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Interviewer: Bob Brown
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Bob Brown: We're interviewing Jim Mockler. Jim was the Executive Director, is that right, of the Montana Coal Council?

James Mockler: That's correct.

BB: For about 20 years, I believe. This interview is taking place on September 28, 1975, [2005] in Jim's home. I think he was the director of the Coal Council for closer to thirty years, weren't you?

JM: I was, 29 years. It's 2005, Bob, not 1975, but that's fine.

BB: You were a member of the Wyoming legislature prior to coming to Montana. Tell us a little bit about your background.

JM: Well, I was born and raised on a small mountain ranch in Dubois, Wyoming. A brother and I wound up with that ranch and eventually sold it and went to the Big Horn Basin in Wyoming. I stayed there for a number of years. I was in the real estate business there and wound up in Wyoming legislature, which I thoroughly enjoyed. It was the most fascinating thing I ever did. I managed to pretty well get bored with my real estate business after that experience. This job opened up up here and my brother-in-law was Executive Director of the Wyoming Mining Association. He told me about it being open, so I applied for it and the rest is history.

BB: Jim, you were not in Montana when the 30 percent coal tax was enacted in 1975, but you came here shortly afterward.

JM: I was. I was in Wyoming and then frankly, Bob, I thought that the passage of the 30 percent coal tax was a wonderful thing for Montana to do. I was the Vice Chairman and sat as Chairman that year of the Wyoming Taxation Committee. We needed jobs like any legislature puts out, portends to say they want jobs. We did. The coal industry was new. It was a new industry to the West. We knew that it would develop; at least we hoped it would develop. Wyoming wanted the jobs. We felt at the time, when Montana passed the severance tax, that they just handed us the industry on a silver platter and we thought that was wonderful. I came up here then—that was done in 1975—I came up here and started work in August of 1976.

BB: Jim, is there evidence that perhaps you were right? Or is there inconclusive evidence? What evidence would there be about the 30 percent coal tax?

JM: I think the evidence is clear. The projections were, by both the industry and the EISs [Environmental Impact Statements] and all that were done at the time that the industry would develop roughly equal in the two states. Perhaps Wyoming would be a little ahead of Montana because it was closer to some of the states of the markets. We would have been given the entire upper Midwest especially, the central Midwest would be split between the two states and the areas of the south would tend to be more toward Wyoming.

Those were pretty much the general and logical ways for the industry to develop. Well, what happened when they passed the tax is that the industry not only went to Wyoming, but everything that went with it went to Wyoming. The railroads went to Wyoming and they got Union Pacific. Were able to pick up another small railroad, which eludes my name right now, into the Powder River Basin. So they had two railroads. Those two railroads were built double track into that area. So they built the infrastructure. That was the key then to the future development, was the building of that infrastructure into the Wyoming coal fields.

BB: So you feel that infrastructure was building the Wyoming coal fields because the Montana tax was so high?

JM: Yes, I do. I think it made it easy then for the railroads to do. They in turn felt, we could put a huge investment in here. We don't have to invest in both states. We can put this very large investment into an area. Burlington Northern would have been our only railroad anyway. They didn't have to build in Montana then. They could go ahead and put their investments into Wyoming and get all the coal from Wyoming. That's what they did.

BB: Wyoming had a tax too, but—

JM: It was a little less than half of Montana's. The taxes still weren't cheap down there. I think, to be honest with you, Bob, I think it was a connotation of the tax perhaps as much as the tax itself. That really hurt. It was the message the tax sent and of course, it was a tax itself at the time. The utilities who were buying the coal said, "Hell, why would we want to deal with those people?" In those days, they sold coal in long-term contracts. They would sell it for a twenty-year contract and some longer. The utilities just said, "Why would we want to deal with those people?" So the message that Wyoming portrayed was the one that we want to portray. We wanted the industry. We wanted their business. I think that paid off and really hurt Montana.

BB: When we talk about a 30 percent tax, which is where it was in 1975, I think, when the legislature first initiated it—can you explain how that works? It's 30 percent of what?

