



Chairman Lisa Murkowski
Opening Statement: Oversight Hearing on
The Department of the Interior's Proposed Stream Protection Rule
October 27, 2015

Good morning, everyone. The Committee will come to order.

We are here this morning today to discuss a very important topic. This is the Interior Department's rulemaking to significantly revise its existing Stream Protection regulations under the Surface Mining Control and Reclamation Act. This Proposed Rule was published in the Federal Register in July. It has clearly risen to a level of controversy that I think we will hear reflected this morning before the committee.

This Committee has spent some time this year examining the administration's action and resulting federal overreach. I think that what we're seeing with this particular rule again is a rule that has generated a level of controversy and concern and that's the purpose for the hearing this morning – to review and discuss it.

For the proposed Stream Protection Rule those effects have been quantified and there is clearly some disagreement in terms of our numbers here. I think it's important that we look to some of what we have been given. The coal industry estimates that between 40,000 and 78,000 direct jobs could be lost. That's on top of the almost to \$29 billion in lost annual resource value and up to as much as \$6.4 billion in foregone State and Federal revenue.

Now, for its part, the Interior Department concedes that the rule will cost industry \$52 million in annual compliance costs but somehow calculates that into a loss of only a maximum of 590 jobs. So you've got a wide discrepancy here in terms of the number of jobs and the revenues that we're discussing here. It's going to be interesting and I think important to get down to some accurate numbers.

To date, the administration has reportedly spent over \$10 million in taxpayer funds preparing for this proposal. So I'd like to find out what we have seen as a consequence.

The scientific studies that reportedly justify the proposed rule appear anemic at best. Studies with concentrated focus on a single geographic region is hardly a representative sample that can be applied nationwide. I doubt very much that the Interior Department bothered to conduct any research in Alaska where climate and permafrost alone will likely prohibit compliance with the new regulations, if they are finalized.

I am concerned with what appears to be limited stakeholder involvement in the development of this proposal, despite the administration's assurances to the contrary. Our State partners share responsibilities for implementing SMCRA and it's my understanding that they have been trying to engage with the Department on these issues for the past four years without success.

And then finally, I question the legal underpinnings of this proposed rule, particularly as the rule pertains to the Clean Water Act, as well as the proposal's ill-defined requirements that the States will have to enforce. I fear the end result of this process will be never-ending litigation at the taxpayer's expense.

We've got a lot to cover this morning. We do have a series of five votes beginning at 11 o'clock so it's my intention this morning to try to move through all the witnesses, to get through members questions, and hopefully we'll be able to wrap that up before the votes commence at 11 o'clock. With that, I will turn to Ranking Member Cantwell for your opening comments.

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