

# ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

## WEEKLY BULLETIN

MAR 24 1986

WEEK OF MARCH 24, 1986

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Floor action may resume this week on Senate Environment's omnibus Army Corps of Engineers water project authorization and cost-sharing bill. Final action had been scheduled for last week, but the bill was pulled from the calendar when Minority Leader Robert C. Byrd raised objections to its treatment of the Tug Fork flood control project in West Virginia, Virginia and Kentucky (see p. B2).

Most House members have the week off, and will be able to pass along to their constituents the good news that Congress last week passed a two-month funding bill to avert a major slowdown of the superfund hazardous waste cleanup program. Conferees on the five-year superfund reauthorization bill will debate a funding figure this week (C10).

In Senate Energy, markup of a 25-year extension of the Price-Anderson Act's nuclear liability and compensation system is set to continue this week, with most of the anticipated major amendments yet to be resolved (C7).

Two Senate Environment subcommittees plan a joint hearing to consider how to regulate disposal of mixtures of low-level radioactive waste and chemical waste (C4).

Senate Finance this week begins to mark up the massive tax reform bill. The plan proposed by Chairman Bob Packwood is somewhat kinder to the oil, gas and timber industries than the House-passed bill (C13).

House Agriculture's Department Operations Subcommittee has given itself a little over a month to mull over numerous controversial issues that emerged during two days of hearings last week on the nation's basic pesticide law, the Federal Insecticide, Fungicide and Rodenticide Act (C14).

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The Environmental and Energy Study Institute, a non-profit 501(c)(3) research and education corporation, publishes the Bulletin for subscribers outside Congress. This Bulletin was prepared for Members of Congress by the Environmental and Energy Study Conference with appropriated funds and published for outside subscription with private funds.

For subscription information, call (202) 863-1900 or write EESI, 410 First St., SE, Washington, D.C. 20003. Subscription rate: \$295 per year. The Bulletin is published every Monday the U.S. Congress is in session.

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# ON THE FLOOR

## IN THE SENATE

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL 1987 - S.Con.Res. ? Debate might begin this week, though at press time aides said work on the resolution probably would not begin in earnest until after the Easter recess.

Senate Budget March 19 voted 13-9 in favor of a bipartisan budget plan put together by Budget Chairman Pete V. Domenici (R-N.M.) and Sen. Lawton Chiles (Fla.), the panel's ranking Democrat.

The resolution meets the \$144 billion target set by the Gramm-Rudman-Hollings deficit reduction law by calling for \$18.7 billion in new revenues in fiscal 1987, freezing most discretionary programs at fiscal 1986 levels and assuming a variety of other spending reduction proposals in the non-defense area to save roughly an additional \$10 billion. The tax figure includes "unspecified" new revenue increases, which could include new energy taxes, of \$12.6 billion in FY '87 and \$39.4 billion in FY 1988-89.

The \$4.9 billion in budget authority for the fiscal 1987 energy function assumes a freeze at current levels and roughly \$300 million in additional savings. The plan assumes extra savings through a reduction in Strategic Petroleum Reserve outlays, reduced federal funding for energy conservation state grants, and proposals in the reconciliation bill passed March 20 to recover federal investments in the uranium enrichment program and increase Nuclear Regulatory Commission fees. Sale of the Naval Petroleum Reserve also is assumed.

The \$12.5 billion environment function assumes a freeze at current levels plus imposition of navigation user fees proposed by the pending water resources bill (S 1567), imposition of new or increased recreation user fees at Park Service and Forest Service recreation facilities, an increase in fees for National Oceanic and Atmospheric Administration maps and charts, and a reduction in U.S. Geological Survey spending through increased cost-recovery proposals. The function also assumes \$1.2 billion in budget authority for the superfund hazardous waste cleanup program in fiscal 1987, a 39 percent increase over the fiscal 1986 level. Report not filed at press time.

AUTHORIZING CONTINUED USE OF LANDS WITHIN SEQUOIA NATIONAL PARK BY AN EXISTING HYDROELECTRIC PROJECT - H.J.Res. 382. Likely this week under unanimous consent.

This non-controversial measure renews for 10 years a park use permit allowing Southern California Edison Co. (SCE) to operate diversion dams, flumes and roads in California's Sequoia National Park. The facilities serve the company's Kaweah No. 3 hydroelectric plant outside the park. SCE has been using park land since 1912 under a permit that was last renewed in 1974. It expired at the end of 1985.

Wilson Amendment: Sens. Pete Wilson (R-Calif.) and Alan Cranston (D-Calif.) may offer an amendment authorizing the Interior Department to make \$3.7 million in loans to private interests seeking solutions to the problem of selenium runoff in California's Central Valley.

Congress last year included language in the energy and water appropriations bill urging Interior to make the loans, but department lawyers say the money bill did not give Interior sufficient legal authority to do so.

Hydro permit: SCE had asked for a 30-year renewal of its Sequoia permit, but the Reagan administration opposes such a long extension. As passed by the House Nov. 14, H.J. Res. 382 (H.Rpt. 99-370) would renew the permit for 10 years

and give the Interior Department authority to grant two more 10-year renewals.

As reported by Senate Energy Feb. 6, the measure would renew the permit for 10 years and give Interior the authority to grant only one more 10-year renewal. The renewal would be subject to a 120-day congressional review before taking effect. S.Rpt. 99-237.

WATER RESOURCES DEVELOPMENT ACT OF 1986 - S 1567. Possible this week.

The Senate began work on this omnibus Army Corps of Engineers water project authorization and cost-sharing bill March 14, adopting several amendments. Final action had been scheduled for last week, but the bill was pulled from the calendar when Minority Leader Robert C. Byrd (D-W.Va.) raised objections to its treatment of the Tug Fork flood control project in West Virginia, Virginia and Kentucky.

Byrd wants to exempt the unbuilt portions of the project from the bill's requirement that local interests pay 25-35 percent of flood control construction costs.

S 1567's Environment Committee sponsors and the Reagan administration say that exempting individual water projects from the bill's cost sharing will undermine a basic principle of the legislation, which is to establish a fair, uniform national financing policy for corps water projects. They also warn that granting a statutory exemption to Tug Fork will only encourage more such requests and invite a veto.

The issue was the subject of a Friday, March 21, meeting that included Byrd, Majority Leader Robert Dole (R-Kans.) and Republican and Democratic leaders from Senate Environment. Staff say several members at the session expressed support for S 1567, and voiced concern that failure to resolve the Tug Fork issue may seriously jeopardize passage of the bill, which authorizes 180 projects throughout the country.

Timing: Staff say several possible avenues to compromise were explored during negotiations last week, and that further meetings among key senators, administration officials and West Virginia residents are scheduled for this Monday, March 24. Staffers said last week they were hopeful that an agreement can be reached in time to bring the bill to the floor this week.

Congress has not passed a major omnibus bill since 1970, chiefly because of disagreements over cost sharing. Sponsors are worried that unless the Senate passes the bill soon, the measure will be crowded off the Senate schedule by budget issues. They also are mindful of a May 15 deadline Congress set last year for enactment of an omnibus authorization and cost sharing bill. After that date the administration will be free to start 40 new corps projects on its own financing terms.

But corps officials have warned that the administration will be reluctant to pursue many of those projects in the absence of a legislated policy permanently reducing the federal role in project financing. Moreover, officials say, without such a policy to shield it from Gramm-Rudman-Hollings deficit reduction pressures, the corps' water resources program could be "doomed." (For additional background and details on S 1567, see Senate Floor Brief Feb. 26.)

Tug Fork: Small mountain communities along the Tug Fork and Levisa Fork of the Big Sandy and Cumberland rivers in West Virginia, Kentucky and Virginia have endured 14 major floods during the past 75 years. One such flood caused \$200 million in damages in 1977.

However, corps studies in the 1970s concluded that an economically feasible project could not be built to control flooding in those areas. Senate Environment later considered legislation that among other things authorized \$90 million to relocate residents living in flood-prone areas.

Meanwhile, the Senate four times approved language directing the corps to

take whatever measures were necessary to control flooding in the region. The work was to be done "at full federal expense."

However, the proposal was killed in the House three times and vetoed by President Jimmy Carter once. Finally, in 1980, it was signed into law as an amendment to the FY 1981 energy and water appropriations bill. Byrd, then Majority leader, had offered the amendment over the objections of Sen. Daniel Patrick Moynihan (D-N.Y.), then chairman of Environment's Water Resources Subcommittee. Moynihan is now the panel's ranking member and a co-sponsor of S 1567 with Subcommittee Chairman James Abdnor (R-S.D.).

Because the Tug Fork project never underwent the corps' full review and planning process before being authorized, corps officials say they are now "designing the project as we go."

So far, the corps has spent about \$80 million of the roughly \$260 million allocated to the project. Corps officials say Tug Fork will ultimately cost more than \$1 billion to complete.

Under S 1567, the nearly \$300 million worth of currently scheduled construction work would be exempt from cost sharing. However, non-federal interests such as state and local governments would have to share the cost of building the remaining "separable elements" -- stand-alone features -- not now under construction or scheduled for construction in the near future.

Pro: Byrd contends that the economically depressed coal mining communities that the Tug Fork project is designed to protect cannot afford to meet the bill's costsharing requirements. And his aides say that an "ability-to-pay" provision in the bill allowing the corps to waive or relax cost-sharing requirements for poor communities does not provide a sufficient guarantee that Tug Fork will be completed.

Besides, they argue, Congress has already directed the corps to build the entire project at full federal cost, and it would be unfair to change that arrangement now. The full federal funding is justified, Byrd says, because flood protection provided by the project would allow the region to at last develop its vast low-sulphur coal deposits.

Con: But the bill's Environment Committee sponsors and the Reagan administration say providing a cost-sharing exemption for Tug Fork would be unfair to other areas of the country subject to cost sharing for their flood control projects.

Corps officials contend that while technically a single project, Tug Fork is actually a collection of stand-alone dams and other flood control works spread over a vast area. Taken individually, those separable elements are the same as flood control projects elsewhere and should be treated the same when it comes to cost sharing.