JM: It was 30 percent of the gross tax paid on the coal. In other words, the FOB [free on board] mine price of the coal loaded on the car less the taxes it paid on production. So at least you didn't have to compound it by paying on the taxes themselves or the so-called "gross proceeds tax," which at that time was based on the mill levies on the coal—about five percent.

BB: Could we understand, would it have amounted to 30 percent of the gross value of the coal at the mouth of the strip mine?

JM: That's right. Gross value of the coal was, you know, you didn't get any net. In other words, there was no production cost deducted. It was a gross value of the coal with the exception of the taxes and at that time, royalties paid on production.

BB: Was the Wyoming tax, do you remember how it—was it implemented the same way?

JM: No, the Wyoming tax is a little different and that always leads to great grand arguments on taxes. The Wyoming tax was based on the value of the coal at the face of the mine. In other words, they got to deduct all their costs for hauling the coal to the crushers, the crushing, the loading. They got to deduct those costs. I think since, and they've changed it, at that time, it was what it was based on.

BB: And the net effect was that Montana's tax was a little more than double Wyoming's tax.

JM: Yes.

BB: Wyoming has made a fair amount of money, I think, from it.

JM: Wyoming now produces—we're still in the 35 million ton production range, which fortunately we got to after they lowered the tax.

BB: We're talking about Montana.

JM: Montana. Wyoming is in the 350 million ton. So we really should be about—Montana should really be about 150 and Wyoming 200 million, you know. That's about how it should be.

BB: They're 350 and we're 35. So they're ten times what we are.

JM: Right. They have all the jobs and half the tax of 350 million tons is a hell of a lot more than all of the tax on 35. Really the net effect, then, when those contracts started coming up for renewal, I think, was dramatic. Because had they not lowered the tax, we would not have a coal industry other than at Colstrip [Montana] for the power plants. That probably would still be there just because of the economics of shipping it in and that isn't even for certain.

BB: Do you remember, are there—were there or maybe the best way to ask the question is, were there significant differences between Wyoming law and Montana law in terms of land rehabilitation and environmental protection, that type of thing?

JM: No. There was very little difference. The federal act was imminent at that time that it would be passed. Even before that, there was very little difference. Wyoming had a good workable

reclamation law that required reclamation. The paperwork changed a lot over the years, but I don't think the bottom line did and that was that they would reclaim the land.

BB: So you arrived in Montana in 1976 and you got a big job ahead of you in representing the coal industry in light of this big tax difference. Obviously, there's an interest on the part of people in the coal business to develop the coal in Montana, and there was some development apparently in the face of this tax. But what did you do? You must have been interested in somehow or another trying to reduce that tax?

JM: Well, I was and I actually thought that I could get that job done in a very short time. It wouldn't take much to explain to the people what was happening and show them what was happening because Wyoming then was starting to progress. Both their production in both states was around 25 million. Wyoming was a little less. So it was all in the development stage. But Wyoming was obviously being developed and Montana wasn't. I thought it would be a pretty simple thing to show the people of Montana that that was happening and that they should correct their mistake.

BB: Do you think, why do you think the tax was established at 30 percent in Montana?

JM: I frankly think they just pulled it out of a hat. It was something that was very high. I think the mood of the legislature at that time was a very, I guess, I call them liberal populist, whatever you used to call them—controlled, they had solid control, in other words. The people—Tom Towe was a sponsor of the bill. There was no evidence that there was anything scientific. They had studies done--interim studies done—suggested that the tax perhaps should be as high as 15 percent. There was nothing there that is perceptive to me that they came in and looked at the history.

BB: You mentioned that Wyoming—there was a consensus it sounds like in Wyoming to develop the coal. There was a feeling that the coal should be developed and that had probably something to do with the level at which the tax was set in Wyoming. In other words, you didn't want to kill the goose that you thought might lay the golden egg.

