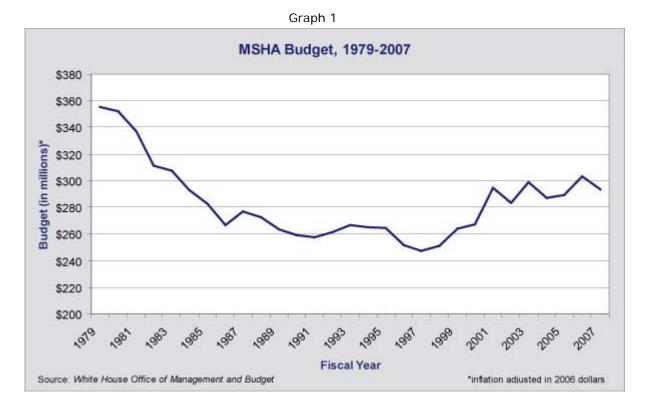
Coal Mine Safety Shortchanged by Years of Budget Cuts

Congress created the Mine Safety and Health Administration (MSHA) in 1977, placing a new federal focus on miner safety and health. However, the agency's budget and staffing levels have been cut over the past three decades. The budget for MSHA's coal mine safety and health program has been particularly abused. In the past two years, a spike in coal mine fatalities and high-profile coal mine disasters have prompted many Americans and Congress to look to MSHA to improve miner safety, but years of budget cuts and the loss of qualified employees have left the agency struggling to fulfill its mission.

In 1977, Congress passed the Federal Mine Safety and Health Act (Mine Act), which created MSHA. MSHA is responsible for setting and enforcing regulations to protect workers in thousands of surface and underground mines across America.

In 1979, two years after the formation of the mine regulation agency, MSHA's budget peaked at an inflation-adjusted \$355 million, when it became a fully operational agency. By 2007, despite recent increases in spending, the budget had dropped 15 percent to \$294 million after adjusting for inflation.

After 1979, there was a steady decline in spending for MSHA. By 1986, spending had dropped 25 percent to \$267 million, after adjusting for inflation. By 1997, when only \$247 million after adjusting for inflation was appropriated, funding had dropped 30 percent. Starting in 1998, there were increases in spending for the agency, but not nearly enough to offset the massive drop in spending when compared to 1979. In fact, spending today is on par with 1984 levels. (See Graph 1.)

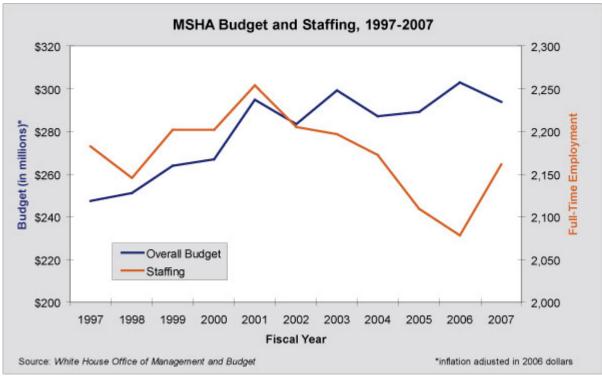


Unlike MSHA's budget, which has increased over the past several years, the number of MSHA employees (also known as "full-time equivalents," or FTEs) has experienced a virtually uninterrupted decline during the agency's existence. From its 1979 peak of 3,811 FTEs, the number of workers carrying out mine regulation and oversight declined by 45 percent to 2,161 FTEs in 2007. (See Graph 2.)



Even though MSHA's budget increased in the late 1990s and in the early 2000s, employment levels struggled to grow, and since FY 2001, have dropped. From FY 1997, when the agency's budget reached its historical nadir, to FY 2007, the agency's budget grew almost 19 percent when adjusted for inflation. However, staffing levels did not follow a similar trend. In FY 2006, MSHA's staffing level reached an all-time low of 2,078. From FY 2001 — the first of the Bush administration — to FY 2006, MSHA's staffing level fell eight percent. (See Graph 3.)





