that nine million tons of actual and projected production is subject to such a possible ban. Allowing individual operations to accommodate individual circumstances at individual mine sites could greatly reduce the losses that this provision might entail.

Earlier versions of this legislation prohibited absolutely any increase in normal siltation levels during or after mining operations. Congress recognized the impossibility of achieving this result and modified the siltation provisions of H.R. 25 accordingly.

However, a serious problem still remains. As now drafted, the bill would require operators to use any technology that exists and that could prevent siltation. Such a requirement is unrealistic, for it could require operators to apply technology that, although theoretically available, could be prohibitively expensive, even to prevent relatively insignificant siltation. And, again, the bill's lack of flexibility could result in closures where environmental concerns could, in fact, be accommodated with continued production.

Finally, we estimate that the various provisions of H.R. 25 related to alluvial valley floors would cost us from 11 to



66 million tons of coal production during its first full year of implementation.

It should be noted that what we are dealing with here is a possible ban on the mining of certain coal. And our experts tell us that in virtually all of the geological areas involved, surface mining is the only possible method of extraction. We are not dealing with mere reductions in production levels, or closures of mines which might afterwards be reopened. We are talking about locking away from ___ to ___ billion tons of coal -- placing it permanently off-limits for any and all surface mining. Thus, the effect of these provisions will be permanent losses both of production and of reserves.

The fairly wide range of these estimates derives from the fact that our lawyers are unable to predict how regulatory authorities or courts would interpret H.R. 25 and its legislative history. We can not say whether a court would conclude that an area such as the Powder River Basin is "undeveloped range land," and thus not subject to the bill's prohibitions, or whether it would consider this area to be "potential" farming or ranching land and thus off-limits for surface mining. Under the first interpretation, a great proportion of the Powder River Basin would be covered by the exclusion, and open for mining. Under the latter interpretation, our experts tell us that a virtual ban on mining our great western coal deposits could arise.



This question -- although critically important -- cannot be resolved on the face of the bill ^{or} its legislative history.

But this is only one difficulty of many in interpreting the language of H.R. 25. In addition to prohibiting mining on alluvial valley floors, it would prohibit mining that would have an adverse effect on farming or ranching operations that are themselves located on such floors. The impact of this language is even more difficult to assess and proper interpretation would depend upon the individual geologic and hydrologic conditions of a given proposed operation. However, H.R. 25 places the burden of proving the absence of any such adverse impact upon the applicant for a permit.

Based upon all of these consideration, we estimate a production loss attributable to alluvial valley floor provisions ranging from 11 to 66 million tons and a reserve loss of from 17 to 26 billion tons permanently locked into the ground.

Our experts have reviewed these figures in detail. They have made on-site inspections and have analyzed closely the provisions of the bill. We consider these loss estimates to be extremely conservative.

In addition to these concerns, there is another, very broad concern that the President has expressed: Given our present



national energy situation, we must move with extreme caution as we seek to balance our national objectives. If we take away from our domestic energy supplies, we must know precisely how much we are subtracting. And we must find ways to make up for losses in one area with additional supplies from another. If we do not -- or if no domestic substitutes are available -- our imports will continue to rise and our national energy situation will deteriorate even further.

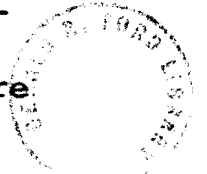
To date, no comprehensive energy program has been enacted that will significantly curb consumption. Nor has Congress turned its attention to measures that will assure the development of other domestic sources that could offset the coal production lost because of H.R. 25.

This Nation cannot afford to reduce the availability of our one abundant domestic energy resource until and unless we have another to replace it.

We cannot continue the past practice of making piecemeal decisions and calling them policy.

I would like now to point out some of the consequences that the Nation will have to suffer if such losses are, in fact, incurred.

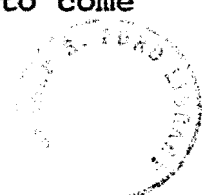
You all know the magnitude and scope of this Nation's energy problem. Even under the most optimistic circumstances -- assuming Congressional enactment of the President's entire



legislative program and crude oil price decontrol -- we will still be importing about five million barrels of oil per day in 1985. With no action on our energy program, we will be importing more than half the oil we consume, or more than 12 million barrels per day.

No matter what projections are used, one thing is clear -- we will have to greatly expand coal production in the next ten years. This expansion must occur steadily during this period if our 1985 goals are to be reached. Coal will be needed in new and existing powerplants, for direct burning in some areas, and in a growing synthetic fuel industry. In the long-run coal will be the essential element to be converted to liquids and gases for industrial and utility use.

If the strong national energy program proposed by the President were enacted by the Congress, we could withstand the losses of coal production that would result from this bill. The President's conservation and domestic supply actions would substantially reduce our need for imported oil. But without such an energy program, the loss of even 40 million tons of coal per year -- at the low end of our estimate spectrum -- would increase imports by more than 400,000 barrels per day -- and, at the high end lost production could mean more than 1.5 million barrels a day in increased imports. An increase of imports of this magnitude would have to come



from the Middle East - where still higher prices are already being discussed and where the danger of another embargo remains very real. Even at current prices such an increase in imports of Middle East oil would require an additional \$1.9 to 7.8 billion a year.

