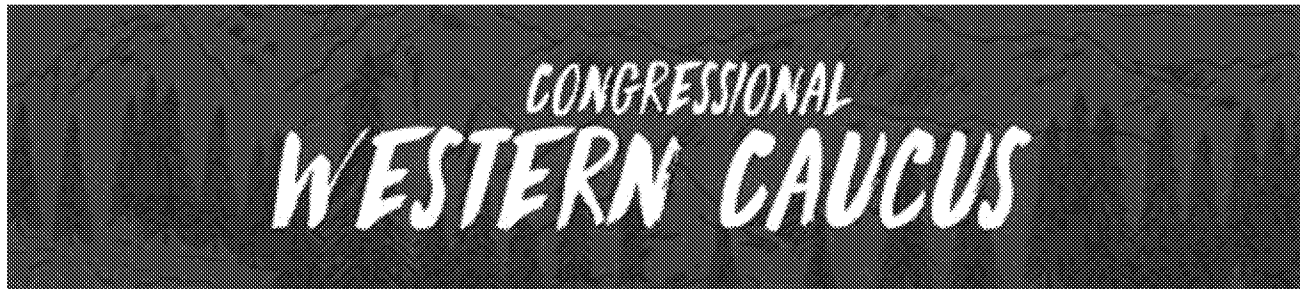


From: Hanson, Tanner [Tanner.Hanson@mail.house.gov]
Sent: 12/5/2017 12:05:54 AM
To: Hanson, Tanner [Tanner.Hanson@mail.house.gov]
CC: Small, Jeff [Jeff.Small@mail.house.gov]
Subject: EPA Determines No Additional CERCLA Action Needed



For Immediate Release
Contact: Tanner Hanson

Date: December 4, 2017
Tanner.Hanson@mail.house.gov

EPA Determines No Additional CERCLA Action Needed existing mining regs are sufficient and extra are onerous, says pruit



WASHINGTON, D.C. – Today, Congressional Western Caucus Chairman **Paul A. Gosar D.D.S. (AZ-04)**, Executive Vice Chairman **Scott Tipton (CO-03)** and Western Caucus Members **Raúl Labrador (ID-01)**, **Andy Biggs (AZ-05)**, **Doug Lamborn (CO-05)** and **Tom Emmer (MN-06)** issued statements following EPA's announcement that it will not be issuing new final regulations for financial responsibility requirements for hardrock mining facilities:

"Imposing billions of dollars in new financial costs on job creators in rural communities in order to enact duplicative government mandates defies commonsense," **Congressman Gosar** stated. "The Obama CERCLA rule was a solution in search of a problem. I am grateful that

Administrator Pruitt and the Trump Administration have heeded our call to scrap this fundamentally flawed, duplicative and unnecessary rule that would have usurped states' rights."

"The decision to reject the CERCLA financial assurance rule is a victory for Colorado, and our nation," said **Congressman Tipton**. "The federal rule, issued in the waning months of the Obama Administration, was duplicative of existing state programs and would have done more harm than good, putting unnecessary burdens on Colorado's job creators. I am pleased to see action to withdraw this unnecessary federal rule."

"I'm grateful the EPA decided to return power from Washington bureaucrats back to Minnesota. The duplicative and unnecessary requirements under CERCLA would have harmed thousands of hardworking Minnesotans in the mining and mineral industry. Now, we can instead support these families and businesses, grow our local economy and work to ensure American mineral and energy independence," said **Congressman Emmer**.

"I appreciate EPA Administrator Pruitt's decision to scrap the Obama Administration's last-minute financial requirements for the hardrock mining industry. In July, I signed a letter to Director Pruitt calling on him to revoke the requirements because they would impose billions of dollars in new costs. Now, thanks to the Director's decision, Idaho's hardrock mining industry – and the rural areas that depend on it – are better positioned to thrive," said **Congressman Labrador**.

