

Office of the White House Press Secretary
(Vail, Colorado)

NOTICE TO THE PRESS

The President has withheld his signature from S. 425--The Surface Mining Control and Reclamation Act of 1974--which would have provided for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines. The President's Memorandum of Disapproval is available separately.

S. 425 would have established Federal standards for the environmental protection and reclamation of surface coal mining operations including the reclamation of orphaned lands. Under a complex procedural framework, the bill would have encouraged the States to implement and enforce a program for the regulation of surface coal mining with Federal administration of the program substituted if the States do not act.

Principal aspects of the bill considered objectionable by the Administration are:

- A 35¢/25¢ per ton excise tax on surface/underground coal with receipts going to a Federal fund for reclaiming orphaned strip mined land, public facilities, disaster relief, etc. (\$206 million would have been produced in 1975).
- \$95--110 million for grants, research, and Federal regulation.
- Excessive direct Federal involvement in reclamation and enforcement programs.
- Precedent setting unemployment assistance.
- Coal production losses in 1975 of 2 to 3 percent--FEA estimates that by 1977, the first year after the Act would have taken full effect, losses could have exceeded 18 percent or some 141 million tons
- Surface owner protection provisions that would have limited access to Federal coal lands, produced windfall profits to surface owners and reduced Federal revenue from leases.