

## **Intrastate Coal and Use Act**

Whereas the Tenth Amendment to the United States Constitution guarantees to the states and their people all powers not granted to the federal government elsewhere in the Constitution and reserves to the state and people of (insert state) certain powers as they were understood at the time that (insert state) was admitted to statehood in (year). The guaranty of those powers is a matter of contract between the state and people of (insert state) and the United States as of the time that the compact with the United States was agreed upon and adopted by (insert state) and the United States in (year).

Whereas the Ninth Amendment to the United States Constitution guarantees to the people rights not granted in the Constitution and reserves to the people of (insert state) certain rights as they were understood at the time that (insert state) was admitted to statehood in (insert year). The guaranty of those rights is a matter of contract between the state and people of (insert state) and the United States as of the time that the compact with the United States was agreed upon and adopted by (insert state) and the United States in (insert year).

Whereas the regulation of intrastate commerce, including the natural environment as affected by intrastate business, is vested in the states under the Ninth and Tenth Amendments to the United States Constitution and is specifically retained by the State of (insert state).

### **Definitions.**

As used in this article, the following definitions apply:

- (1) "Borders of (insert state)" means the boundaries of the State of (insert state) described in the (insert state) Constitution.
- (2) The term "coal mine" means those operations removing coal from a coal seam or seams, whether aboveground or underground.
- (3) "Chemically altered coal product" means any product derived principally from coal, including, but not limited to, coke or liquid fuels derived from coal by any process.

### **Requirements.**

- (a) In light of the above findings, environmental regulation in (insert state) for all purposes of regulating business activity performed in (insert state), when the products of such business activities are held, maintained, or retained within the borders of

(insert state), is the principal responsibility of the (insert state) Department of Environmental Protection.

(b) Any (insert state) coal mine producing coal which is used commercially or privately in (insert state) and which is consumed or otherwise remains within the borders of (insert state) and any (insert state) facility producing chemically altered coal products used commercially or privately in (insert state) which remain within the borders of (insert state) shall be issued a permit to operate by the (insert state) Department of Environmental Protection once the (insert state) Department of Environmental Protection has certified that the mine or facility is compliant with all applicable state and federal laws or state and federal regulation.

(c) In addition, the Legislature of the State of (insert state) declares that the regulation of the transportation and disposal of hazardous waste; the regulation of the release of emissions, substances and pollutants into the air in the state; the regulation of the release of pollutants into bodies of water in the state; the regulation of public water supplies in the state; the regulation of wastewater systems in the state; and the regulation of production, exploration, drilling, development, operation, transportation and processing of coal, coal products, and materials or substances used in the production, exploration, drilling, development, operation, transportation and processing of coal that originate and remain inside the State of (insert state) and have not been proven and adjudicated by the (insert state) court system or the federal court system to specifically be causing, or to have caused, quantifiable harm to any person, businesses, or places beyond the borders of (insert state) shall be intrastate commerce and shall not be subject to federal law or federal regulation under the authority of the United States Congress to regulate interstate commerce.

(d) A sample from each vein of coal in a mine and a sample of coal from each (insert state) source used at a facility producing a chemically altered coal product shall be placed on record with the (insert state) Department of Environmental Protection to verify the (insert state) origin of the coal produced and used.

(e) The Legislature declares that the United States Environmental Protection Agency, acting under the color of authority of Congress to regulate interstate commerce, lacks the authority to deny permits of operation to such coal mines and facilities as the products of these mines and facilities have not traveled in interstate commerce.

(f) This article applies to coal and to any chemically altered coal product mined or produced in (insert state) from basic materials which can be manufactured without the inclusion of any significant components imported from another state. **If we bring in oil, then the EPA could regulate that portion of the transaction, but not the final product.**

(g) This article applies only to the issuance of a permit of operation to a coal mine or facility producing chemically altered coal products, the issuance of which permit is required by the Clean Water Act or by another equivalent state or federal statute or regulation. Nothing in this section shall be construed to limit the effect of any other state or federal statute or regulation.