JM: I'm sure that that's true. Wyoming was a different state, but Wyoming lived and died with the oil industry and agriculture, of course. Just like Montana did with their copper, except that Wyoming never did resent the oil industry like Montana came to resent the copper industry. I guess when we saw the opportunity for another mineral development and jobs, we could see the long term. We could see the good side. We could see the bad side. We knew the little communities like Gillette, Wyoming, would be completely overrun. But I guess that was an option that we decided to take at the time and pursued it aggressively.

BB: I can remember I was in the legislature at that time and I can remember this feeling of resentment toward the Anaconda Company over the copper development in Butte and that there was a big, open pit mine in Butte that some people were shocked to see and that

probably could never really be restored to the way it had been. There was the feeling that the State of Montana hadn't received very much for all the coal—or all the copper that had been developed out of Butte. Whether that's accurate or not, that was repeated a lot.

So the idea was, now we've got this new, big, what amounts to a strip mine or an open pit mining operation and we got burned by the last one, so we're going to set the tax high enough on this that if the energy crisis is severe enough, they'll mine the coal and pay through the nose to Montana. And if it's not high enough, they'll never do any mining at all. Frankly, we don't care which way it turns out. I think there was some of that, at least in the Montana legislature. Does that sound familiar?

JM: Well, Bob, you were there and I wasn't, but I think yes, I think that's definitely true. I think the level was probably decided in large part to stem the industry. In fact, the conference committee report directly says, "We realize that this level of taxation will shift some of the business to Wyoming. So be it." So they obviously recognized that's what it was doing. That was their purpose. They were using taxation to stem the industry and as I said at the outset, the people were all involved. It takes a lot of people to develop an industry. They decided, if that's the way it is, that's the way it is. We'll put our investments in Wyoming. But now after—some 30 years later, we never dreamed that the industry would get to the point in Wyoming that it has today. We never dreamed it would be that large. We thought it would be a big industry. We were talking perhaps as big as 150 million ton, not 350.

BB: You got to Montana in 1976, you could point to a perfect example of how Wyoming has a tax less than half as high as Montana's, and that the coal industry is booming in Wyoming. It's not in Montana. The major difference between Montana and Wyoming is the tax. So if Montana wants to develop its coal, all it's got to do is lower the tax. That would be—you mentioned earlier in our conversation—a pretty easy case to make. Then I think you were starting to say that it wasn't. What did you run into? What happened?

JM: I guess, I don't know if it was my inability to get that expression apart to the public or what it was. But I guess I never convinced the public—or the legislature anyway. I was close. It took a long time.

BB: This past history thing, I think though, may have had something to do with it.

JM: I think it did. I think the past history had a lot to do with it. It became a flag for the Democrat Party for one thing. They held it up as a flag. It was their right. It was neither that it was right or wrong, it was their right to have that. It was their poster child. I'm not sure where that came from, maybe the environmental community. They were very successful in promoting that. I used to say, "You know, if the environmental community is right, why is this the only type of taxation that they're involved in? If they're not interested in stopping the industry? I never hear them on income taxes." As my friend Ted Schwinden, Governor Schwinden, told me

one time when I got in a big argument with him, I said, "Logic and common sense will tell you I'm right."

He never batted an eye. He said, "Logic and common sense doesn't have a damn thing to do with it. We're talking politics." [Laughs] Obviously, he was right. He was at that time Lands Commissioner and I was Executive Director of the Coal Council. He went on to be governor for eight years and I stayed as Executive Director of the Coal Council. Obviously, that was a huge part of it. When you talk politics, as you know, as long as you've been involved in them, sometimes logic and common sense doesn't have a damn thing to do with it.

BB: Jim, I think you eventually persuaded Governor Schwinden, didn't you?

JM: I did.

BB: Explain how that happened.

JM: Well, over time—

BB: He wouldn't become governor until the election of 1980.

JM: Right. The industry had not grown. It took some persuasion for Governor Schwinden. It wasn't until toward the end of his term, well 1987, that Governor Schwinden had agreed, then. He had tried an experiment to see if he could increase the coal production by giving new production a tax break. That seemed to work some. It wasn't long term and it was pretty iffy whether it would be constitutional, if it was challenged.

BB: Was that the so called "window of opportunity"?

