

Coal provision in Obama budget irks lawmakers

By The Associated Press

CHEYENNE - Wyoming's congressional delegation is condemning part of President Barack Obama's budget proposal released Thursday that could cut future payments to the state from the Abandoned Mine Land fund.

The program uses taxes on coal production to clean up abandoned mine sites and for other projects. Wyoming is receiving \$100.7 million during the 2009 fiscal year as part of the program.

Obama's budget proposal calls for terminating payments to coal-producing states that have completed mine cleanup, according to the delegation.

"This is a past obligation and to threaten to take away what we are already owed is outrageous," Sen. Mike Enzi, R-Wyo., said in a prepared statement.

Elly Pickett, Enzi's press secretary, said Wyoming spends about \$30 million a year of its AML funds on mine cleanup. That project is expected to extend for another few years.

But those payments would fall far short of the more than \$580 million in AML funds that the delegation says is still owed to the state.

Congress passed the Surface Mining Control and Reclamation Act in 1977, imposing the coal tax for mine cleanup projects. The federal government still collects a 35-cent tax on each ton of coal produced in the state for the AML fund, according to the delegation.

Congress renewed the act in 2006 with a promise that the federal government would pay back AML funds it collected but never appropriated to the states, the delegation said. Wyoming has expected to get at least \$80 million annually over the next six years as the federal government distributes the money.

Sen. John Barrasso, R-Wyo., and Rep. Cynthia Lummis, R-Wyo., joined Enzi in blasting Obama's AML proposal.

"In 2006, after nearly 30 years of bipartisan effort, an agreement was found and signed into law. A commitment was made not to change the bill in middle of the game," Barrasso said.

Said Lummis, "I can say with full confidence that I and Wyoming's current congressional delegation will not rest until President Obama's current AML proposal is buried."

In Wyoming, the state Legislature votes on which projects to fund with AML money. Last year, the Legislature's appropriation included \$17.4 million for the University of Wyoming School of Energy Resources operating budget, \$20 million for the School of Energy Research to build a gasification facility and technology center, and \$10 million for the construction of a road to a planned coal-to-liquid plant in Carbon County.

Gov. Dave Freudenthal said he will work with delegation to resist Obama's proposal. "We will work shoulder to shoulder with our delegation, as we did when the state's share of federal mineral royalties was reduced from 50 percent to 48 percent," he said. "We intend to work closely with the congressional delegation on this going forward."