Higher Job Losses Due To Overreaching Regulation

New Federal Stream Protection Rule Will Cost Jobs and Coal Communities Nationwide, Warns National Mining Association

WASHINGTON D.C. - A new Obama administration regulation—the so-called Stream Protection Rule—is about to drive up energy costs and unemployment with no gain in environmental benefits, cautions the National Mining Association.

“The primary motive of this regulation is not to protect streams, as its title would suggest, but to protect federal regulators’ jobs at the expense of coal miners’ jobs as the nation’s energy providers,” said Luke Popovich, vice president of communications for the National Mining Association.

In a classic example of needless regulation, the U.S. Office of Surface Mining, or OSM, plans to change more than 475 regulations, as well as add more new rules – despite no demonstrated need. OSM has crafted the rule behind closed doors, Popovich said, shutting cooperating states out of discussions about the purpose and content of the regulation.

The new rule carries a heavy economic price tag, Popovich warned. He pointed to an analysis by an independent consultant that found that OSM’s rule would put more than 268,000 mining and dependent jobs at risk—adding to the 40,000 high-wage jobs already lost in the industry.

According to this independent study, that loss also means less money for communities—in this case, at least $5 billion less in federal and state revenues. The rule also would jeopardize access to as much as 63 percent of the nation’s recoverable coal reserves, leaving affordable energy untapped, and increasing electricity costs for families.

“In 2011, President Obama issued an executive order laying out the ground rules for improving federal regulation and review,” Popovich said. “OSM has ignored all of those guidelines by moving ahead without an open exchange of ideas, without considering economic impacts, and without offering a scientific rationale for why the new regulations are necessary. In response, most state agencies have terminated their role in this rulemaking.”

“Ironically, OSM’s own reviews show that mining-companies are overwhelmingly in compliance with current standards.” Popovich said. “In fact, the agency admitted it had already decided to issue this rule five years before it conducted the study to determine the need for it.”

President Obama called for responsible regulation.

Are any of his regulators listening?
The National Mining Association (NMA) is the voice of the American mining industry in Washington, D.C. Membership includes more than 325 corporations involved in all aspects of coal and solid minerals production including coal, metal and industrial mineral producers, mineral processors, equipment manufacturers, state mining associations, bulk transporters, engineering firms, consultants, financial institutions and other companies that supply goods and services to the mining industry.