JM: It was. Yes. The window of opportunity.

BB: The idea was that we would reduce the coal tax from 30 percent to 15 percent—

JM: It was 30 to 20.

BB: Thirty to 20?

JM: Right.

BB: How did it work?

JM: Well, if they increased the tonnage and they would get this—in other words, if they bought new coal, they would get this break.

BB: If there was new coal mined, then they'd get the tax on the new coal, the tax break on the new coal that was mined?

JM: Right.

BB: I see. They continued to pay the tax on the old coal.

JM: Yes, on the old coal. There was a lot of question, in my mind, when he passed it, whether it was constitutional. I think a recent court case showed that it wasn't. But it was never challenged. As the governor told me when I suggested that it might not be constitutional, he said, "So are you going to sue me?"

I said, "I probably wouldn't do that." That was one time when environmentalists were right. They said that if you pass this bill, you'll open the window. The industry will drive through it. I thoroughly intend to use that. And I did. The public by then, I think, were convinced.

It passed with a bipartisan vote. The governor one time had a—before the December of '86, before the '87 session—he had a group of us over at the mansion, talking about his programs and what he would like to do. I said something about lowering the coal tax. He said he would support lowering it to 20 percent. I said, "How about 15?"

He replied, "Well, Mockler, if you can get that legislature to lower it to 15 percent, by god I'll sign it." He came to rue that day. But he lived up to his word. I give the governor credit. He lived up to his word. He was extremely angry when the bill wound up on his desk at 15 percent.

BB: The window of opportunity lowered it from 30 percent to 20 percent and that was a temporary thing.

JM: Right.

BB: After that happened—

JM: After that happened—

BB: Then you persuaded the governor that we'd be better off in terms of the development of coal in Montana in the long-term if the companies can count on a firm tax at 15 percent. It was lowered a little bit more from 20 down to 15.

JM: What was happening was our contracts were coming up for renewal.

BB: I see.

JM: The big contracts with Detroit Edison and some of those companies were coming up for—Minnesota Power, some of those companies that they'd had out there for those 20 years were now coming up, starting to come up for renewal. They had already shown that they could go to Wyoming and get their coal because they were doing it. They were buying coal there too. It was just a matter of survival at that point. I think Governor Schwinden recognized that.

BB: That some of the contracts wouldn't be renewed?

JM: They would not be renewed. In other words, it wasn't a matter of new coal now. It was a matter of just protecting the industry or the industry would ultimately fail.

BB: Do you remember about when that was?

JM: It was 1987.

BB: So when was the window of opportunity?

JM: I believe that would have been 1985, yes.

BB: So you got that through the legislature in '87 and got it down to 15 percent. So why was Governor Schwinden upset when it got on his desk when he told you he'd sign it?

JM: Because it was still—for a lot of the Democrat Party, those who controlled it, even though there was a good bipartisan vote for the bill—it was still primarily a poster child for the party. The party itself felt that he had, been abandoned, that Governor Schwinden had abandoned them. I think that's why, you know—I don't know that he ever rued the day. He never did tell me that.

BB: There wasn't a signing ceremony. You don't have a picture?

JM: I think I do. I think I do have a picture. It was contentious, but it was fun. I lost 20 pounds, 27 pounds that session.

BB: But was the result that the contracts were renewed?

JM: The contracts were pretty much renewed, yes. They were. They were not only renewed, but they were expanded. At that time, we were around 27 million tons, slated to go to 22. Since then, we've been pretty much stagnant around 35.

BB: At this 15 percent—it went from 30 to 15 percent—that would be comparable to the tax in Wyoming?

JM: It probably would. Go back to some of my earlier statements, and that is they built the infrastructure in Wyoming. That's probably now more important than the tax.

BB: They started early and once they—

JM: Right. Wyoming could probably put a 20 or 30 percent tax on their coal and they'd still produce a hell of a lot of it because they have the infrastructure. It isn't something that you can just change over night. I don't think Wyoming intend to do that because they have a billion dollars in excess budget. I mean, money laying in the bank now they don't know what to do with.