Most importantly, committee leaders and the administration argue, exempting Tug Fork would set a precedent for other regions that may want similar treatment.

Southern Mississippi Valley senators also are not happy with the bill's provisions requiring cost-sharing for unbuilt separable elements of existing projects, but have decided not to make an issue of it on the floor.

They want to exempt separable elements of the massive Mississippi River and Tributaries (MR&T) flood control program from cost sharing, and are hoping that conferees will accept the House bill's (HR 6) language, which does not require cost sharing for separable elements of existing projects.

Bill sponsors are worried that an exemption for Tug Fork could touch off a fight over MR&T.

Compromise: Staff say a compromise on the issue may involve expanding the ability-to-pay provision to ensure that very poor areas would be exempt from unaffordable cost-sharing requirements.

Corps officials say the administration may be willing to accept more specific language setting a lower cost-sharing level for Tug Fork in recognition of the

project's "unique legislative history."

But the officials say it is "very unlikely" the administration would be willing to totally exempt Tug Fork from cost sharing. S.Rpts. 99-126, 99-228. -- Joseph Raeder

NOMINATION OF JED D. CHRISTENSEN TO BE DIRECTOR OF THE OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT - Possible this week if a hold is lifted.

Christensen is expected to win easy approval in Senate Energy this week, but Sen. Jim Sasser (D-Tenn.) has informed Senate leaders that he is placing a hold on the Christensen nomination until the nominee comes up with a proposal on reclamation funding for Tennessee.

Tennessee currently receives no federal abandoned mine land funds because the state no longer has "primacy" -- a federally approved state regulatory and enforcement program for surface mining. Sasser and others acknowledge that the state is ineligible for most funding, but say the OSMRE director can fund some reclamation activities in the state out of the agency's discretionary funds. -- (For more details, see section C story in this issue.) -- J O'D

# IN COMMITTEE

## CONFIRMATIONS

OSMRE DIRECTOR - Senate Energy this week may approve President Reagan's nomination of Jed D. Christensen to head the Interior Department's Office of Surface Mining Reclamation and Enforcement, but at least two senators say they have more questions they want answered before the Senate votes on confirmation.

Energy Committee member Howard M. Metzenbaum (D-Ohio) scheduled a March 21 meeting with Christensen to discuss allegations that OSMRE has not hired regulatory and enforcement personnel as required by the fiscal 1986 continuing resolution (PL 99-184).

Christensen told House Appropriations' Interior Subcommittee Chairman Sidney R. Yates (D-Ill.) in a hearing March 5 that the agency had filled only four of ten "troubleshooter" positions included in the FY 1986 appropriation because of Gramm-Rudman budget cuts. Christensen admitted, however, that the agency in the same time period had hired five new staff to expand its public and congressional affairs staff. Staff for Metzenbaum stress that the senator is not necessarily opposed to Christensen's nomination, but only that he wants to get the facts before voting.

Sen. Jim Sasser (D-Tenn.) last week placed a hold on the Christensen nomination until an agreement was reached on abandoned mine land funding for Tennessee. Tennessee currently receives no federal reclamation funds because the state no longer has "primacy" -- a federally approved state regulatory and enforcement program for surface mining.

Staff for Sasser say the senator sent a proposal for funding to Christensen last week and that they were waiting for a reply. Sasser, along with Tennessee Governor Lamar Alexander (R) and others in the Tennessee

congressional delegation, have acknowledged that the state is ineligible for most funding, but say the federal agency can fund some reclamation in the state out of its discretionary funds.

Christensen has been the acting director of OSMRE since April 1985. The agency is charged with enforcement of the 1977 Surface Mining Control, Reclamation and Enforcement Act (95-87), which set standards for surface coal mining to prevent permanent damage to land and water resources and established a fund for the reclamation of abandoned mine lands.

Christensen is the sixth person to hold the top spot at OSMRE since 1977. Only two of the six have been confirmed by Congress; the other four (including Christensen) have served as acting directors.

When and Where: Energy is scheduled to vote on Christensen during its regular business meeting Wednesday, March 26, at 9:30 a.m. in 366 Dirksen. The committee had planned to vote on the nomination during its March 19 meeting. That session was cancelled, however. Staff say they expect easy committee approval.

Hearing: Members of the committee used Christensen's March 7 confirmation hearing to revive many of the criticisms that have dogged the agency for years.

Christensen was asked in particular about the agency's enforcement of the two-acre exemption, which is designed to allow families to dig house coal from coal banks on their property. Environmentalists have charged that large corporations abuse the exemption by sub-contracting side-by-side parcels of land and then buying back the coal at reduced prices.

Panel members also wanted to know about the approximately \$157 million in uncollected fines owed by permit violators and OSMRE's handling of

abandoned mine land reclamation activities.

Christensen acknowledged that the agency has had problems in the past but said that OSMRE had improved its performance under his leadership.

Energy contacts: Nan Morrison, majority, x47143; Patricia Beneke, minority, x49894. -- J O'D

## **APPROPRIATIONS**

NOAA BUDGET - Senate Appropriations' Commerce Subcommittee plans a mid-April hearing to review President Reagan's FY 1987 budget request for the National Oceanographic and Atmospheric Administration.

NOAA Administrator Anthony J. Calio will appear before the panel April 16 to explain proposed deep cuts in the agency's ocean, coastal and fisheries programs.

As it has for the past five years, the administration is proposing no funding in fiscal 1987 for state grants under the Coastal Zone Management Act. The administration contends the CZM grants were only intended as seed money and that the states should now take over the funding of management plans for their coastal areas.

The administration also wants to rescind \$36 million from the state grants program appropriated for fiscal 1986. This represents the entire FY 1986 appropriation for both state and interstate grants.

NOAA wants to cut federal coastal programs by \$2.1 million. Reductions would come mainly from estuarine sanctuaries and marine sanctuaries programs.

The Sea Grant college program is proposed for termination in FY 1987, and the administration wants to rescind \$31 million in remaining FY 1986 funds. The program provides funds to colleges and universities for ocean research and educational programs. The administration says the program has achieved its original purpose and that

much of the money is now used for activities of solely local interest.

The administration's budget also would reduce programs under NOAA that provide research and protection for marine mammals and endangered species. Cuts in protected species biology, habitat research and conservation, right whale research, gear entanglement studies, and marine mammal and endangered species research activities would account for \$9.2 million in savings in FY 1987. Striped bass research and anadromous fisheries grants would be cut by \$1.2 million.

Outlook: Appropriations staff say Calio is likely to be closely questioned on the proposed cuts, particularly the reductions to the Sea Grant and CZM state grant programs.

Congress has previously refused to cut either of the programs. Staff for the Appropriations Committee say that "anything is possible" this year, however, especially in view of the budget constraints imposed by the Gramm-Rudman-Hollings deficit reduction law.

Appropriations contacts: John Shank, majority, x47243; Warren Kane, minority, x47277. -- J O'D

## **ENERGY**

GAS, GEOTHERMAL - Bills deregulating natural gas and extending geothermal leases will be examined late next month by two Senate Energy subcommittees.

Sen. Don Nickles' (R-Okla.) Energy Regulation and Conservation Subcommittee has scheduled a hearing April 15 on a Nickles bill (S 1302) to gradually decontrol "old gas" -- gas from pre-1978 wells -- and repeal federal restrictions on gas use by new power plants and industrial boilers. Several other gas proposals also will be considered.

Legislation (S 1322) to extend geothermal leases will have an April 24 hearing in Sen. John W. Warner's (R-Va.) Natural Resources Development

and Production Subcommittee. Under the 1970 Geothermal Steam Act, federal geothermal leases expire if developers have failed to begin constructing energy-recovery facilities within 10 years. The bill, by Sen. Chic Hecht (R-Nev.), would allow a conditional two-year extension of those leases, followed by up to three successive five-year extensions.

Energy contacts: Howard Useem (gas), x42366; Ellen Rowen (geothermal), x45205. -- MH

## APPROPRIATIONS

FOREST SERVICE BUDGET - U.S. Forest Service officials go before Senate Appropriations' Interior Subcommittee this week to explain the agency's fiscal 1987 budget request.

They are likely to face questions on a variety of budget and policy proposals, including Reagan administration plans to reduce federal timber and mineral payments to states and increase user fees for recreation facilities.

Subcommittee members also will want details on funding for the proposed 25 million-acre land exchange between the Forest Service and the Interior Department's Bureau of Land Management, and on spending cuts for forest research, state forestry assistance and land acquisition.

The hearing is Tuesday, March 25, at 2 p.m. in 138 Dirksen. Forest Service Chief Max Peterson will be the principal witness.

House Interior and Senate Energy held hearings on the service's budget request last month, and House Appropriations' Interior Subcommittee will review the proposal in April.

The FY 1987 Forest Service budget proposal of \$1.7 billion is 12 percent less than the \$2 billion FY 1986 level.

Of the total \$1.7 billion requested, only \$1.3 billion is actually subject to appropriation by Congress;

the rest comes from various permanent appropriations and trust funds. The FY 1986 appropriation level is \$1.5 billion.

State Payments: In response to the deficit reduction mandate of the Gramm-Rudman-Hollings balanced budget law, the administration's FY 1987 Forest Service budget would cut spending in almost every area.

One proposed economy move of great concern to Western lawmakers is the White House plan to deduct administrative and land management costs from the federal timber and mineral revenues shared with the states.

Under current law, the states' share is taken from gross timber and mineral sale revenues. Administrative and management expenses are then deducted from the federal share of the receipts, often resulting in a loss to the treasury, according to the Forest Service.

Under the administration's proposal, which is to be sent up in separate legislation, the states and the federal government would split the net receipts left over after administrative and management costs have been deducted.

The same net receipt proposal was rejected by Congress last year, chiefly because of opposition from members representing Western states.

But the budget assumes the plan will be approved this time and provides \$85 million for payments to states -- \$133 million less than the FY 1986 level.

Recreation Fees: In another deficit-reduction move, the administration is proposing to partially fund operation and maintenance of Forest Service recreation programs and facilities with revenues from new and increased user fees.