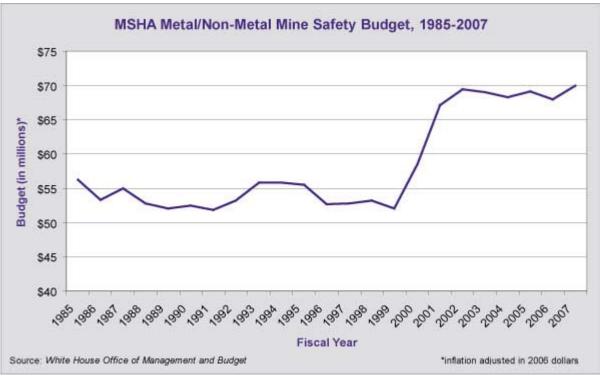
Coal vs. Non-coal: Fatalities and Budgets

Since MSHA's creation, the fatality rate for mine workers, both coal and non-coal, has improved dramatically. However, in recent years, the safety of America's coal mines has come into question as a downward trend in the coal miner fatality rate has reversed and numerous coal mine disasters have drawn national attention. A more in-depth look at MSHA's budget shows the federal government has neglected to provide adequate funds to MSHA for its coal mine safety program.

MSHA divides its mine safety enforcement program into two components: coal mine safety and health and metal and nonmetal mine safety and health. Both programs are statutorily required to inspect all underground mines under their jurisdiction at least four times per year and all surface mines under their jurisdiction at least twice per year. Both programs conduct additional inspections at their discretion.

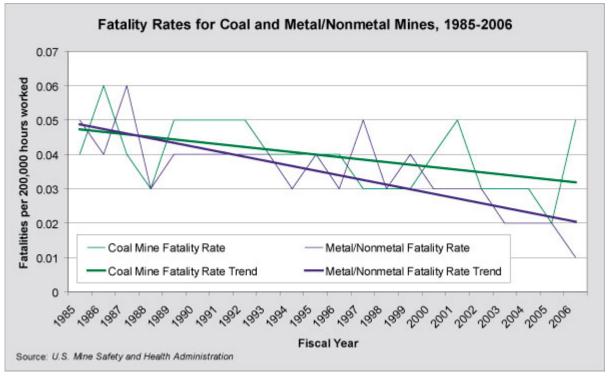
Since FY 1985, the budget for MSHA's metal and nonmetal mine program has increased significantly — nearly 25 percent through FY 2007. (See Graph 4.) As a result, the program has increased the number of metal and nonmetal mine operations inspected each year as the number of those mines has increased. Meanwhile, the fatality rate for workers in metal and nonmetal mine operations has dropped significantly.





The fatality rate for coal miners has declined since MSHA was created, but the progress has been marginal when compared to the rate for metal and nonmetal miners. Since 1985, the fatality rate for coal miners has improved little more than half as much as the rate for metal and nonmetal miners. (See Graph 5.)



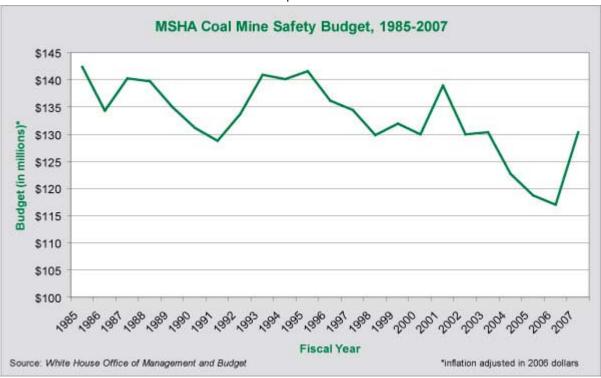


In 2006 and 2007, the number of coal mine fatalities rose abruptly. From 2002-2005, the number of coal mine fatalities was at or below 30. The number of coal miner fatalities reached an all-time low in 2005 (22). But in 2006, the number of coal mine fatalities spiked to 47 — the highest number since 1995. In 2007, 33 coal mine workers died on the job.