NOTE: The purpose of this bill is to create the Intrastate Coal and Use Act. The bill establishes that the environmental regulation of coal and certain coal products mined and used within the state are exclusively regulated by the (insert state) Department of Environmental Protection. The bill states the legislative authority and defines terms.

EPA has been cracking down on coal since cap-and-trade didn't pass. Some fed judges have shot down EPA's most recent regs overstepping the bounds of the Clean Water Act – Cross State Air Pollution Rule. The mining permits that were denied in Ky because of water purity issues – or were outright unconstitutional.

State Sovereignty: Since the 9<sup>th</sup> and 10<sup>th</sup> amendment does in fact grant Ky sovereignty over its energy sector – as long as all commerce is done within the commerce, we propose the intrastate and coal use act.

Coal is as important to Kentucky's energy sector as oil is to Texas'. And yet the EPA is working overtime to drain the economic vitality out of this most prized natural resource and the livelihood of dozens of Appalachian communities.

Already, in large part due to the EPA's unilateral regulations in line with the current administration, Kentucky coal-fired power plants like Big Sandy 2 and Arch Coal facilities have shut down, resulting in hundreds of layoffs, with plenty more to come.

Well over 90% of Kentucky's electricity is generated from coal, and Kentucky's abundance of coal has provided the commonwealth with some of the cheapest energy rates in the country for decades. These cheap rates have attracted companies from the steel, aluminum, and automotive industries to set up shop in Kentucky, resulting in hundreds of thousands of jobs. Directly, coal accounts for 18,000 jobs in Kentucky, with three additional industry jobs relying on each coal miner position.

We have seen at least three instances of the current administration admitting the true intentions of the EPA. In 2008, then-candidate Barack Obama claimed that under his plan, "If somebody wants to build a coal-powered plant they can, it's just that it will bankrupt them because they're going to be charged a huge sum for all that greenhouse gas that's being emitted."

In 2010, Al Armendariz, who recently resigned as Region 6 EPA Administrator, speaking at a city council meeting in Dish, Texas, compares the EPA's strategy for taking down our energy sector to the ancient Romans' tactic of sacking Turkish dissenters via random crucifixion: "It was kind of like how the Romans used to, you know, conquer villages in the Mediterranean. They'd go in to a little Turkish town

somewhere, they'd find the first five guys they saw, and they'd crucify them. And then, you know, that town was really easy to manage for the next few years ... You make examples out of people who are, in this case, not complying with the law ... and you hit them as hard as you can" — to send a message intended as a "deterrent" to others.

Finally, this past May, Curt Spalding, EPA Region 1 Administrator, admits to a Yale University forum that head administrator Lisa Jackson, high priestess of the EPA's fundamentalist campaign to snuff out Kentucky coal, realizes that these newest regulations would be "painful every step of the way" for communities that depend on coal: "Lisa Jackson has put forth a very powerful message to the country ... if you want to build a coal plant you got a big problem."

The Bluegrass Institute has always stood for three principles which the EPA disdains: smaller government, free markets, and individual liberty. Based on our principles, the pros and cons of Kentucky coal should be weighed solely by the citizens of Kentucky, insofar as they only affect Kentucky citizens. Further, the 9<sup>th</sup> and 10<sup>th</sup> Amendments of the U.S. Constitution provide the commonwealth with the legal right to oversee its internal commerce as it sees fit.

Therefore, we propose the "Intrastate Coal and Use Act" which reaffirms Kentucky's right to govern its own internal commerce as it relates to coal.

Q&A Issues:

- What if a coal company exports part of its product?

Preemptively Before this bill, the coal miners would lack this key protection....This bill puts the onus on the EPA to determine what amount of an operation is subject to federal interstate-commerce regulation. This bill simply crystallizes the constitutional protections for our legislators and coal-mining industry people that have always existed since the founding of our constitution. This gives state legislators and coal miners a powerful tool in upholding smaller governments, freer markets and state sovereignty.

For too many years, we've been fighting the fed bureaucracy with rocks and paper airplanes. This finally gives us a bazooka in battle.