The president's budget message said the administration will propose separate legislation to authorize the Forest Service to charge user fees at up to 3,000 recreation sites, such as campgrounds, trails and marinas. The budget also assumes enactment of a

similar fee proposal (S 2204) for the National Park Service.

Exchange: Included in the Forest Service budget request is \$5 million to begin implementation of the administration's plan to realign Forest Service and BLM jurisdictions over 25 million acres of land in the West.

Billed as a cost-cutting and efficiency move, the proposed "interchange" has received a cool reception from many Western-state members, who have questioned its necessity.

In response to Western concerns, the administration scaled back its original 35 million-acre proposal before sending up draft implementation legislation last month.

This week's hearing will be some subcommittee members' first opportunity to question administration officials about the interchange plan.

Reductions: Some of the biggest spending cuts in the agency's FY 1987 request are for state and private forestry programs, forest research and land acquisition. Funding for timber sales management, road construction and mineral development would suffer lesser cuts.

The \$25 million requested for assistance to non-federal forestry programs is \$30 million below the current level, reflecting the administration's intention to reduce the federal role in state and private forestry.

The \$111 million forest research request is \$9 million less than the FY 1986 appropriation. Most of the reduction would come from the elimination of a competitive research grant program.

The administration is requesting only \$3.2 million for Forest Service land acquisition in FY 1987. The money would be used to meet existing commitments only. The service says it plans to acquire "high priority" lands through exchanges.

The \$179 million requested for the Forest Service's controversial road construction program would permit the building or rebuilding of 6,845 miles of timber roads. Half of that

mileage is for reconstruction of existing roads.

The budget proposes FY 1987 timber sales of 10 billion board feet, down 1.2 bbf from the FY 1986 level.

Senate Appropriations contacts: Don Knowles, majority, x47257; Charles Estes, minority, x47214. -- JR

## **HAZARDOUS SUBSTANCES**

RADIOACTIVE AND HAZARDOUS - Two Senate Environment subcommittees plan a joint hearing this week to consider how to regulate disposal of mixtures of low-level radioactive waste and chemical waste, an issue that involves the turf of three federal agencies.

Mixed waste has been disposed like other radioactive waste at Department of Energy disposal sites and at commercial low-level waste disposal sites regulated by the Nuclear Regulatory Commission. But there is an increasing awareness that ignoring the potential chemical hazards of mixed waste can result in threats to health and the environment.

The Nuclear Regulatory Commission is considering a ban on disposal of mixed wastes at commercial low-level waste sites, and the option is being considered seriously by Environment staff. Already, the nation's three low-level radioactive waste sites -- in Nevada, South Carolina and Washington -- are no longer accepting what they consider to be mixed wastes.

Studies have found that mixed wastes at Energy Department and commercial low-level waste sites have moved through the soil and groundwater. The extent of the threat to health and the environment is not known because of insufficient monitoring and data, said a spokesman for the Environmental Policy Institute.

The Energy Department, NRC and the Environmental Protection Agency are discussing how to regulate mixed wastes, but have not decided on an approach.

One issue is the extent to which the Energy Department's waste should be regulated by EPA, which administers the law governing hazardous (chemical) waste, the Resource Conservation and Recovery Act. The Energy Department regulates its own radioactive waste disposal under the Atomic Energy Act.

A second issue is how to coordinate the differing waste disposal requirements of EPA, for hazardous wastes, and the NRC, for radioactive wastes disposed at commercial low-level waste sites, to ensure safe disposal of mixed wastes.

Hearing: The hearing -- hosted by the Environmental Pollution Subcommittee, chaired by Sen. John H. Chafee (R-R.I.), and the Nuclear Regulation Subcommittee, chaired by Sen. Alan K. Simpson (R-Wyo.)-- will deal with both issues. It is scheduled for 10 a.m. Tuesday, March 25, in 406 Dirksen.

Witnesses are to include representatives of the Energy Department, NRC, EPA, generators of mixed waste, environmental groups, state representatives and perhaps waste processing and treatment companies.

One subject of the hearing will be a recent study performed for the NRC on production and management of commercial mixed wastes. An Environment staffer who works with Simpson said issues to be investigated include:

- How mixed waste should be regulated if it goes into low-level waste sites.
- Whether there are ways to coordinate NRC and EPA regulatory procedures.
- Whether EPA can issue RCRA regulations governing mixed waste fast enough to keep up with the schedule in the new Low-Level Radioactive Waste Policy Amendments Act for states and regions to move toward opening new low-level sites.
- Whether disposal of mixed wastes in low-level waste sites could be prohibited.

House Action: The House Energy Commerce Subcommittee, chaired by Rep. James J. Florio (D-N.J.), and the Energy Conservation and Power Subcommittee, chaired by Rep. Edward J. Markey (D-Mass.), plan a joint hearing on mixed waste April 10.

Rep. Mike Synar (D-Okla.), chairman of Government Operations' Environment, Energy, and Natural Resources Subcommittee, will participate in the hearing. Synar's subcommittee for some time has been conducting a review of the Energy Department's handling of mixed wastes.

House Interior is planning a hearing in April.

Recent History: The Senate hearing grew out of a debate over mixed waste that occurred during consideration of the low-level radioactive waste bill passed by Congress in December 1985. Simpson and Chafee agreed to hold the hearing after Sen. John Glenn (D-Ohio), who has introduced a bill (S 892) dealing with regulation of DOE mixed waste, sought to offer a mixed waste amendment. Simpson was uncomfortable with the amendment because it added other issues to the bill and Environment had not held hearings, a staffer said.

Last year's conference on the low-level waste bill dropped provisions related to mixed wastes in commercial low-level waste sites. The House bill had given EPA a strong role; the Senate bill had given NRC the primary role. The House bill also would have stated that RCRA applies to Energy Department-owned or -operated facilities that dispose of mixed waste.

The Mixed Waste Problem: About 3 percent of the total volume of commercial low-level waste is mixed waste or potentially may be mixed waste, according to a Brookhaven National Laboratory survey performed for the NRC. The amount of mixed waste produced by the Energy Department is probably larger than the amount of commercial mixed waste, an EPI spokesman said.

Much of the mixed waste that until recently went to commercial low-level disposal sites is from hospitals and research institutions, and some is from nuclear reactors. The biggest category, according to the Brookhaven survey, is wastes containing spent solvent mixtures, including scintillation liquids (from medical, academic and industrial laboratories), that are toxic or flammable. Much of this waste now is being incinerated in Florida.

Two smaller categories are lead-containing wastes, including discarded lead shielding and lead-lined containers, and chromium-containing wastes from nuclear reactors. Both chromium and lead are toxic metals.

The Department of Energy also creates a variety of radioactive and hazardous wastes, mainly as the byproduct of weapons production, which are disposed at federal sites.

Contaminants from mixed wastes, disposed in unlined impoundments and pits around the country, have seeped into underlying geologic formations or groundwater, at both federal and commercial sites. Environmental contamination has occurred at Energy Department facilities such as Savannah River in South Carolina, Oak Ridge in Tennessee, and Fernald in Ohio.

Low-level waste regulation has relied on gradual degradation of the radioactivity and binding of radioactive particles to soil. Hazardous waste regulation relies on land disposal as a last resort and requires use of liners to isolate hazardous wastes, which may move quickly, from the soil.

Solutions: With the debate continuing among federal agencies over how to regulate mixed wastes, EPA will not present recommendations at the hearing, a staffer said.

"EPA wants Congress to tell us what they want," he said. "All we can do is lay out the options...."

The Nuclear Regulatory Commission is considering options outlined by commission staff, an official said, including the ban on disposal of mixed waste at low-level waste sites. An NRC

official said one reason the idea is being considered is that EPA plans to issue RCRA facility siting regulations sometime after 1988, which could hamper the ability of states and regions to meet deadlines for steps to establish low-level waste sites under the new low-level waste act.

Environmentalists say NRC and the Energy Department lack the expertise to regulate hazardous chemical wastes. An EPI spokesman said EPA should assert itself and apply proper regulations to mixed waste disposal, including Energy Department waste disposal.

"We don't trust DOE to regulate itself," he said. EPA officials "are showing great reluctance to assert themselves in either area (Energy Department or non-federal mixed wastes)," he said.

Neither set of existing regulations -- those governing radioactive waste, and those governing hazardous waste -- is adequate to ensure safe disposal of mixed waste, he said. EPA and the NRC should review their regulations and revise them where necessary, he said. EPI advocates segregation of mixed wastes to ensure proper safeguards.

Definition: Mixed waste, not a term defined in law, is waste that is subject to regulation under the Atomic Energy Act because of its radiological properties, and also is subject to RCRA because of its chemical properties.

Certain radioactive materials -- source, special nuclear, and byproduct material, defined in the Atomic Energy Act -- are exempted from RCRA. The meaning of the exemption is the subject of dispute among the federal agencies and has prompted a lawsuit and a controversial regulatory proposal by the Energy Department.

The Natural Resources Defense Council, an environmental group, has sued the Energy Department for failing to apply for RCRA hazardous waste permits for mixed waste disposal sites at its Savannah River plant in South Carolina. A ruling would clarify

whether RCRA applies to mixed wastes, an NRDC attorney said. A 1984 ruling in a lawsuit brought by NRDC and others established that the Energy Department is subject to RCRA.

Additional controversy has been created by a Nov. 1, 1985, Energy Department proposal that environmentalists say would exempt certain DOE mixed wastes from RCRA regulation. The proposed rule would reinterpret the definition of "byproduct," an Atomic Energy Act term key to the exemption in RCRA.

The NRC and Synar have criticized the Energy Department's proposed definition, and EPA has suggested changes. An NRC official said the agency's lawyers fear that the definitional change would change what substances are regulated by the NRC, although the Energy Department tried to avoid that result.

Environment contacts: Jim Curtiss, majority, x42991; Steve Shimberg, majority, x46228; Kate Kimball, minority, x43597. -- Jim Ketcham-Colwill

## NUCLEAR ENERGY

### NUCLEAR ACCIDENT LIABILITY -

Markup of a 25-year extension of the Price-Anderson Act's nuclear liability and compensation system is set to continue this week in Senate Energy, with most of the anticipated major amendments yet to be resolved.