Today is an important day for freedom and deregulation. Throughout my first term in Congress, I have been pro-active in overturning the CERCLA 108(b) regulation by sending letters to Administrator Pruitt and the House Appropriations Committee. I also highlighted the regulation on my weekly Freedom Friday blog. Arizona's mining industry brings over 43,800 jobs and \$4.3 billion to the economy. I applaud Administrator Pruitt for putting our economy, global competitiveness, and American energy independence ahead of bureaucracy," stated **Congressman Biggs**.

"The EPA is doing the right thing in scraping these unnecessary regulations. The consequences have been damaging and I'm pleased to see it will be reversed. This is a victory," concluded **Congressman Lamborn**.

Background:

On Friday, December 1, EPA Administrator Scott Pruitt announced that the Agency had completed its review of the Obama Administration's proposed financial responsibility requirements for certain hardrock mining facilities under CERCLA were unnecessary given that existing regulations and laws already addressed risks sufficiently.

The EPA announcement comes on the heels of a Western Caucus-led letter, signed by 42 Members of Congress, calling for the Administration to scrap the misguided new regulation. Read the press release issued when that letter was sent this summer [HERE](#).

"After careful analysis of public comments, the statutory authority, and the record for this rulemaking, EPA is confident that modern industry practices, along with existing state and federal requirements address risks from operating hardrock mining facilities," said **EPA Administrator Scott Pruitt**. "Additional financial assurance requirements are unnecessary and would impose an undue burden on this important sector of the American economy and rural America, where most of these mining jobs are based."

The full EPA press release can be found [HERE](#).

The rule was originally published in the lame duck on January 11, 2017 and in the twilight of the Obama Administration's regulatory authority.

The regulation was duplicative of existing state programs and federal financial assurance obligations for the HRM industry. It therefore did not secure any additionally meritorious protections in the area of financial assurance, while imposing extensive compliance costs on state governments and mining companies.

The letter signers stated that EPA's assessment of the HRM industry failed to appropriately account for the comprehensive federal and state programs and associated financial assurance safeguards already in place. Such programs ensure that all phases of mining, reclamation, closure and post-closure are designed and operated to provide protection against the very same risks the past Administration sought to address in the rule. As a further consequence, a final rule would have usurped states' regulatory purview. The complexity of this industry and its variability across states makes it suited for even more state oversight—not less, as the rule as proposed would force.

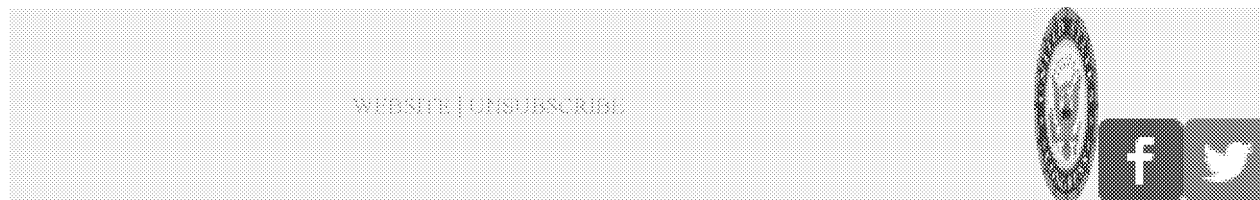
The letter also made clear that the totality of available evidence and study shows that the Obama Administration's rule would have devastating economic consequences for companies, the families they support, and the states and localities to which they provide revenues. The industry in question provides more than 1.2 million jobs and generates approximately \$3 trillion in added value to our nation's gross domestic product (GDP).

Agency *and* private analysis of the redundant rule both showed its requirements would result in significant economic damage to this important industry.

EPA's Regulatory Impact Analysis estimated that the rule will impose \$7.1 billion in new financial responsibility obligations on the HRM industry. According to EPA's data, the rule would have required HRM facilities to incur \$171 million per year in new financial responsibility costs, while only saving the government \$15.5 million per year.

Analyses conducted by affected industries included more comprehensive considerations and detailed assumptions derived from knowledge of industry operations. Such analyses estimated the cost of the mandate to be significantly higher than EPA's already-substantial projections.

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