Several high-profile coal mine disasters contributed to the rising fatality rate and thrust coal mine safety into the national spotlight. In January 2006, an explosion at the Sago mine in West Virginia killed 12 miners. Later that year, explosions at the Aracoma Alma mine in West Virginia and the Darby mine in Kentucky killed two and five miners, respectively. In August 2007, the Crandall Canyon mine in Utah collapsed, trapping and killing six miners. Three rescue workers were killed days later during a second collapse.

Despite the slowed progress in coal miner safety, past administrations and congressional appropriators have not made coal mine safety a high priority. From FY 1985 to FY 2006, MSHA's coal safety program budget was cut 18 percent when adjusted for inflation. (See Graph 6.) The consistent decline in coal program funding has reversed only recently. With national attention focused on high-profile mine disasters, Congress and President Bush have made efforts to bolster the program's budget. However, it is still lower than it was throughout the 1980s.





Resource Constraints Hinder Performance

A direct correlation between MSHA's budget and coal mine safety may not exist, but recent evidence indicates resource constraints are making it more difficult for MSHA to conduct oversight and enforcement activity and to write the rules that protect miners.

While the number of coal mines under MSHA's jurisdiction has declined, the number of inspections conducted by the coal safety and health program has declined even faster. In 1985, MSHA conducted 88,182 inspections at 5,024 mines, more than 17 inspections per mine. In 2007, MSHA conducted only 15,566 inspections at 2,120 coal mines, approximately 7.34 inspections per mine.

A recent report by the Department of Labor's Inspector General underscores this growing problem. The IG's report looked at inspections required by the Mine Act (and not those MSHA chooses to do at its discretion) and found MSHA's rate of inspection for coal mines to be dropping. According to the report, MSHA's coal program inspectors missed 147 required inspections at 107 underground coal mines — about 15 percent of the mines within the program's purview — in FY 2006. The IG report noted resource constraints as one reason for the drop in inspections. The report states, "Decreasing inspection resources during a period of increasing mining activity made it more difficult to complete the required inspections."

In addition to the deficiencies in MSHA's coal mine inspection program, MSHA's rulemaking division is struggling to keep up with its responsibilities to set standards that ensure the health and safety of coal miners. In the wake of the Sago, Aracoma Alma, and Darby mine disasters, Congress passed the Mine Improvement and New Emergency Response Act of 2006 (MINER

Act) which requires MSHA to set several new coal miner protection standards and sets deadlines for MSHA to finalize those regulations.

MSHA has missed at least two of those deadlines. One rule would "provide for certification, composition, and training requirements for mine rescue teams in underground coal mines." The rule would also set standards for the speed with which rescue teams respond to mine accidents. The rule is expected in February. Another rule to tighten federal standards for sealing abandoned areas in underground coal mines in order to prevent explosions is currently under review at the White House and is expected in the coming months. The MINER Act had required MSHA to finalize both rules by December 15, 2007.

Staffing cuts are at least partially to blame for MSHA's rulemaking woes. In January, the administrator of the Department of Labor's Occupational Safety and Health Administration (OSHA) asked his rulemaking staff to volunteer to be shifted to MSHA. OSHA's administrator said MSHA is "in need of experienced standards writers who can help them meet the challenges before them," according to BNA news service, which obtained an intra-departmental memo.

Outlook

Congress is currently considering the Supplemental Mine Improvement and New Emergency Response Act, which would further amend the MINER Act. The bill does not address resource issues at MSHA. The Bush administration is opposed to the new bill.

Endnotes:

All budget and staffing data for fiscal years 1979-2007 are from the Budget of the U.S. Government appendices, fiscal years 1981-2009. These volumes are the president's request to Congress and contain final budget numbers and program data from two fiscal years prior.

* All inflation-adjusted figures are expressed in 2006 dollars. Inflation adjusting is based on the Bureau of Labor Statistics Consumer Price Index, available at: ttps://gov/pub/special.requests/cpi/cpiai.txt

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