



Federal Funds for Cleaning Up Abandoned Mines

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An article in the [Wall Street Journal](#) offers another example of the problem with the federal government tackling issues that should be left to the states to resolve. Congress passed a law in 1977 requiring coal companies to pay a fee that was to be used to help the states clean up abandoned mines. As is often the case, the distribution of funds to the states has been distorted by politics:

Wyoming officials figured they would get large payouts every year because their state was producing so much coal. But the money had to be "appropriated" by Congress, meaning lawmakers had to vote each year on who would receive it. That often didn't happen, so a lot of the money sat unused, including hundreds of millions of dollars that Wyoming officials believed belonged in their state.

In 2006, as parts of the law were set to expire, Sen. Mike Enzi (R., Wyo.) won passage of a measure that allowed the money to flow as "mandatory" spending, meaning it didn't have to be voted on by Congress each year. In addition, it allowed Wyoming, three other states and three Native American tribes to use their money, including funds not distributed in prior years, with virtually no strings attached. Those four states and three tribes were certified as having taken care of their most severe abandoned coal mine problems. Other states had to use the money more narrowly for mine problems.

The next year, the Wyoming legislature voted to spend \$50 million in coal-mine funds to build a new science, technology, engineering and math building at the university. Groundbreaking for the building, to be named after Mr. Enzi, is slated to begin this year.

Federal and state officials from Wyoming argue that if their coal companies generated the fees, Wyoming should get the money. The Obama administration argues that the funds were supposed to be used for cleaning up abandoned mines, not renovating a basketball area at the University of Wyoming, which is what the state's legislature intends to spend \$10 million in federal mine cleanup money on.

Both sides have a point, but I think there's a better, simpler solution: let Wyoming and the rest of the states with abandoned mines decide how to clean them up. Why must the fee (i.e., tax) money be laundered through Washington where it's inevitably going to be manipulated by parochial-minded politicians? The answer is that it needn't, but getting the politicians in Washington to part with a pot of money is like trying to take a bone from a bulldog. And for all their complaining about federal involvement in state affairs, state politicians love getting money from Washington to spend because it allows them to avoid having to directly ask their taxpayers to pony up.

See this Cato essay for more on [fiscal federalism](#). See here for more on downsizing the [Department of the Interior](#).