Among the planned amendments are proposals to remove Price-Anderson's liability limit for nuclear accidents caused by Energy Department contractors, to forbid punitive damages from being awarded for contractor accidents covered by Price-Anderson and to allow DOE to sue contractors who have accidents caused by gross negligence.

Markup: This week's Price-Anderson markup is scheduled for Wednesday, March 26, at 9:30 a.m. in 366 Dirksen. Last week's planned markup was canceled after Energy Chairman

James A. McClure (R-Idaho) came down with the flu.

The markup vehicle (S 1225) was introduced by McClure and Sen. Alan K. Simpson (R-Wyo.), chairman of Senate Environment's Nuclear Regulation Subcommittee. It would increase the Price-Anderson liability limit for nuclear reactors to about \$2 billion, a level generally acceptable to the nuclear industry. Congress is trying to extend the act before it expires on Aug. 1, 1987. (For background, see Feb. 24 Weekly Bulletin, C14.)

Also on this week's markup agenda is the nomination of Jed D. Christensen to head the Interior Department's Office of Surface Mining Reclamation and Enforcement. (See Confirmations story, this issue.)

Previous Action: At its March 6 markup, the committee adopted an amendment by Sen. Daniel J. Evans (R-Wash.) to increase the act's 20-year minimum statute of limitations to three years after an injury has or should have been discovered.

Also adopted was an amendment by Sen. Pete V. Domenici (R-N.M.) to require the Price-Anderson compensation system to reimburse state and local governments for the costs of precautionary evacuations. If the energy secretary did not believe such an evacuation was warranted, the final decision on reimbursement would be made by a three-member panel appointed by the Nuclear Regulatory Commission, the state governor and the Federal Emergency Management Administration.

The committee adopted a staff amendment to use the Nuclear Waste Fund to pay for all liability claims involving DOE's high-level nuclear waste disposal program. When S 1225 was introduced, the waste fund's revenues came only from a fee on commercial nuclear power, so the bill would have used the waste fund to pay for accidents only involving commercial reactor waste.

Because money from the Defense Department for disposal of military nuclear waste is now expected to make

up about a third of the waste fund, the distinction between the source of the waste involved in an accident was no longer believed necessary, staff say.

Sen. Jeff Bingaman (D-N.M.) successfully offered an amendment to ensure that Price-Anderson would cover accidents involving nuclear waste research, such as at the Waste Isolation Pilot Project in New Mexico.

*accepted*  
Pending Amendments: Currently pending before the committee is an amendment by Ranking Democrat J. Bennett Johnston (La.) to prevent punitive damages from being awarded to victims of nuclear accidents involving DOE contractors. Because the federal government, under Price-Anderson, pays all such damage claims, Johnston's amendment would prevent the taxpayers from having to pay punitive damages, supporters say.

Opponents of the amendment may contend that there is no justification for singling out nuclear contractor accidents for restrictions on punitive damages and that punitive damages may provide additional safety incentives to DOE managers.

*YCA*  
A package of amendments being prepared by committee staff will include several proposals by Evans to ensure that compensation under Price-Anderson will be available to victims of accidents involving nuclear waste disposal. The amendments would make it mandatory for DOE to indemnify all its nuclear contractors for all nuclear liability claims, including nuclear waste contractors. DOE is considering a site in Evans' state for building the nation's first permanent high-level waste repository.

Evans' amendments also would eliminate possible DOE discretion in paying waste-accident claims from the Nuclear Waste Fund, explicitly prevent waste contractors from claiming sovereign immunity from lawsuits, and ensure that waste-accident claims exceeding the Price-Anderson limit be considered by Congress under S 1225's expedited procedures.

Two amendments by Sen. Bill Bradley (D-N.J.) also will be part of the staff package. One would eliminate S 1225's \$500 million "third layer" of liability compensation for commercial nuclear reactor accidents -- money that would be raised by a fee on nuclear power. Bradley's amendment would simply raise the "second layer" by about \$500 million, boosting the maximum retrospective premium from \$15 million per reactor to \$20 million. Supporters of the change say it would make the compensation system simpler and easier to administer.

The other Bradley amendment in the staff package would index the per-reactor retrospective premiums to the rate of inflation.

Another significant staff amendment would place nuclear incidents caused by theft or sabotage into the Price-Anderson compensation system. Theft or sabotage damages caused by nuclear material from commercial power plants would be paid for by the nuclear industry's retrospective premiums, incidents involving nuclear waste would be covered by the Nuclear Waste Fund, and incidents involving other government nuclear material or material of unknown origin would be covered by general funds.

Other amendments in the non-controversial staff package would define "precautionary evacuations," clarify that the term "nuclear material" includes radioactive waste, define "radioactive waste," and make other technical changes.

Staff say Evans is not satisfied that the staff amendments will ensure swift and full compensation for nuclear-waste accidents, so he might offer more amendments at this week's markup. One possibility is to give DOE authority to immediately borrow money, up to the Price-Anderson liability limit, to pay off waste-accident claims, staff say.

Evans also may offer an amendment to reduce the number of years that Price-Anderson would be extended, possibly to 15 or 10 years. Staff say he

wants to make sure the act will be revisited before nuclear waste begins to be loaded into DOE's first planned permanent repository in 1998. Previous Price-Anderson extensions have been for 10 years.

Sen. Howard M. Metzenbaum (D-Ohio) has prepared an amendment to eliminate the current "extraordinary nuclear occurrence" threshold for Price-Anderson coverage of nuclear accidents involving DOE contractors. Under current law, the Price-Anderson liability system does not apply to a nuclear accident unless NRC finds that the event constitutes an ENO, while Metzenbaum wants coverage to apply to all DOE nuclear incidents. (An ENO is an accident in which radioactive materials are released into the environment at levels that NRC determines have, or probably will, cause substantial damage to off-site persons or property.)

When the Price-Anderson system is triggered by an ENO, the utility or contractor suffering the accident must assume "strict liability," meaning that victims do not need to prove negligence to receive compensation. Metzenbaum argues that it is unfair for victims of large accidents to win compensation more easily than small-accident victims -- who may have been injured just as much.

Opponents of Metzenbaum's proposal reply that the federal government should not pre-empt state tort law unless there is an overriding federal purpose, such as responding to an extraordinary nuclear occurrence. They also point out that the Reagan administration is trying to move away from strict liability, to help cut liability insurance costs, and that the ENO standard also discourages frivolous lawsuits.

Another controversial Metzenbaum amendment would eliminate the liability cap on accidents caused by DOE nuclear contractors. Price-Anderson allows DOE to indemnify its contractors for all damage claims and requires the federal government to pay

all claims against indemnified contractors up to \$500 million. S 1225 would raise the contractor liability limit to the limit on the nuclear power industry, a cap that depends on the number of licensed reactors.

Any claims above that limit would be paid only if Congress provided additional money. Metzenbaum's amendment would force the federal government to cover all liability claims awarded by a court against a DOE-indemnified contractor.

In conjunction with that proposal, Metzenbaum plans to offer another amendment requiring DOE to sue contractors who have accidents caused by gross negligence or willful misconduct. The lawsuits would attempt to recover any money DOE was forced to pay in liability claims for such accidents.

Metzenbaum contends that giving the federal government the "right of subrogation" would give contractors a stronger incentive to operate safely, but opponents say it would undermine the purpose of the Price-Anderson insurance system. For example, subrogation opponents point out, a motorist who causes an accident would not be sued by his insurance company to recover the liability claims it has paid out.

Bradley faces opposition to an amendment that would raise the "first layer" of Price-Anderson nuclear utility coverage to \$200 million. S 1225 would leave current law in place, setting the first layer at the maximum amount of private insurance that is reasonably available. Insurance pools currently provide maximum coverage of \$160 million per accident, although they hope to raise that amount to \$200 million in 1987, according to congressional testimony.

Bradley believes a floor for the first layer is needed to prevent possible decreases if liability insurance becomes scarcer, aides say. The private insurance is important, they say, because the premiums are based on the risk at each reactor and therefore

encourage safety.

Opponents of Bradley's proposal contend that the federal government should not mandate the amount of private insurance that must be made available for a particular purpose. They have also raised the possibility that if a utility were unable to pay the difference between the current \$160 million in insurance coverage and the \$200 million minimum, the \$2 billion second layer of coverage might not kick in -- leaving most victims with no compensation.

Staff at press time knew of no amendments to increase the liability limit for commercial nuclear reactors. That fight may be left to Senate Environment, which has sequential referral of the bill.

House Action: Markup of a Price-Anderson extension bill (HR 3653) is expected to begin in April in House Interior, staff say. Interior's Energy and the Environment Subcommittee reported the bill to the full committee in December, approving a liability limit similar to that in S 1225.

Senate Energy contacts: Marilyn Meigs, majority, x44431; Ben Cooper, minority, x45360. -- Mark Holt

## **HAZARDOUS SUBSTANCES**

SUPERFUND - Conferees on the superfund hazardous waste cleanup reauthorization bill will debate a five-year funding figure this week, but can breathe easier because Congress has passed a two-month funding bill to keep the program going while the conference continues.

Senate conferees are scheduled to reply Tuesday, March 25, to a House proposal to provide \$8.9 billion for superfund, \$700 million for a fund for cleaning up leaking underground petroleum tanks, and \$329 million for a fund for cleaning up oil spills from vessels and offshore oil facilities.

The conferees are scheduled to meet at 2 p.m. in 2167 Rayburn.

Senate Environment Chairman Robert T. Stafford (R-Vt.) said Senate staff planned to deliver to the House late last week the remaining parts of a 12-part offer covering the superfund bill.

No meeting of tax conferees is scheduled. A Ways and Means staffer said little negotiation on taxes is likely to occur during the next two weeks because of the Easter recess, even if program conferees can provide a funding level recommendation early this week.

Stafford agreed to a House request that staff meet to discuss oil spill provisions in preparation for a possible meeting of oil spill conferees, which House members have sought.