BB: Assume there's a great demand for more coal development. Let's say the current energy crisis that we're experiencing now with gasoline, you know, the price of gas skyrocketing here in the year 2005. Volatility in the Middle East, concern about being as dependent as we are on that part of the world for our energy, South America not the stablest place in the world, the area down in the Gulf of Mexico threatened by hurricanes—just recently the refineries and so on clobbered by Hurricane Katrina—it makes us wonder, I think, whether it might make more sense for our country to become more energy independent. And perhaps if we developed coal, which is in the interior of the country, safer from hurricanes, we might be able to use that kind of energy either as a part of modern coal technology or maybe somehow or other help us get started in the direction of hydrogen development or something like that could be better for the country. Do you see a future for coal?

My question is—that's number one. Then, number two, you've talked about the infrastructure and as I understand it, the Union Pacific Railroad that built those double-strength lines into the coal country, so that there could be a lot of coal transported out of Wyoming, but if there was a new huge demand for coal, period, probably some of that development would be in Montana. Is there an infrastructure there to take advantage of it?

JM: You're dealing with a different infrastructure if you go to a process to make fuels. You're dealing with a different infrastructure. The answer is probably no, not all of it, but a lot of it is. Burlington Northern still has—well, the coal wouldn't be hauled, they'd build a mine mouth. They'd build a facility mine mouth like they did in North Dakota with a gasification plant. The problem we have again is one of trust. That is a huge problem right now with the fuels development in the United States.

Back in the early '70s and the Jimmy Carter years, they came out with programs to build gasification plants for coal, to develop oil shale, to do various programs that were designed to compete with gas at five dollars MCF [1,000 cubic feet] and oil at 30 dollars a barrel. There were a number of companies that put a lot of money into it. I know Tenaco put a billion dollars into North Dakota. I'm not sure who their partner was. I don't remember. Mobil put a billion dollars into oil shale in Colorado. Various projects like that. Tenaco walked away from that for a dollar.

Because the government, after all, then took the price supports away from them, took the rug out from under them. So there's a barrier of distrust there.

That's compounded now with our refineries. Our refineries aren't—it isn't that people don't want to build refineries or they can't find a place necessarily to build a refinery. The problem is they don't have a clue as to what the U.S government will do environmentally with that refinery if they try to build it. They're at a moving target with the government now so people aren't going to invest in it. They'll go to another country and invest their money there. If you're president of a company and you invest your stockholders' billion dollars and you walk away from it, you're not a very popular or a long-lived president.

So I guess there are a whole lot of factors there that are there. It takes a lot of time to overcome those. The answer is yes, they could build a conversion plant somewhere. But it takes a lot of money and a lot of time to put that money together and a lot of trust has to be gained here in this process.

BB: As you look at the future, what do you see in terms of energy? Do you think that something like what we're discussing now might actually happen?

JM: Oh, I think it has to happen, sure. I think ultimately it has to happen. With that—either that has to happen or you have to have dramatic changes in our lifestyle. That's one thing that I guess is hard to understand because people like you and I that tend to read, to look for the bottom line of why things happen some way, but you take the average person out there and he says he doesn't want anything to affect the environment. Somebody comes out and says, "No, you're going to put tons of the stuff out of the stacks." Well, actually, will that hurt anything? That should be the bottom line question. Will that cause physical harm? But it isn't, it's just, we like it the way it is.

They need to ask the next question, then what are my alternatives? Of course, the alternatives are, you change your entire lifestyle dramatically. I have got to think that, push comes to shove, that the lifestyle probably will not change dramatically. They will develop the other process. They'll develop more nuclear. There's a wonderful history of safety. People don't want to burn coal. Every time you talk about coal, you talk about global warming. Well, coal is a very small part of it. Now, the big thing is mercury. You have your wonderful EPA out, going to cost the general public billions and billions of dollars to control something that they cannot identify as harmful. Crazy.

BB: Is the mercury connected with the coal?