- Miner safety

We do not address. Although we believe the arguments in this bill could apply, this bill does not address this issue.

- Should the bill be stronger and not claim to uphold federal regulations?

Amend that part of the bill.

1/3<sup>rd</sup> of all coal mined in Ky stays in Ky.

## Find subcommittee members

Despite a scathing campaign that pilloried him for waging a “war on coal,” industry and government officials say they are guardedly hopeful that President Obama is ready take a more lenient approach after winning a second term.

Kentucky, the third largest coal-producing state, produced a 61 percent to 38 percent win for Republican candidate Mitt Romney, who promised to loosen environmental regulations in an industry that faces new and stiff competition from cheaper natural gas.

In Pike County, coal “was the only issue and it was dominant,” said Democrat Wayne Rutherford, judge executive for Pike County, in the heart of the state’s eastern Kentucky coal fields, where Romney won 3:1. “There are plenty of concerns, but this is our life blood.”

On Wednesday, the day after Obama’s election, stocks of several coal companies fell 9 percent, to 23 percent.

Still, the promise of a new term and Obama’s campaign talk about “clean-coal technology” has raised optimism, albeit slightly, among some industry supporters — even as they largely continue to blame his policies for coal country’s misfortunes.

The coal economy has suffered “not simply because of low natural gases, but also the impact of a federal government that has increased costs of mining at every turn,” said Bill Bissett, president of the Kentucky Coal Association.

Yet he said, “We are hopeful that the president's pro-coal comments from the campaign reflect a new direction for his administration.”

State Rep. Rocky Adkins, D-Sandy Hook and House majority floor leader, said he intends to write the president, requesting a meeting “to discuss the future of the coal industry and the need for a national energy policy in which coal must play a vital role.”

Adkins said the president's policies on coal “have had a tremendously negative impact on Appalachia and the nation,” costing miners jobs.

## **Meeting air quality**

Romney's campaign alignment with the coal industry came as utilities such as LG&E and KU Energy are retiring some of their oldest coal-fired power generation stations, and replacing them with cleaner natural gas plants, in part to meet tougher new air pollution rules.

Helping to fuel the pre-election debate over coal, the utilities had also secured rate increases of up to 18 percent to pay for environmental upgrades — increases that the utilities announced Thursday would not need to be as steep.

That's because they had received timely approvals from the Kentucky Public Service Commission and the other regulatory agencies that allowed the companies to secure lower bids on the work, said Chris Whelan, spokeswoman for LG&E and KU Energy.

During Obama's presidency, the U.S. Environmental Protection Agency also has stepped up enforcement of clean-water rules for surface mining across Appalachia and imposed a new "good neighbor" rule designed to reduce air pollution from blowing across state lines — though those two efforts have been held up by the courts.

The EPA has also promised national regulations on toxic coal-burning waste, and has proposed a rule that would likely end coal burning in new power plants — unless the plants can capture and permanently store heat-trapping carbon dioxide emissions deep underground.

Meanwhile, the U.S. Energy Information Agency says coal production in Kentucky declined 7 percent from 2008 to 2011.

"Our coal miners, especially in eastern Kentucky, continue to see layoffs, not simply because of low natural gases, but also the impact of a federal government that has increased costs of mining at every turn," Bissett said.

For their part, EPA officials have insisted they are not prosecuting any war on coal.

In August, Assistant EPA administrator Gina McCarthy, who has overseen the development of controversial new regulations that are helping to force dozens of coal-fired power plants into retirement, spoke at a Louisville coal-based utility conference, assuring participants that "coal will be in play for many years to come."

"The Clean Air Act standards recognize coal is a significant and major source of electric generation," McCarthy said. "We don't believe our rules do anything to change that."

### **Keeping coal accountable**

Still, attorney Tom FitzGerald, director of the Kentucky Resources Council, called Obama's re-election a "significant" development for protecting America's environment.

"It is likely that had the Romney campaign been successful, these efforts to require that the extraction and combustion of coal better account for off-site pollution of air and water, would have been reversed," FitzGerald said.