Short-term Funding: Conferees, facing the threat of severe disruption of the superfund program, last week endorsed a short-term extension that was quickly passed by both houses. The resolution (H.J. Res. 573) would provide superfund with authority to borrow \$150 million from the general treasury. None of the money can be spent after May 31, which creates a new deadline for the conference to reach accord on a five-year bill.

EPA Administrator Lee M. Thomas said he would strongly prefer a one-year extension, but said the two-month extension would enable EPA to avoid terminating contracts and "enable us to move the program forward."

Without the money, EPA said, it would have had to start shortly after April 1 to terminate the contracts of major support contractors that perform many of the program functions. During the month, the agency would have had to reduce funding for emergency cleanups by 80 percent, cut enforcement funding 50 percent and stop developing new cases, and end funding for ongoing projects. EPA already had stopped funding new planning, design and cleanup projects at approximately 175 sites around the country.

Superfund is short of money because taxes to support the program expired Sept. 30. Although Congress

appropriated \$900 million for superfund in fiscal year 1986, the appropriations act allowed EPA to spend only about \$60 million of the total until new taxes were enacted to provide the money. The extension bill allows EPA to use another \$150 million of the appropriation, enough to support the program for two months at the appropriated level (\$861 million after the Gramm-Rudman 1986 sequester).

The House passed the extension by unanimous consent, the Senate by voice vote.

Conference Issues: House conferees, after a contentious private caucus last week, proposed five-year funding levels for superfund, the tank fund and oil spill fund in response to a Senate offer of \$8.5 billion for superfund alone. Senate conferees, who would prefer to drop the underground tank and oil spill funds, said funding for those provisions could be discussed later if the House conferees wished.

During the conference, Energy Chairman John D. Dingell (D-Mich.) called the Senate offer "splendid," but Reps. Robert A. Roe (D-N.J.), James J. Florio (D-N.J.) and others objected that the Senate offer implied that the underground tank and oil spill provisions would be dropped.

"If the conference is going to make up its mind that we're not going to have a (leaking tank program or oil spill provisions), we ought to fish or cut bait and vote on it," said Roe, chairman of Public Works' Water Resources Subcommittee.

Florio, chairman of Energy's Commerce Subcommittee, said the House offer, which totals \$9.9 billion, represents a concession from the \$10.8 billion revenue total in the House bill. The House bill's tax provisions would raise \$9.6 billion for superfund, \$850 million for an underground tank oil spill fund, and \$329 million for the oil spill fund. Superfund spending, however, would be limited to \$9.15 billion by section 111 of the bill, which sets limits on uses of the fund.

The Senate bill would raise \$7.5 billion for superfund.

One element of the Senate's 12-part offer covering the superfund bill is to adopt the Senate provisions on citizen suits. The offer would leave out a House provision allowing citizens to sue under superfund law to halt an imminent and substantial danger from a hazardous waste disposal site. Citizens have a similar right under the Resource Conservation and Recovery Act, but environmental groups want the superfund provision because they believe it would reduce procedural and financial impediments to citizen suits.

Senate Environment contacts: Curtis Moore, majority, x45761; Phil Cummings, minority, x47843. Finance: Bill Wilkins, 45315. Senate Judiciary: Mike Wootten, majority, x44934; Cindy Lebow, minority, x45701. House Energy: Jack Clough, majority, x52927; Jan Edelstein or Teresa Gorman, minority, x63400. Commerce Subcommittee (Chairman Florio): Rena Steinzor, majority, x63160. Public Works: Errol Tyler or Ken Kopocis, majority, x50060; John Doyle, minority, x54360. Ways and Means: Janice Mays, x56383. Senate Judiciary: Janet Potts, majority, x55741; Kevin Richardson, minority, x54480. Merchant Marine: William Stelle, majority, x62460; Brooks Bowen, minority, x63540. -- Jim Ketcham-Colwill

## TAXES

IMPORT FEE - Senate Energy will hold the last of four hearings on the domestic and international petroleum situation when government witnesses testify this week on the merits of an oil import tax.

The panel is scheduled to hear from officials of the Energy, Treasury and State departments and representatives of the Federal Deposit Insurance Corporation, the Office of the U.S. Trade Representative and the Comptrol-

ler of the Currency.

The hearing is scheduled for Tuesday, March 25 at 9:30 a.m. in 366 Dirksen.

J. Roger Mentz, acting assistant secretary of the treasury for tax policy, and E. Allan Wendt, deputy assistant secretary of state for international energy and resources policy, are likely to reiterate most of the testimony they gave before the Senate Finance Committee when it held hearings on the import fee in February.

Mentz discussed the likely effect of an oil import fee on federal revenues, energy consumption, national security, and domestic manufacturing and agriculture. He concluded that the fee would have both positive and negative impacts, and said that the administration might be willing to accept an oil import fee as part of a revenue-neutral tax reform package. President Reagan has since moved away from that position, and Treasury officials say that Mentz will incorporate the new anti-fee administration position into his testimony.

Wendt, representing the State Department, testified against the import fee during the Finance hearings, saying it would carry serious disadvantages for U.S. international energy policy, energy security, and foreign policy in general. An import fee would raise costs and damage the international competitiveness of energy-intensive U.S. industries, according to Wendt's testimony, and do further damage to developing countries already in financial difficulty.

Energy Secretary John S. Herrington also is scheduled to testify at the hearing and will express his opposition to the oil import fee, according to an Energy Department spokesman. Herrington will testify that import fees are not necessary to protect the domestic oil industry. Staff also say that Herrington may use his testimony to plug administration proposals to further decontrol natural gas and relax state controls on plugging and capping of abandoned wells.

Jonathan Fiechter, director of economic and policy analysis for the comptroller of the currency, and Robert Shumway of the FDIC will testify on the impacts of falling oil prices on domestic lending institutions. Bruce Wilson from the Office of the U.S. Trade Representative will discuss trade aspects of an import fee.

March 20: The Energy committee met on March 20 to hear from witnesses of the oil industry, business and citizens' groups.

Oil industry testimony provided further evidence of an industry split on the issue of import taxes.

Theodore A. Burtiss, chairman of the Sun Company, testified against the fees, saying the oil industry should not be used "as a funding vehicle for the government agenda." He called for a rollback of several tax provisions and regulations currently imposed on domestic producers as a better way to help the industry.

Fred L. Hartley, chairman of Unocal, supported an import fee as a way of battling against "predatory price cutting" by Saudi Arabia aimed at "restoring OPEC's power in the world market and [Saudi] power in OPEC." Ranking Energy Democrat J. Bennett Johnston (La.) supported Hartley's position, saying that the domestic oil industry was being "devastated" and that the Saudis would continue predatory pricing until marginal producers are run out of business.

Independent refiners testified in support of an import fee, if the fee is higher for imported refined products than for crude oil. Marketers oppose import fees of any type. Representatives from the Chemical Manufacturers Association, the National Council of Farmer Cooperatives, the Consumer Federation of America, and the Highway Users Federation also testified against import fees.

Energy contacts: Howard Useem, majority, x42366; Betsy Moler, minority, x49894. -- J O'D

## TAXES

TAX REFORM - Agriculture and energy taxes are the first items on the agenda this week as Senate Finance begins to mark up its tax reform plan in earnest.

Proposals for oil and gas, timber, renewable energy and soil conservation have been generally well received in the committee, according to staff, and Chairman Bob Packwood (R-Ore.) will start with these provisions to get the markup process "off on a good step."

The panel is scheduled to meet four times this week. The first session is set for Monday, March 24 at 9:30 a.m. in 215 Dirksen. Meetings will follow at the same time and place on Tuesday, Wednesday and Thursday.

The tax reform proposal by Senate Finance Republican leadership differs significantly from the House-passed tax reform bill (HR 3838) in its treatment of most energy and environmental tax provisions. In general, the plan would retain most current tax breaks for the oil and gas, timber, and renewable energy industries, whereas the House bill would in many cases reduce those benefits.

Oil and Gas: Packwood's plan retains current benefits for domestic oil and gas producers. The move has drawn praise from domestic oil and gas producers, who have vehemently opposed a House plan they say could dry up domestic oil and gas drilling and leave the nation dependent on foreign oil.

Sen. Russell B. Long (D-La.), ranking minority member of the Finance panel, also has expressed support for Packwood's proposal, calling it a "great improvement" over the House plan.

The industry would retain its main tax incentive of "expensing" -- deducting the entire cost in a single year -- of "intangible" drilling costs, such as labor, fuel and other drilling costs. The plan also retains the "percentage depletion allowance,"

under which independent producers and geothermal developers can deduct 15 percent of a well's income each year.

The House-passed bill limits the expensing of intangible drilling costs to costs incurred before the production casing is installed in a well. Major oil companies could expense only 80 percent of those costs and would have to deduct the remainder over 36 months. The casing costs and other subsequent IDCs would be deducted over 26 months.

HR 3838 also would phase out percentage depletion and replace it with cost depletion, which would substantially reduce the total write-off for a producing well.

Timber: Long also joined with timber industry representatives in applauding Packwood's plan to leave intact current tax benefits for the timber industry. Income from the harvest of timber on both public and private lands would continue to be taxed at the capital gains rate, which is substantially lower than regular income tax rates. Owners of private timber stands could continue to expense the costs of managing and protecting their holdings during the 20 to 80 years it takes the trees to mature. Producers also could continue to take advantage of deductions passed by Congress in 1980 to encourage private reforestation efforts.

The House bill repeals capital gains treatment for corporate timber producers after three years, but retains it for small private timber producers. The bill also repeals expensing provisions in current law, allowing production costs to be deducted only when the timber is sold. The 1980 reforestation provisions are repealed in the House bill.

Renewable tax credits: Representatives of the troubled renewable energy industry say they are "happy" with their treatment in the Packwood plan.

Expiration of credits since last December and plummeting oil prices have closed up to 80 percent of all

solar, geothermal, wind, biomass and ocean thermal equipment manufacturing companies, according to industry spokesmen.

