

Chairman's Opening Statement
Office of Surface Mining, Reclamation and Enforcement
FY 2011 Budget Request
March 10, 2010

Welcome Director Pizarchik, we are glad to have you here today to present your fiscal year 2011 budget request.

The Office of Surface Mining plays two different but complementary roles: helping the States to oversee and regulate current coal surface mining, and helping the States to reclaim abandoned mine lands which are the legacy of 150 years of coal mining. These are important roles built upon strong partnerships with the States.

When I look at your budget highlights, I see only reductions and I can't help but wonder if you and the states will have enough to get the job done. At \$146.1 million the Office of Surface Mining's FY 2011 budget has been reduced by \$16.7 million, 10 percent below the enacted level. This includes an \$11 million reduction in grants to States to operate their regulatory programs, which the Administration assumes States will cover with increased fees at your urging. This is quite a different policy than what the Administration proposed last year, and I'm interested to hear why that is.

You are also proposing to eliminate \$4.5 million to states for emergency cleanups and Federal High Priority Projects. And similar to last year I see you have re-proposed to eliminate \$115 million in mandatory funding to certified states.

As is true with the other bureaus within the Department of Interior, OSM has to absorb fixed costs. This amounts to nearly \$1.5 million that OSM will absorb in 2011. I am concerned about the impact this policy will have on implementing the Federal share of the regulatory program.

We'll probe further into all of these areas during questions. Director Pizarchik, thank you again for being here today. We look forward to your opening statement.