JM: It is connected with the coal, yes. They want mercury controls on coal-fired plants. I'm not sure where it'll go. Right now, of course, the governor is saying that the technology is out there to produce the—

BB: The current governor?

JM: The current governor. Governor [Brian] Schweitzer. To produce diesel fuel for a dollar a gallon from coal. I don't know where he got that. I've researched it quite a bit. It's probably competitive to—at this price—it's probably competitive to conventional oil, refined fuels. But that's at this price. I go back to the—we can produce it out of oil shale at this price. We can produce it out of tar sand.

BB: I understand, with oil at 65 dollars a gallon—

JM: Right. We can produce it out of tar sands for that. The technology is there to do that, but the industry is not willing to put their total neck out on the assumption that the price of oil will stay there. In fact, I think most of the industry analysts today will tell you that they're basing their investments and their projections at 35 dollars. I don't know of any that are basing it any higher than that.

BB: Jim, going back because I think this is important, we need to have somewhat of a conversation about—you're a former legislator, young lobbyist from Montana. You've come up here in the late 1970s. You're a little discouraged by the fact that what seems like a strong, compelling, debater's case you could make and something that probably would easily sell in Wyoming, is kind of stuck in the mud in Montana. Perhaps an important part of the explanation is that there's a mistrust of mining corporations, the Anaconda Company, you experienced and that sort of thing.

But you managed to eventually, in the 1980s, make some important inroads, including with the governor, and finally you're given credit by most political observers here in Helena as being the key guy that got that coal tax reduced from 30 percent down to 15 percent. I'm just curious to know what you remember about the strategy you used, what you remember about who the key legislators were that helped you—the ones that maybe came on board at a critical time, or the ones that were the most difficult to persuade. Maybe tell us a little bit about that story and what you remember about it.

JM: I think the key legislators, in my mind, that helped me the most were probably, without a doubt they were Stan Stephens, who was a senator at that time from Havre, and he, of course, became governor. Jack Galt, who was a senator from Martinsdale, and Alan Kolstad, a senator from Chester. For whatever reason, they took me under their wing. They gave me credibility that I know people that had worked for 20 and 30 years didn't have. They transferred that credibility to me, which was a tremendous asset.

They opened those doors of—whereas when I went to the legislature early on—they opened the door that I could be trusted. Something that I'm not sure that I earned, but I got. That was wonderful. Then I had some people like Carroll Graham, an old Democrat from down in Hardin.

Some of those people that became good friends. I don't know. I worked damned hard at it, but I don't know beyond that. It was work I enjoyed.

BB: The people you mentioned have all the senators, and three Republican senators. Any key people you can remember in the House of Representatives?

JM: Well, Tom Conroy was a Democrat at that time from Hardin. He was one that was helpful to me. The Republicans were all kind to me, quite frankly, Bob. You being one of them, although you never would support lowering their coal tax. That was one of your many errors that you now admitted was wrong. [Brown laughs.] The Republicans as a whole—Bob Marks—I'd have to just look through. Yes, there were a lot of them that helped me and helped me a lot. That was true through the years. I don't know why. That was one thing that always distressed me. Although, I was a Republican—pretty hard to hide that since I was in the legislature and had the label, you know, I didn't try to necessarily—but I never felt that industry was political. That was one thing that always distressed me.

The other thing that distressed me, as I saw a lot more here than I did in Wyoming. I think that's because of the press that you have here, which I think is horrible, always have, but anyway. They fostered a distrust for politicians. You talk about industry not being liked, well, they foster a distrust for politicians. When someone reads the paper every day and they have this slant that the politicians did this stuff for their own good, it's a connotation of mistrust that is really embedded up here. I think that is unfortunate because I have been—my father was in politics in the Wyoming legislature as I was growing up. Different area than I was, but nonetheless, I was raised with politics. I've been politics all my life. I have never seen anyone that I thought was dishonest, that did things in politics for his own personal gain. Sure, there's people who would represent industries that would obviously vote to benefit that industry.