Packwood's plan would allow a 30 percent credit for residential solar equipment in 1986, and 20 percent for 1987 through 1995. Credits could not be taken for more than \$5,000 of expenditures.

Business tax credits for solar and geothermal equipment would be extended at 15 percent in 1986 and at 10 percent for 1987 through 1995 in the Packwood plan.

The House plan eliminates both business and residential solar and geothermal credits after 1988. Credits for wind, ocean thermal, and biomass equipment are eliminated immediately in HR 3838.

Packwood's plan extends residential and business wind credits at 10 percent in 1986 and 5 percent in 1987 through 1995.

Biomass and ocean thermal credits are extended at 10 percent for 1986 and 1987 and 5 percent for 1988 through 1990.

Industry spokesmen say that while inclusion of their credits in the Packwood plan is an important indicator of their chances for long-term survival, they still need a short-term extension of the expired credits to keep the industry breathing. One industry spokesman said that House Ways and Means staff have told him that a short-term extension bill is likely soon.

Residential conservation credits would be dropped from both bills. Industry spokesmen say they are trying to find support in the committee to continue the credits.

Soil Conservation: Packwood's plan and HR 3838 give similar treatment to capital gains from the sale of highly erodible land or wetland that is converted to cropland. Income from the sale would not be eligible for capital gains tax treatment.

Conservation groups such as the Sierra Club strongly support this

change, which they consider an important complement to the "sodbuster" and "swampbuster" provisions in the House- and Senate-passed farm bills.

IDBs: Staff for Finance say the committee also probably will discuss industrial development bonds during the Monday or Tuesday sessions.

Industrial development bonds can be issued by state or local governments to finance a wide range of private and public projects. Because interest earned on such debt is not subject to federal taxes, developers can pay lower interest on such loans and trim their costs. In effect, the government helps to subsidize projects through the tax break.

The House-passed bill disallowed future tax-exempt financing for air and water pollution activities and slightly modified terms for solid waste disposal and sewage treatment plants. Packwood's plan also would eliminate financing for water and air pollution activities, but would leave intact current language for sewage and solid waste facilities.

Finance contact: Tom Preston, majority, x44515. -- J O'D

## **PESTICIDES**

FIFRA PROGRESS - House Agriculture's Department Operations Subcommittee has given itself a little over a month to mull over numerous controversial issues that emerged during two days of hearings last week on the nation's basic pesticide law, the Federal Insecticide, Fungicide and Rodenticide Act.

Subcommittee Chairman Berkley Bedell (D-Iowa) announced that the subcommittee has scheduled markup for April 29.

The subcommittee is working from a bill (HR 4364) drafted by an unusual coalition -- the National Agricultural Chemicals Association, representing 100 large chemical manufacturers, and the Campaign for Pesticide Reform, a

coalition of 41 environmental, consumer and labor organizations.

The bill was introduced March 11 by Bedell, ranking subcommittee Republican Pat Roberts (Kan.) and Rep. George E. Brown (D-Calif.).

Judging by remarks at last week's hearings, subcommittee members clearly regard HR 4364 as just a starting point. Referring to it as a "skeleton bill," Bedell encouraged hearing witnesses -- who expressed a range of concerns with the bill -- to seek sponsors for any amendments they would like to see.

At the same time, Bedell expressed hope that those who fail to win amendments in subcommittee will not turn their backs and oppose FIFRA reform legislation altogether.

Bedell also discouraged efforts by outside groups to draft alternative legislation, saying that he'd rather have the subcommittee consider amendments to the existing bill than get tied up in arguments over competing bills.

Key Issues: According to committee aides, the number one concern for both Bedell and Roberts is that the bill's seven-year time frame for the Environmental Protection Agency to finish reregistering 600 pesticide active ingredients may be unrealistic, given the limited resources the agency will have to do the job.

To deal with the problem, EPA has proposed delegating to registrants the extremely time-consuming task of identifying gaps in existing health and safety data -- the first step in the reregistration process. The agency would then be free to devote its resources to reviewing data that indicates a particular pesticide may be dangerous, and other reregistration activities.

"If we seek to accelerate the pace of reregistration, then let's conserve the agency resources to focus on that part of the process that only EPA can do - evaluating data and determining the appropriateness of continued registration," Moore testified.

Under EPA's proposal, it would take the agency nine years to complete all reregistrations, Moore said.

Bedell is "intrigued" with the EPA proposal, according to a committee staffer. Bedell and Roberts discussed the proposal last Friday with EPA officials, environmentalists and industry representatives, an aide said. No final agreements were reached, however.

Farm Concerns: The American Farm Bureau Federation raised two other concerns that committee members are expected to consider over the next few weeks, according to aides. The bureau is seeking provisions that would exempt farmers and ranchers from liability for environmental pollution in cases where a farmer has used a pesticide according to federal guidelines printed on the product's label.

The bureau also is seeking provisions to establish that only federal and state governments -- not local governments -- may regulate pesticide use.

Environmentalists are suspicious of both ideas. Grassroots environmental groups, in particular, consider it extremely important that local communities be able to exert some control over when, where, and how pesticides are used in order to protect people from dangerous exposures.

Roberts has repeatedly expressed the view that the interests of farmers must not be ignored. "There's got to be something for agriculture in this bill," a minority committee aide said, adding that Roberts will look closely at these and other issues raised by farm groups.

Enforcement: Bedell appeared to be moved by testimony from a Michigan pest control operator who described numerous incidents in which pesticide applicators have misused pesticides, resulting in illness and death for people who were inadvertently contaminated.

Under current law, states are responsible for enforcing federal pesticide label requirements. But

Steven L. Tvedten testified that in his area, "no one actually enforces any of the label requirements or restrictions the federal law requires. This is totally left up to the consciences of the mostly uncertified, inexperienced and untrained poison applicators."

Bedell said that he was "extremely disturbed" by Tvedten's testimony, adding that he intended to talk over the issue with pest control organizations. "I'm going to pursue this issue," Bedell said.

Cancellation Procedures: Another key issue for subcommittee members will be the bill's provisions regarding EPA procedures for conducting special reviews and cancellation hearings on pesticides suspected of posing serious public health risks, according to a majority committee aide.

While agreeing that special reviews and cancellation actions currently take too long, Moore testified that EPA is "unequivocally opposed" to HR 4364's approach to streamlining the procedures.

Minor Crops: The American Farm Bureau Federation and other farm groups raised concerns last week that some provisions in HR 4364 might hurt growers of minor crops, such as fruits, vegetables and nuts.

The bill would require EPA to re-evaluate the safety of some 600 pesticide active ingredients currently on the market. To help pay for EPA's reregistration effort, pesticide registrants -- companies that manufacture active ingredients or formulate products using them -- would be required to pay a fee of \$150,000 for each active ingredient they want reregistered. Registrants would also have to pay for any health and safety studies that EPA feels are needed in order to determine the safety of a given pesticide ingredient.

Minor-crop farmers fear that some of the pesticides they rely on will no longer be available because pesticide manufacturers will decide that the costs involved in getting certain

active ingredients reregistered aren't worth it.

Roberts is expected to look into whether the bill's reregistration provisions should be modified to prevent undue hardship to minor-crop farmers, according to a minority subcommittee aide.

However, a majority aide pointed out that, according to Steve Schatzow, Director of EPA's office of pesticide programs, almost all active ingredients currently used on minor crops are also registered for major uses, making it unlikely that the farmers' fears will come true.

"A lot of steam" has thus been taken out of the minor-crop issue, the majority aide said.

Reregistration Fees: The Chemical Specialties Manufacturers Association and other organizations representing small-scale manufacturers and formulators of non-agricultural pesticides -- such as disinfectants and lawn-care products -- complained that the \$150,000 reregistration fee per registered active ingredient could prove unmanageable to some small businesses.

Citing this and other concerns with HR 4364, CSMA urged that the subcommittee hold an additional day of hearings on "a broader, more comprehensive FIFRA package" that CSMA is developing with other members of a group known as the FIFRA Coalition.

But Chairman Bedell expressed skepticism about CSMA's claims. "It sounds to me like your argument doesn't have any validity," the chairman said. Bedell also expressed concern that CSMA is trying to delay progress on a FIFRA reform bill.

Senate Action: Sens. Richard G. Lugar (R-Ind.), Patrick J. Leahy (D-Vt.) and William Proxmire (D-Wis.) last week introduced a bill identical to HR 4364 (S 2215).

Although saying that he is encouraged by the willingness of NACA and the Coalition for Pesticide Reform to end their longstanding stalemate over FIFRA reform, Lugar added that "given the extent of this bipartisan

effort, I do not claim to wholeheartedly endorse each provision contained in this bill."

In particular, Lugar noted that he is aware of EPA concerns "over the aggressive schedule for reregistration of old pesticides" proposed in the bill.

Lugar called the bill "a good starting point to bring about needed changes in FIFRA," and said that he "will give full consideration to those concerned with certain aspects of this legislation."

Senate Agriculture's Subcommittee on Agricultural Research, which Lugar chairs, is expected to hold hearings after the Easter recess. An aide said that the subcommittee is trying to schedule two days of hearings during the week of April 7; no final arrangements had been made at press time.

House Agriculture contacts: Tim Galvin, majority, x51867; Gary Mitchell, minority, x52342. Senate Agriculture: Chuck Conner, x46901. -- Mary J. Houghton.

# STATUS OF MAJOR LEGISLATION

HOW TO USE THIS SECTION: Major bills are listed below alphabetically by subject. Each bill's current status is noted, followed by an index of key reports on each subject.

CODE FOR REFERENCES: WB=Weekly Bulletin. HFB=House Floor Brief. SFB=Senate Floor Brief. UD=Update. FS=Fact Sheet. BB=Briefing Book. SC=Scorecard. Dates and page numbers listed after publication.

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## Appropriations

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President Reagan 2/5 sent Congress fiscal 1987 budget with some severe cuts in energy and environmental programs to meet \$144 billion deficit target mandated by new Gramm-Rudman-Hollings deficit reduction law.