Still another dimension of the problem lies in what it would do to other national priorities. One year ago Congress passed, and the President signed, the Energy Supply and Environmental Coordination Act. The Administration is firmly committed to carry out the ESECA mandate, which aims at increasing coal use in certain power plants and other major fuel-burning installations. We hope, and believe, that Congress shares our commitment to this goal. But I must add that ESECA would be rendered a worthless piece of paper were this bill to become law. Nor are these the only effects that we would suffer. For each 10 mine jobs lost, a minimum of an additional eight jobs would be lost in other sectors of the economy dependent upon the mining industry. Applying this factor to projected production losses and manpower efficiency rates applicable to such losses, we have concluded that from 9,000 to 36,000 jobs would, in fact, be lost as a result of implementation of H.R. 25.

Two other specific points should be mentioned in this regard.

First, we would expect resulting unemployment to be concentrated in certain areas and to be especially severe



in Appalachia. New jobs created nationwide in reclamation efforts could not offset these regional disparities.

Second, to the extent that reclamation activities funded by H.R. 25 would create jobs, they would do so only at the expense of other jobs. The reclamation fee would withdraw significant funds from the economy and reduce employment elsewhere accordingly. To the extent that these funds remained unspent in the Federal Treasury, there would be a direct recessionary impact. To the extent that they were expended for reclamation purposes, the jobs created would only replace those destroyed, and any actual offset would be minimal.

It has been suggested that the shift to underground mining would create more jobs and offset unemployment of surface miners. However, as the Council on Environmental Quality has pointed out, long lead-times and major capital outlays are required to open or expand underground mines. As a result, any offset from this source would be years away.

Moreover, as the CEQ has also noted, the skills required for surface mining are drastically different from those required for underground mining. Substantial retraining of surface mine personnel would be required before they could work in deep mines.

Underground mining is less efficient in terms of mineral



removal and manpower efficiency. Thus, the costs of such mining would be substantially greater than those of surface mining operations.

And, finally, while substantial progress in underground mine safety has been made, the fact remains -- as I mentioned earlier -- that underground mining is more dangerous than surface mining and involves more than twice the risk of accidents and injuries associated with surface mining.

For all these reasons, the Administration believes that this bill would preclude the possibility of achieving true balance among important national objectives for energy, our economy, our environment and our national security. It has been called an "anti-energy" bill, but its negative impact is much broader than that.

We cannot expect the American people to suffer the effects of such a bill at a time when we are asking them to bear the burdens of stringent energy conservation and endure the continuing effects of this Nation's worst recession in more than a quarter of a century. In the absence of a comprehensive energy program, this bill would only serve to put thousands of people out of work, add to consumer costs, cut our energy supplies, and sustain and increase our current unacceptable reliance upon insecure foreign sources of oil. It is a bill that runs directly contrary to our National interests.



Mr. Chairman, I consider this only a brief outline of the objections and problems which compelled the President to veto H.R. 25. Many additional issues could and should be discussed if our efforts here today are seriously concerned with responsible action. We must consider realistically:

- To what extent would the states, in fact, designate land areas unsuitable for mining?
- To what extent could H.R. 25 allow frivolous petitions to operate as an additional obstacle to the granting of a mining permit after it has been applied for?
- To what extent would the states be able to implement programs within the narrow time constraints of the bill, and how much time would an operator have to bring an existing operation into line with the terms and conditions of a new permit?
- How many operations presently planned would be classified as "new" instead of as existing operations and therefore be subject immediately to the more stringent, permanent standards set forth in the bill?
- To what extent would the owners of surface lands overlying Federal coal deposits simply refuse to allow the mining of coal belonging to the Nation?
- To what extent would the states be able to prevent development of coal reserves on Federal lands within their borders?



-To what extent would small mines be forced to close or sell out to large companies that are able to bear increased capital and operating costs? And is such an incentive to market concentration desirable?

-To what extent would the bill affect Clean Air Act objectives in terms of low-sulfur coal production and our ongoing efforts to convert oil and gas burning facilities to the use of coal without unacceptable environmental risks.

Mr. Chairman, these questions are not frivolous, and they cannot be ignored. Each derives from ambiguities or uncertainties in the language of the bill or in its legislative history, and any or all could present questions of public policy and national security at least as grave as those issues that I have covered in this statement. In our view, the Nation simply cannot afford to run the risks inherent in a regulatory program as important, and as uncertain, as that contained in H.R. 25.

Coal is the only major domestic resource upon which we can rely as a secure source of energy in the coming decades. This bill would have a direct, immediate and long term impact upon the availability of this resource.

We firmly believe that adequate legislation can be drafted that will balance environmental concerns with energy needs --



without the uncertainties so clearly present in H.R. 25
and without the burdens that it so clearly would place on
American workers and American consumers. We urge Congress
to proceed with that task.