I never saw anyone who really just went out and openly did something for their own—to gain from the politics. I've always resented that. I resent the lobby disclosure because all that is, is a witch hunt to see—it doesn't work evenly or open handedly to see who supposedly is buying off the legislature. Well that's not true. It's unfortunate. I think that's part of the—we're up there, right up with Minnesota. If you can figure out Minnesota politics, you're really a genius. But I think that has a lot to do with it.

BB: Now you've mentioned some of the important people that helped reduce the coal tax. Who were the key players, what was their strategy on the other side?

JM: Of course, you had your usual environmental groups. You had the Democrat Party itself. They were openly critical of Governor Schwinden, albeit he being a Democrat. They were probably the most vocal. There was the same old argument. It doesn't make any difference, which the proof was there by then that it did. A number of Democrats, for example, the guys from Butte—they're the working guys—could see by then that it was helping. Some of the

unions, albeit the AFL-CIO, didn't. A number of the unions came and helped. The working guys from Colstrip came up.

BB: I remember that. There were a couple of busloads.

JM: They chartered buses and came up because they could see—it was their livelihood. They were the highest paid industry in Montana and they wanted to keep those jobs.

BB: That was the 15 percent bill that they came over to lobby for?

JM: Yes. Actually, it was even before that they came to lobby for that. I had no control over that. I admit I encouraged it and I encouraged them to do it and was certainly pleased that they did. Those guys didn't do like the timber industry. They didn't just die piecemeal. They at least were going to go with a fight because they wanted their jobs. They can see the threat and they understood it.

BB: As you look back over that period of your life, the period when you represented the Montana Coal Council in the Montana state legislature for nearly 30 years or I think approximately 30 years, any important lessons that you feel you've learned or any important observations you'd like to make just about your experiences as a lobbyist for the mining industry?

JM: Well, it was a good ride. I enjoyed it, Bob. I enjoyed the challenge. Actually, the shift—since they lowered the coal tax, it was just like they slammed the door. The interest in the coal industry isn't there. I didn't have—I had some pretty good fights after that, but I didn't have near the public interest. I guess the press dropped it; you know the coal industry is not a big deal in the press anymore. It used to be. I used to drive as many days as I could stand to sit in the car to go talk to Rotary Clubs all across the state. In my later years, I didn't get that. The interest just wasn't there.

BB: There's not a lot of controversy.

JM: The controversy isn't there. On the other hand, sadly enough, I see them doing the same thing with the coal bed methane that they were doing with coal. It's the same families. It's the same groups. It's the same—I mean it's just like nothing happened in 30 years. I have to wonder whether the people really did learn anything.

BB: That there's opposition to coal bed methane?

JM: The opposition is there. They've closed it down. Wyoming is developing theirs. Albeit, they have a billion-dollar budget surplus because of their taxes, which are—their oil and gas taxes are less than ours too. They have the industry and they're developing the industry. And sure there's some trade offs. There's no doubt about it. But the question is, I guess, Wyoming feels

they're worth it. They'll go back in and reclaim the land when it's gone. They don't see the water as that big of a problem. And it isn't. So it's interesting down there. They have sodic soil to start with.

BB: What kind of soil?

JM: Sodic. It's got a lot of sodium in it, a lot of salt. You can put distilled water on it and, because of the nature of the soils, alkali will form on top of it because that's the way alkali is. The soils don't have good drainage and so the alkali essentially melts in the water. When the water dries up, well it leaves the salt on top. So that's—has nothing to do with the water. You could put pure water on it and that would happen. The water that they're using in their own wells is the same water as they wanted to use down there. It is exactly the same water. It is the water. So I guess, all I'm saying is, it's an industry that they could've had developed now, could develop, but I see the same thing happening and I have to wonder in my mind, did we learn anything? I guess the answer is no. We really didn't.

BB: Anything else you'd like to say.

JM: I appreciate it. I've enjoyed Montana and intend to stay here. I've got a wonderful home now out on the lake and in town. It's been a good ride. It's been fun. I love the people. I've met people like yourself and others that I've mentioned and a lot that I haven't that have made it a good life.

BB: Well, thank you, Jim.

JM: Thank you, Bob.

[End of Interview]