FY 1986 Continuing Resolution: House, Senate 12/19/85 approved yearlong FY '86 continuing resolution (H.J.Res. 465, PL 99-190). Includes Interior, Energy programs. Signed 12/19.

WB 12/16, B16; WB 12/9, B3; SFB 12/5; HFB 12/3; WB 12/2, B3.

Supplemental: FY '86 supplemental approved 3/20 by House Appropriations. Measure would provide \$1 billion for DOE to cover defaulted loans on Great Plains synfuels plant, and would block Reagan deferrals of Strategic Petroleum Reserve, fossil fuels research, conservation research and solar research funding.

WB 3/17, C21.

Energy and Water: FY '87 Reagan budget includes \$3 billion for the Army Corps of Engineers and \$851 million for BuRec water programs. Corps budget includes 19 new starts and funding for 40 new projects in an FY '85 supplemental (PL 99-88), assumes enactment of omnibus bill with cost sharing.

DOE budget proposal would cut solar energy research in half, sharply reduce civilian nuclear research and boost high-level waste disposal by 50 percent. DOE's five power marketing administrations would be sold for \$13 billion, and NRC would be cut slightly.

House Appropriations corps hearings held 2/18-20, 2/24-26; BuRec hearing 3/4. House Interior BuRec hearing 2/19. Senate Appropriations corps hearing 2/20; BuRec hearing 2/25. House, Senate Appropriations DOE hearings 3/3-4, 10-13; TVA hearings 3/5.

WB 3/17, C24; WB 3/10, C10; WB 3/3, C3, C10; WB 2/24, C7; WB 2/17, C20; FS 2/6; WB 2/3, C15; WB 1/27, C1, C2, C5; 1985: SC 12/19, p. 7; HSFB 10/15; SFB 7/29; HFB 7/15; BB, p. 15.

HUD-Independent Agencies: President's FY '87 budget contains \$1.4 billion for EPA operating programs, \$1.05 billion for superfund, \$1.8 billion for sewer grants, to be requested after Clean Water Act reauthorization is completed.

House Appropriations subcommittee held hearings on EPA budget 3/18, 3/19. Senate Appropriations subcommittee held hearing 3/12.

WB 3/17, C22; WB 3/10, C22; WB 2/17, C8; FS 2/6, p. 9; WB 1/27, C5; 1985: SC 12/19, p. 2; FB 12/16, p.4; FB 12/5, p. 4.

Interior: President's FY '87 budget seeks \$3.6 billion for Interior and \$1.3 billion for USDA's Forest Service.

DOE fossil fuels research would be cut in half by the administration request, although \$12 million would be provided for a new "joint venture pool." Proposed budget would cut energy conservation research 60 percent, eliminate DOE conservation grants.

House Appropriations Interior overview 2/19, DOE overview 2/20; outside witnesses 2/26-28; NPS 3/12-13. Senate Appropriations historic preservation hearing 2/19, BLM 2/24, NPS 3/11, overview 3/18, Forest Service 3/25.

Senate Energy overview hearings on Interior held 2/18, Forest Service 2/19. House Interior Park Service hearing 2/20; BLM, Forest Service hearings 2/6; historic preservation 2/7.

WB 3/24; WB 3/17, C3; WB 3/10, C6, C7; WB 3/3, C7, C16; WB 2/24, C22, C34; WB 2/17, C15; FS 2/6; WB 2/3, C8; WB 1/27, C3; 1985: WB 12/16, B16; WB 12/9, B3; SFB 12/5; HFB 12/3; WB 12/2, B6.

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### **Budget**

Senate Budget 3/19 approved by a 13-9 vote a bipartisan fiscal 1987 budget resolution that meets the \$144 billion FY '87 deficit target with a freeze at current levels on most programs, \$18 billion in new taxes.

Senate 11/14/85 passed by 93-6 vote omnibus budget reconciliation package (S 1730, S.Rpt. 99-146). House passed its version (HR 3500, H.Rpt. 99-300) 10/24. Conference version died 12/19/85 over superfund tax issue.

House 3/6 passed same report, with a few new changes to OCS outer continental shelf leasing provisions and without superfund taxes. Senate responded with counter-proposal 3/14; House accepted Senate offer 3/20, clearing measure for the president.

WB 3/24; WB 3/17, B1, C11; WB 3/10, B3; HSF 3/4; WB 3/3, C23; WB 2/24, B1; WB 2/17, B4; WB 1/20, p. 2; 1985: SC 12/19, p. 13; WB 12/16, B2; WB 12/2, C3; WB 11/11, B3; WB 10/28, B2; WB 10/21, B2, B8; WB 10/14, B8, C3; WB 10/7, B6, C16; WB 9/23, C9; WB 9/16, C18; FS 4/25; BB, p. 3.

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### **Clean Air Amendments**

Environment Chairman Stafford introduced new acid rain bill 3/18 (S 2203). Bill would tighten controls on several pollutants and apply to both power plants and motor vehicles.

Sen. Mitchell 3/18 introduced amendments (S 2200) to a previous acid rain proposal (S 283).

Rep. Waxman negotiating with House Republicans on new acid rain proposal.

No major action taken on Clean Air Act amendments during 1985 session.

WB 3/17, C25; WB 1/20, p. 20; 1985: WB 12/9, C10; WB 12/2, C1; WB 11/18, C7; WB 10/28, C8; BB, p. 5.

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### **Clean Water Amendments**

Senate 6/13/85 passed Environment Committee's Clean Water Act reauthorization 94-0 (S 1128, S.Rpt. 99-50).

House 7/23/85 passed Public Works Committee's Clean Water bill 340-83 (HR 8, H.Rpt. 99-189).

Conference schedule uncertain, but

likely to be delayed until after superfund conference is completed. Key conference issues: sewer grants authorization levels, special projects authorizations, allocation formula.

States at risk of running out of FY 1986 sewer grants money while waiting for reauthorization; effort to provide supplemental FY 1986 funding possible in coming months.

Senate bill authorizes \$18 billion, House bill \$21 billion, in grants and loans for wastewater treatment construction over fiscal years 1986-1994. Senate revised the state allotment formula for sewer grants; House kept the existing formula.

Administration has threatened to veto if authorization levels are not lowered.

Both bills establish new programs to combat toxic water pollution, control non-point pollution, increase penalties for violators.

WB 3/10, C 22; WB 2/17, C18; WB 1/20, p. 7; 1985: WB 10/21, C12; UD 9/18; WB 9/16, C1; WB 9/9, C10; HFB 7/22; SFB 6/12; SFB 6/6; FS 5/31; BB, p. 8.

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### **Drinking Water**

Conference on Safe Drinking Water Act reauthorization bills began 1/30. Staff agreement covering groundwater, other issues reached 3/18; conferees signed conference report without another meeting.

Senate passed Sen. Durenberger's 5-year Safe Drinking Water Act extension (S 124, S.Rpt. 99-56) by voice vote 5/16/85. Bill would set deadlines and require EPA to set standards for listed drinking water contaminants, require monitoring of public drinking water supplies for unregulated contaminants.

House passed Rep. Madigan's four-year reauthorization bill (HR 1650, H.Rpt. 99-168) by voice vote 6/17/85.

House bill is similar to S 124 but contains lower authorizations, more extensive groundwater provisions, different standard-setting language.

Senate Environment approved S 124 5/2/85. House Energy 5/15/85 voted to report HR 1650.

WB 3/10; C17; WB 2/24, C33; WB 2/3, C7; WB 1/20, p. 10, 14; 1985: SC 12/19, p. 6; WB 11/18, C14; WB 11/11, C12; WB 11/4, C6; WB

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### **Hazardous Waste**

Congress 2/20-21 passed 60-day, \$150 million bill (H.J.Res. 573) to provide short-term funding for superfund hazardous waste cleanup program.

Conference on 5-year reauthorization bill (HR 2005) to meet on program issues 3/25. Full conference met 2/26; program conferees met 3/4, 3/6, 3/13, 3/18, 3/20; tax conferees met 2/27.

Congress under pressure to act quickly because authority to collect taxes for the program expired 9/30/85. Planning or cleanup has been delayed at approximately 175 sites.

Conference issues include funding level, cleanup schedules and standards, marine oil pollution liability legislation, settlements, leaking underground petroleum storage tanks, and citizen suits. Most difficult issue expected to be taxes.

House passed a 45-day tax extension 10/1/85, but Senate did not follow suit. Senate unsuccessfully pushed in December for putting 5-year superfund taxes in reconciliation bill.

Senate 9/26/85 passed \$7.5 billion, 5-year superfund reauthorization bill by 86-13 vote (HR 2005, formerly S 51; S.Rpt. 99-11, 99-73). Bill raises most revenue from broad-based tax on manufacturers.

House 12/10/85 passed \$10-billion bill 391-33 (HR 2005). Includes substitute tax package approved 220-206 that puts most of tax burden on oil and chemical industries.

House substituted compromise bill (HR 3852) for text of HR 2817, versions of which were reported by five committees (H.Rpt. 99-253, Pts. 1-5).

Ordered reported by House Energy's Commerce Subcommittee 6/25/85, by full committee 31-10 on 7/25/85; by Public Works Water Resources Subcommittee 10/9/85, full committee 10/10/85; by Merchant Marine 38-1 on 10/1/85; by Judiciary's Administrative Law Subcommittee 9/18/85, full committee 10/8/85; by Ways and Means 10/17/85 after 18-17 vote for broad-based tax.

Senate Environment approved Chairman Stafford's bill by 14-1 vote during 1985 markups 2/26, 2/28, 3/1. Finance approved tax package 5/16/85. Sequentially referred to Judiciary but no markup occurred.

WB 3/24; UD 3/19; WB 3/17, C16; WB 3/10, C18; FS 3/6, pts. 1-2; WB 3/3, C13; WB 2/24, C30; FS 2/6, p. 9; WB 2/3, C12; WB 1/27, C6; WB 1/20, p. 12; 1985: SC 12/19, p. 16; HFB 12/4; UD 10/9; HFB 10/1; UD 9/27; SFB 9/19; SFB 9/18; SFB 9/16; UD 9/16; FS 8/19; SFB 7/3; UD 6/18; FS 2/5, p. 2; BB, p. 49.