But he also said that the biggest factor in the shift away from Appalachian coal as the fuel of choice for new power plants has been the growth of production of natural gas from shale, through fracking and drilling, and the higher costs of mining coal as coal resources get more scarce.

Art Williams, executive director of the Kentucky Conservation Committee, agreed, taking issue with the whole notion of a "war on coal," saying it was "a politically-constructed wedge issue to try to beat Obama and other similarly situated Democrats, like Ben Chandler."

Chandler lost his Central Kentucky seat in the U.S. House of Representatives after challenger Andy Barr, a Republican, made coal a big part of his campaign.

But Williams, who has been tracking climate change issues for more than two decades, said coal could face additional challenges if the president moves on climate change, as he hinted at during his acceptance speech when he said children should live in an America " ... that isn't threatened by the destructive power of a warming planet."

Williams said those comments and the circumstances of the superstorm Sandy, which struck the Northeast shortly before the election and caused tens of billions in damage, "has already created a surge of momentum for the issue to be more directly addressed," including an accelerated move away from fossil fuels like coal.

"Now more than ever, Kentucky needs not to have all its energy eggs in one basket," he said of Kentucky's more than 90 percent reliance on coal for electricity.

### **Looking forward**

Rutherford said his biggest concern with the EPA is how it has imposed certain water quality rules on eastern Kentucky and West Virginia coal mining that it hasn't imposed on other states in the region, including Virginia and Pennsylvania.

In a case brought by the industry and signed on by Gov. Steve Beshear, a federal judge earlier this year ruled that the EPA "overstepped its authority" in the matter. The EPA has appealed.

"We are hopeful since the election is over, that this president will understand how unfair he has been to eastern Kentucky," said Rutherford, the Pike County judge executive.

Beshear, also a Democrat, congratulated the president in a written statement.

But the governor said EPA's action had "essentially halted three dozen pending coal permits in Kentucky — permits that were met with erratic and unpredictable changes in EPA standards. My Energy and Environment Cabinet has worked tirelessly with the EPA to resolve these issues. However, the EPA has turned a deaf ear to us."

Yet, despite the threat from regulation and cheaper natural gas, Beshear said he is "optimistic that coal will continue to play a very important economic role in our state for years to come."

In Pikeville, Stumbo was trying to educate the EPA panel on the primacy laws enacted when he was a freshman representative in the 1980s.

In 1982 the U.S. Secretary of the Interior granted the Commonwealth of Kentucky conditional approval of its surface mining program. The approval transferred the primary regulatory responsibility for enforcing environmental laws concerning surface coal mining operations from the federal to the state level.

Stumbo said that power granted from the Congress, gave Kentucky and other states the right to regulate their own surface mining, provided they enacted laws that were at least as stringent as the national laws. Stumbo said that arrangement has worked for 30 years, but now the EPA wants to change the rules.

Beginning in April 2010, the USEPA began objecting to coal mining permits because they claim the water quality analysis conducted by the Kentucky EPA does not meet their standard. The objections are related to coal mining permits in Kentucky and West Virginia.



“They want to change the standard by regulation, not by law, in two states,” said Stumbo. “Regulators cannot thwart the intent of Congress, without an act of Congress.”

According to Stumbo, the EPA is trying to hold Kentucky and West Virginia to a higher standard than other coal-producing states. “When you get past the emotional part (of how it affects coal miners), it is egregious what they are doing.”

“This is not a dictatorship; it’s a democracy,” Stumbo said. Stumbo says that if the EPA continues to challenge the standards put in place by Kentucky, the state will be forced to litigate the matter in the courts.

Sen. Rand Paul also issued a statement during the hearings on Thursday condemning the EPA and the Obama administration for ignoring Kentucky’s primacy over surface mining laws.

“In objecting to these permits, the EPA has trampled on the rights of the state to oversee its permitting. As I’m sure the EPA is aware, the Clean Water Act specifically gives Kentucky primacy over the 402 permitting scheme. EPA has historically abided by this arrangement. But under the Obama Administration, the coal industry has been subject to ‘regulation by ambush’ on multiple fronts,” Paul said in his statement.

