

GUEST COLUMN: Coal companies should pay their fair share

- By: Jaime Stuever
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It's no secret that our mountain communities are being hit hard by climate change: we're facing drier winters, decreased snowpack and more severe wildfires, and are struggling financially to adapt to these changing conditions. But what is less well known is that coal companies have been adding insult to injury by underpaying on their royalty payments from coal leased on federal lands, neglecting to pay the fair share on revenues that could be used to improve our schools, roads and local infrastructures.

Coal companies have been exploiting the system for years, but nothing has been proposed to address this problem - until now. The Department of Interior's Bureau of Land Management recently announced that it is considering new rules to modernize the process of leasing federal coal to mining companies. This news comes in the wake of Interior Secretary Sally Jewell's call to bring the federal coal program up to date. In March, she directed our attention to the nearly \$1 billion a year that the existing program costs taxpayers. Coal companies are currently able to take advantage of loopholes

that allow the effective coal royalty rate to be 4.9 percent rather than the 12.5 percent mandated by law.

In addition to adding limitations to the process of coal mining, reforming the federal coal leasing program would ease financial strain on local and state governments by providing much needed revenue to western states. It would give these communities the time and resources to adapt to a warmer climate by easing financial strain on American taxpayers and local governments. For example, in Colorado, federal mineral royalties are deposited in the Colorado Mineral Leasing Fund, which distributes money to local communities affected by energy development, schools and the Water Conservation Board.

The city of Leadville is a town with a long history of mining, and in my time as the mayor of this city, the historic molybdenum Climax Mine has reopened after 17 years of inactivity, providing an important stream of revenue to supplement our increasingly tourism-based economy. Freeport McMoRan, Inc., the agency operating Climax Mine, has given \$32,000 for a collaborative Comprehensive Plan between the city of Leadville and Lake County that will support sustainability through city planning, land use and resource management.

Our community has a unique relationship with Freeport McMoRan where both parties understand that long-term goals should ease the economic and environmental pressures of climate change and coal mining, allowing Leadville to continue to be a top destination for outdoor recreation in the United States. We host the world renowned Leadville Race Series, which brings in up to \$15 million in visitor activity each year. As the city with the greatest elevation in the country, we rely on outdoor recreation tourism to support our local economy. And yet, the pristine landscape our visitors come to enjoy is vulnerable to the increasingly serious hazards of climate change.

The BLM is now calling on the public "to comment on whether and how royalty rates charged for coal production should be changed" in a series of listening sessions across the West. The agency conducted a listening session in Denver recently, and I was proud to see members of our mountain communities raising their voices in support of reform. As Secretary Jewell makes good on her promises, she needs to hear about the damaging effects of climate change from those who are impacted by it every day.

In my role as the mayor of Leadville, I hold myself and others, whether they are individuals or large corporations, to the highest standards as stewards of the earth. I commend Interior's long overdue action on this critical issue. It's time we acknowledged our responsibility to our natural surroundings.

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