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### **Nuclear Energy**

**Nuclear Liability:** Senate Energy began markup 2/26 of extension of Price-Anderson Act nuclear liability and compensation system. Panel voted 3/6 to increase minimum statute of limitations for claims, and to provide coverage for nuclear waste activities and precautionary evacuations. Markup to continue 3/26.

Markup vehicle (S 1225) by Chairman McClure and Assistant Majority Leader Simpson would raise the current industry liability limit to more than \$2 billion, an amount acceptable to the nuclear industry. Metzbaum plans to offer parts of his bill (S 2072) on DOE contractor liability as amendments.

Similar liability limit (HR 3653) approved 12/10/85 by House Interior's Energy and the Environment Subcommittee. Chairman Udall had sought liability limit of about \$10 billion. Full Interior markup expected in April. Current act expires 8/1/87.

WB 3/24; WB 3/17, C34; WB 3/3, C15; WB 2/24, C14; WB 1/20, p. 4; BB p. 25. 1985: WB 12/9, C5; WB 12/2, C13; WB 11/18, C9.

**Licensing Reform:** Senate Energy hearings and markup planned this spring on nuclear plant licensing reform (S 2073). Bill would encourage standard designs, combined construction and operating permits, pre-approval of plant sites.

WB 1/20, p. 6; BB p. 25.

**High-level Waste:** DOE plans to send Congress a proposal to build a "monitored retrievable storage" facility for high-level nuclear waste in Tennessee, a plan opposed by the state's governor. DOE announced 12 areas in seven Midwestern and Eastern states 1/16 where a second permanent high-level waste repository could be built. First repository is to be in Texas, Nevada or Washington.

WB 1/20, p. 5; BB p. 29.

Low-level Waste: Congress 12/19/85 approved Low-Level Radioactive Waste Policy Amendments Act (PL 99-240), which extends nationwide access to disposal sites and approves seven state disposal compacts.

New law also establishes milestones for opening new sites, imposes disposal surcharges and requires nuclear utilities to reduce waste volumes.

1985: WB 12/16, B7; WB 12/9, B11; FS 7/6; BB p. 27.

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### OCS Leasing

8(g): House voted 3/20 to accept Senate provisions eliminating "buy-American", state-federal leasing consultation, general revenue sharing and 8(g) funds for pre-1978 leases from budget reconciliation (HR 3128), thus clearing the bill.

House 3/6 offered to drop pre-1978 leases, allow companies to seek relief through Interior Department on "buy-American." Senate 3/14 approved counterproposal.

Final compromise would split escrowed 8(g) funds among seven coastal states, giving the states 27 percent of all 8(g) revenues, including royalties.

Calif. OCS: FY '86 continuing resolution (H.J.Res 465, PL 99-190) contained compromise California OCS language directing Interior secretary to reach a settlement on offshore areas that should be off-limits to leasing. Discussions underway; prospects uncertain.

Publication 2/6 of a new draft five-year OCS leasing plan may provoke new round of controversy over the future of certain leases.

CZMA: House passed by voice vote 7/30/85 a five-year reauthorization of the 1972 Coastal Zone Management Act (HR 2121, H.Rpt. 99-103). Senate Commerce approved Chairman Danforth's CZMA reauthorization (S 959, S.Rpt. 99-71) 5/9/85.

House CZMA reauthorization attached to budget reconciliation package (HR 3500, H.Rpt. 99-300), and included in reconciliation conference report.

WB 3/17, B1; WB 3/10, B3; HFB 3/5; WB 3/3, B3; WB 2/24, B1; WB 2/17, B4; WB 1/20, p. 24; 1985: SC 12/19, p. 11; WB 12/16, B2; WB 12/9, B3; SFB 12/5; HFB 12/3; WB 12/2, B3; SFB 10/10; BB, p. 35.

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### Pesticides

Reps. Bedell, Roberts, Brown (Calif.) introduced major FIFRA reform package 3/11 (HR 4364). House Agriculture held hearings 3/19, 3/20. Markup set for 4/29.

Sens. Lugar, Leahy and Proxmire introduced identical bill 3/20 (S 2215). Hearings expected in April in Senate Agriculture.

WB 3/24; WB 3/17, C32; WB 3/10, C24, BB, p. 37.

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### Rangelands

President 2/14 renewed ability-to-pay grazing fee formula for BLM and USFS lands; set \$1.35 AUM minimum.

No action yet on rancher advisory boards, which expired 12/31/85.

Administration 3/12/86 submitted report evaluating the ability-to-pay and alternative fee structures. The report was due 12/31/85.

Talks between House Interior Democratic and Senate Energy Republican leaders on omnibus grazing fee/rangelands package collapsed 12/12/85. Talks may resume, but outlook doubtful.

Environmentalists want a formula that would produce market rate fees.

Ranchers and congressional Westerners had urged the president to renew the ability-to-pay formula for at least 10 years.

House Republicans 6/17/85 introduced grazing fee formula renewal bill (HR 2790); Sen. DeConcini introduced similar bill (S 1406) 7/9/85.

WB 2/24, C31; FS 2/6; WB 1/20, p. 27; 1985: SC 12/19, p. 5; WB 12/16, C5; WB 12/9, C1; BB, p. 19.

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### Water Resources

Senate 3/14 began consideration of Senate Environment omnibus bill (S 1567, S.Rpts. 99-126, 99-228) with cost sharing and navigation user charges backed by the administration. Several amendments adopted. Senate may complete action this week.

Environment reported S 1567 7/18/85. Harbor and inland waterway user-charge and tax provisions reported by Finance 12/11/85.

Some elements of the Senate cost-

sharing and navigation tax provisions are included in a House Public Works omnibus (HR 6, H.Rpt. 99-251, Pts. 1-4) approved 358-60 by the House 11/13/85.

Public Works reported HR 6 6/26/85. Bill referred to Interior, Merchant Marine and Ways and Means. Interior markup 9/11/85, Merchant Marine 9/12/85, Ways and Means 9/18/85.

FY '87 Reagan budget includes \$3 billion for Corps of Engineers, including 19 new starts and 40 projects from the FY 1985 supplemental. Request assumes enactment of omnibus authorization bill with cost sharing and navigation user charges. (Also see Appropriations, Energy and Water.)

WB 3/24; WB 3/17, B2; SFB 3/12; WB 3/10; WB 3/3, B1; SFB 2/26; WB 2/24, B1; WB 2/17, B5; WB 2/3, C15; WB 1/20, p. 18; 1985: SC 12/19, p. 7; WB 12/9, C13; WB 11/18, C16; WB 11/11, B9; HFB 11/5; WB 11/4, B1; HFB 11/1; SFB 6/18; HFB 6/4, 6/5; BB, p. 58.

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### Wilderness

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99th Congress to consider wilderness protection bills for some states in response to 1979 Forest Service national forest wilderness recommendations (RARE II).

Kentucky: 13,000-acre national forest bill (HR 1627, H.Rpt. 99-124) passed by House 12/9/85, Senate 12/12/85. Signed 12/23/85 (PL 99-197).

Michigan: House 9/17/85 passed 92,400-acre Michigan national forest wilderness bill (HR 148, H.Rpt. 99-262, Pt. 1). Companion 81,660-acre bill (S 1767) introduced in Senate 10/16/85.

Nebraska: Senate 8/1/85 passed 14,700-acre Nebraska national forest wilderness bill (S 816, S.Rpt. 99-122). No House bill introduced.

Nevada: House Interior 11/6/85 approved 936,000-acre Nevada national forest wilderness bill (HR 3302) with amendment creating a 174,000-acre national park. Field hearing on park proposal 11/25/85. Senate Energy field hearings 2/10-14.

Some Colorado and other Western-state members hope to overturn 11/25/85 court ruling that federal government has reserved water rights for wilderness. Bills to neutralize decision introduced 2/25 by Sen. Armstrong (S 2097), Rep. Strang (HR 4233).

Water rights issue may slow action on

all wilderness proposals.

Hearings possible this session on Bureau of Land Management's review of 25 million acres of wilderness candidate areas.

WB 1/20, p. 27; 1985: WB 12/9, B6; WB 11/18, C1; WB 11/11, C6; WB 11/4, C11; WB 10/7, C11; WB 9/16, B1; BB, p. 60.

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### Wildlife

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House passed three-year reauthorization of Endangered Species Act (HR 1027, H.Rpt. 99-124) under suspension 7/29/85.

Senate Environment 12/4/85 reported Chairman Chafee's three-year reauthorization (S 725, S.Rpt. 99-261) of the Endangered Species Act.

Hearings held 4/16/85, 4/18/85. Field hearings on grizzly bear management held 7/1/85, 9/4/85.

Senate floor action possible in March.

WB 1/20, p.11; 1985: SC 12/19, p. 6; WB 12/9, B2; WB 12/2, C8; WB 11/11, C15; BB, p. 13.

# CALENDAR

## HOUSE COMMITTEES

### MONDAY

No Action

### TUESDAY

Energy, Public Works, etc.: **Superfund conference**  
2, 2167.....C10

### WEDNESDAY

No Action

### THURSDAY

No Action

### FRIDAY

No Action

## SENATE COMMITTEES

### MONDAY

Finance: **Tax reform mkup.**  
9:30, SD-215.....C13

### TUESDAY

Appropriations: **Forest Service hg.**  
2, SD-138.....C3

Energy: **Oil import fee hg.**  
9:30, SD-366.....C11

Environment: **Mixed waste hg.**  
10, SD-406.....C4

Environment, Judiciary: **Superfund conference**  
2, 2167.....C10

Finance: **Tax reform mkup.**  
9:30, SD-215.....C13

### WEDNESDAY

Energy: **Nuclear mkup., OSMRE nominee vote**  
9:30, SD-366.....C1, C7

Finance: **Tax reform mkup.**  
9:30, SD-215.....C13

### THURSDAY

Finance: **Tax reform mkup.**  
9:30, SD-215.....C13

### FRIDAY

No Action