The senator continued, saying, “Most recently, guidance documents put out by the EPA have ‘restricted applicability’ — meaning they only apply to West Virginia and Eastern Kentucky, and exclude other states with the same environmental properties. Whether it is through the retroactive denial of permits, onerous regulations on coal-fired power plants, or unreasonable environmental requirements, the policies of this Administration are threatening the very way of life that has sustained these Appalachian communities for generations.”

Stumbo says that surface mining has given Eastern Kentucky one thing that has been always been at a premium in the mountains; flat, develop-able land, that is out of the flood plain.

Stumbo admits that Eastern Kentucky needs to diversify its economy so that it is not reliant on coal production, but says that coal is still viable as an energy source in America and as an export to both Europe and Asia. “America is going to need all of its energy sources,” said Stumbo.

While the White House may be promoting wind industry jobs, it wont be creating any nearby. According to Stumbo, the alternative energy source is not viable in Eastern Kentucky

Read more: [Floyd County Times \(KY\) - White House backing wind industry while coal miners battle EPA](#)

According to MSHA, 90,354 people are employed by the coal industry in 2011 in the United States. Over 50,000 of those are in the Appalachian region. However, Bissett said that could change within the next

few years, even as early as 2012.

Read more: [Hazard Herald \(KY\) - Employment in coal industry is up MSHA says](#)

Currently, coal remains in high demand despite the fact that some coal-burning power plants are looking to convert to alternative fuels on the urging of the federal government. Bissett said that this is a large reason why it appears that regulation has not hurt the industry.

“We actually receive calls at KCA, I would say every two weeks, with people looking for millions of tons of coal as soon as possible,” said Bissett. “It is still in big demand out there.”

According to Bissett, the mining industry is still very strong because permits that have been denied by the EPA have not become a factor yet, but will in the near future.

“What my member companies with the Kentucky Coal Association are concerned about is future coal mining,” said Bissett. “It takes more than two years, to five years if not longer to get a permit, and since this process has been stalled, the future pipeline of coal jobs is at risk.”

Read more: [Hazard Herald \(KY\) - Employment in coal industry is up MSHA says](#)

# Coal industry sheds jobs, leaving Eastern Kentucky economy in tatters



The sticker on the back window of a miner's car at Arch Coal's Raven coal-preparation plant in Knott County shows how miners feel about the product they produce to power the country. | /Lexington Herald-Leader

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By Bill Estep | Lexington Herald-Leader

The impact of an estimated 2,000 mining layoffs this year is hitting home across the mountainous coal counties of Eastern Kentucky.

Gary Hall of Pike County, whose job at a coal-washing plant is scheduled to last a few more weeks, might have to tap his retirement nest egg if he doesn't find mining work.

Kyle Thacker, laid off from his job as a utility worker at an underground mine, has thought about going back to school to become a welder, but said he might have to move from Knott County for work.

Jeremy Slone moved to Lexington with his wife, Marcie, and their 2-year-old son Braxton after he lost his job driving a giant dump truck at a Perry County surface mine in April. He's trying to get on at Toyota in Georgetown.

Other laid-off miners don't know what they will do.

The cutbacks will ricochet through the economy in an area where good-paying jobs, especially for people without college degrees, were in short supply even before hundreds evaporated.

"It's going to start hurting Wal-Mart, Lowe's, all these stores," said Hall, 51. "I don't know what all these coal miners are going to do. Some are going to lose their homes."

The century-old coal industry in Eastern Kentucky has always been cyclical, spiking in the 1970s and then dwindling over two decades before swinging back up for a time.

That traditionally has raised hopes for another comeback, but there are concerns employment won't ever return to the levels of just a few years ago.

Federal analysts project Central Appalachia is at the front end of a steep, long-lasting drop in coal production.

"Some of these mines are not going to come back," said Michael Dudas, a managing director at investment firm Sterne, Agee & Leach, Inc. who follows the coal industry.

