

## Memorandum

TO: Minerals Policy Task Force  
Coal Policy Task Force

FROM: Martha Newell, Director, Government and Political Affairs  
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DATE: June 4, 2025

SUBJECT: Rescission, Reconciliation, and the FY2026 Budget Request

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As debates over federal spending continue on Capitol Hill, the National Mining Association is closely watching a wave of legislative and budgetary actions that could reshape the sector's regulatory landscape, access to federal lands, and overall federal support for energy and resource development.

### Rescissions Package

The White House sent Congress a \$9.4 billion rescissions package, aimed at clawing back previously allocated funds. The package can be found [here](#). Key targets include:

- \$1.1 billion from the Corporation for Public Broadcasting, which funds NPR and PBS.
- \$8.3 billion from the U.S. Agency for International Development and the African Development Foundation.
- Funding for the U.S. Institute of Peace, which has faced opposition from President Trump.

House Speaker Mike Johnson (R-La.) stated lawmakers will "act quickly" to move the package forward. However, some Republicans may resist finalizing the cuts. Senate Appropriations Chair Susan Collins (R-Maine) suggested she may try to amend the package. At the same time, Office of Management and Budget Director Russ Vought said he may send further rescissions packages if Congress moves forward with the initial request.

Under the law, once the package is formally submitted to Congress, lawmakers have 45 days to act before the request is voided.

### GOP Budget Reconciliation

Congressional Republicans are also pushing forward a broad reconciliation package, with the Senate targeting a July 4 deadline to finalize the legislation

and get it to President Trump's desk. The House passed its version of the package by one vote, and the Senate can only afford to lose three Republicans if all Democrats are opposed. See NMA's memo on the House-passed reconciliation package [here](#).

Key sticking points remain, including Medicaid reforms, clean energy tax credits, and overall spending cuts.

House Republicans removed a provision from the package to sell nearly 500,000 acres of federal land in Nevada and Utah, a nod to internal GOP disagreements. Energy and Natural Resources Chairman Mike Lee (R-Utah) has signaled that he may revisit this issue in the Senate.

Senate committees have begun [releasing](#) bill text this week, starting with the least controversial pieces to allow more time for negotiations. Once it passes the Senate, the bill will return to the House for final approval.

### **President's FY26 Budget Proposal**

President Trump [released](#) his Fiscal Year 2026 budget proposal, which includes cutting \$163 billion, or 22%, in non-defense spending. Some of the changes from FY2025 include:

- Reducing the Department of Education's budget by \$12 billion and consolidating more than a dozen existing grants into a single fund, allowing states to choose how to prioritize spending.
- Cutting 9% of the EPA's workforce and reducing funding for the agency from \$9.1 billion to \$4.2 billion, including a 35% cut for science staff and staff working on environmental programs.
- Winding down operations at the Department of Energy's Office of Clean Energy Demonstrations, cutting the Office of Energy Efficiency and Renewable Energy funding by 70% and eliminating 50% of its full-time staff.
- Zeroing out the US Geological Survey's (USGS) Ecosystems Mission Area program.

### Minerals and Coal

The full budget request reflects the Trump Administration's push to open more of the country to accelerated mining of coal and critical minerals.

Instead of the current USGS Ecosystems Mission Area, the administration proposes a new "Geology, Energy & Minerals" mission area, aimed at advancing "energy and mineral dominance" through expanded geologic mapping, offshore mineral activity, and data collection.

The budget allocates \$17.5 million, an increase over FY2025, for overseeing coal leasing on more than 570 million acres of Bureau of Land Management (BLM) lands. The budget also supports metallurgical coal being reclassified as a "critical material."

Additionally, the budget supports a revocation of public land withdrawals in Alaska to support the Ambler Road project, a proposed 211-mile access route to mineral deposits in the Brooks Range.

#### Bureau of Land Management

The proposed FY2026 budget would cut the BLM's overall funding by 33%, from \$1.4 billion to \$936 million. Programs unrelated to resource extraction are set to face significant cuts, including:

- A 75% reduction in funding for BLM's National Conservation Lands system.
- Elimination of \$39 million in funding for BLM's renewable energy program.

The Interior Department is also reviewing the possibility of reducing the size of six national monuments across Arizona, California, New Mexico, and Utah, which could potentially open these areas to new mining development.

#### **FY26 Appropriations**

The House is beginning its appropriations subcommittee markups, starting with the Military Construction-Veterans Affairs and Agriculture bills later this week. House Appropriations Chair Tom Cole (R-Okla.) has said he wants to pass all 12 spending bills before the August recess. The complete markup schedule can be found [here](#), but is subject to change. The Senate has yet to release its plans for the FY26 funding bills. The fiscal year ends September 30.

#### **Next Steps**

The NMA will continue working with the Appropriations committees in both chambers as Congress works through FY26 funding. We will also continue to engage with the House and Senate to ensure mining priorities are supported during reconciliation negotiations. If you have any questions, please reach out to Martha Newell at [mnewell@nma.org](mailto:mnewell@nma.org) or James Young at [jyoung@nma.org](mailto:jyoung@nma.org).

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