### **IS 'WAR ON COAL' TO BLAME?**

The belief in Eastern Kentucky is that federal environmental rules are to blame for the loss of coal jobs — the "war on coal" that officials in the region decry — but several analysts said other factors led to the layoffs this year.

Most notably, they pointed to historically low prices for natural gas and the unseasonably warm winter of 2011-12, which left power plants with stockpiles of coal.

Other factors, such as the slow recovery in manufacturing and the broader economy, also have played parts in the drop in demand for coal.

"Current market forces were the prime driver" in the layoffs, said Michael Tian, an analyst with Morningstar.

Changes in drilling technology have allowed companies to unlock vast new sources of natural gas in recent years, sending supplies up and prices sharply down.

The May price for gas was 43 percent lower than just a year earlier, said Manoj Shanker, a state Education and Workforce Development Cabinet economist.

Many U.S. utilities have switched from coal to natural gas for electricity generation as a result, Shanker said.

In April, the national share of electricity generated using natural gas matched coal's share, at 32 percent, for the first time since the U.S. Energy Information Agency began keeping such records in 1973.

The Central Appalachian coalfield, made up primarily of Eastern Kentucky and West Virginia, faces other challenges as well, including competition from cheaper Wyoming coal and relatively high production costs.

Shanker provided figures showing that in early July, the average spot-market price for coal from the Wyoming Powder River Basin was \$8.50 a ton, compared to \$56.10 a ton for Central Appalachian coal.

Coal from Eastern Kentucky burns hotter, but the price difference makes it hard for Kentucky to compete with Western coal, Shanker said.

And it costs more to produce coal in Eastern Kentucky, in part because the area has been mined for a century. Companies naturally went after the best seams first; those that are left are harder to get at, meaning higher mining costs and lower productivity.

In a report released in June, the U.S. Energy Information Administration projected that annual coal production in Central Appalachia will drop sharply, from the 2010 level of 186 million short tons to 132 million tons in 2015, and to 92 million tons in 2018 — a decline of more than half in the current decade.

After a further drop to 72 million tons in 2024, the agency projected a modest recovery to 88 million tons in 2035, still far below levels seen in recent years.

Rising production costs and lessening productivity were key in the projected decline, said Michael Mellish, a coal analyst with the agency.

The retirement of many coal-fired power plants, prompted in part by tougher federal emissions standards, also played a role in the projected decline.

The U.S. Environmental Protection Agency has implemented or proposed tougher regulations on mining and burning coal, including limits on emissions of mercury and other toxic substances.

The agency has held up dozens of proposed surface-mine permits in Eastern Kentucky over concerns that they would not protect water quality adequately.

Environmentalists have applauded the moves to protect air and water quality, but the rules have made the EPA unpopular among many whose livelihood depends on coal. They think the rules are overly burdensome and don't acknowledge the importance of coal to the economy.

"They're killing us," said Thacker, 24, who was laid off from an Arch Coal mine in Knott County.

Some analysts said that while other factors have played a far greater role in this year's layoffs, current and pending federal regulations can't be dismissed.

"When a company makes a decision to close a mine, they're not just looking today, they're looking long-term," said J. Christopher Haberlin, a vice president with investment firm Davenport & Co. in Richmond, Va., who monitors the coal industry.

Some of the regulations have not been finalized.

Luke Popovich, a spokesman for the National Mining Association, said whether the rules are in place or coming, "the uncertainty they have created in the industry and the reduction they will cause in our power generation market have already begun to take their toll."

Utilities are deciding to retire coal-burning power plants because of the costs they would face to keep them in service under pending emissions rules, Popovich said.

Kentucky Utilities has received permission to retire three of its coal-fired power plants in favor of natural-gas generation, and in May, Kentucky Power backed away from a plan to spend nearly \$1 billion to install pollution controls at its coal-fired Big Sandy plant near Louisa.

The decision creates uncertainty about the future of the plant, which buys most of its coal from Eastern Kentucky.

## **A WAVE OF LAYOFFS**

Coal employment had held steady or even grown in some Eastern Kentucky counties the past few years, but a wave of layoff announcements started early this year and just kept coming:

Fifty-two people at Enterprise Mining's surface operation in Knott County on Feb. 3. Two weeks later, 109 at Xenergy Corp.'s Straight Creek mine in Bell County. In April, 160 at Sapphire Coal in Letcher County.

June brought the crippling announcements that Alpha Natural Resources and Arch Coal Inc. would lay off more than 850 employees in Pike, Martin, Knott, Perry, Breathitt and Floyd counties.

Jeff Whitehead, head of a jobs program in 23 Eastern Kentucky counties, said the state has received notice of 1,800 coal layoffs this year.

But some companies don't report. The total number of layoffs easily could be 2,000, Whitehead said, which is what county officials estimated.

Statewide, coal-mining employment reached 18,600 in a March 2009 survey. The number was down to 15,600 in May — before more layoffs were announced — with Eastern Kentucky accounting for most of the drop.

"It's pretty devastating," said Whitehead, executive director of the East Kentucky Concentrated Employment Program.

There are opportunities in the region in skilled trades and health care, Whitehead said, but he acknowledged there is nothing to replace all the lost coal jobs, which paid an average of \$70,000.

Many laid-off miners would like to find jobs at other mines, but there are few such jobs available, and the word is more mines will close.

Joe Caudill, 26, said he worked enough overtime to make \$105,000 last year as a roof-bolter at an underground Arch Coal mine at Raven, in Knott County.

But early April 20, as he finished working the third shift, managers told Caudill and others they were being laid off because of the downturn in the market for coal to produce electricity.

Caudill says he will look for another mine job but might have to drive far from his home to find one, or move. And a lot of other people will be after the same job.

"It'll be tough," he said.

Coal has been so embedded in the culture of Eastern Kentucky that some miners haven't come to grips with the reality of perhaps having to do something else.

"That's what we do, is work in the mines," said Brad Tackett, 48, who was laid off from his job as an electrician at Arch's Raven mine.

The job losses will almost certainly aggravate a three-decade population drain.

Slone, the rock-truck driver who moved to Lexington after being laid off from a surface mine in April, didn't like moving away from family.

But with his bank account dwindling and poor prospects for a good-paying job to replace his \$4,000 a month salary, he felt he had no choice.

"It was either stay down there and work for a grocery store or come down here," said Slone, 26. "There's not any work" in Eastern Kentucky "unless you're in the medical field."

## **BUSINESSES TAKE A HIT**

Some laid-off miners are still being paid as part of their 60-day notice, so the full effect of the layoffs hasn't hit.

But business owners said they can tell a difference.

Lola Slone and her brother, Garfield Slone, run a small store at Pippa Passes that their parents started more than 60 years ago. It's on the road to the complex where Arch Coal began cutting more than 250 jobs in June.

Before the layoffs, miners would stop in for gas, soft drinks, snacks, smokeless tobacco or a Red Bull energy drink, but business has slowed noticeably since then, Slone said.

"It'll get worse after they've drained out their unemployment," she said.

Nearby at Topmost, Robin Mullins said she has seen a drop in business at her Beaver Creek Restaurant, where a sign over the counter says "Proud to be a coal miner."

Arch Coal employees used to come in regularly, and employees from an underground mine and prep plant sometimes got lunches to go, but Arch idled those operations.

Mullins said she had heard about two miners who are going to try to scratch out a living painting cars. She knows of one couple who moved to Colorado.

"There's not any work around here," she said. "It's going to affect everybody."

The loss of coal production and jobs won't just hurt families and businesses. It probably will cause cuts in government services, too.

Knott County Judge-Executive Randy Thompson said he budgeted \$2.9 million in revenue this fiscal year, which started July 1, from the tax on mining and processing coal and natural gas. He thinks the county will be lucky to get a third of that.

"We're going to be in a dire situation," Thompson said.

Read more here: <http://www.mcclatchydc.com/2012/07/29/158502/coal-industry-sheds-jobs-leaving.html#storylink=cpy>