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Hello. My name is Chris Nutgrass. I am a graduate student at Western State Colorado University pursuing a degree in Environmental Management with an emphasis on Sustainable and Resilient Communities and also an intern with Sustainable Development Strategies Group. First off I would like to recognize and commend the Department of Interior for initiating this review of coal leasing policy on our federal, public lands. Although there has been a downturn in coal production and many communities here in Colorado are suffering, this is an opportune time to begin thinking about how we can avoid the turmoil of the boom-bust cycle. There are a few techniques already being used around the American West and world to help mitigate the impacts of market fluctuations on community livelihoods.

The first are local stabilization funds. These are funds created by collecting revenue when resource prices are high and distributed when resource prices are low. This type of fund helps to smooth out the volatility of government receipts and spending. Stabilizations funds require communities to set trigger prices for the commodity above which revenue is collected and below which signal disbursements. These funds are also sometimes referred to as "rainy day" funds and can provide critical assistance during an unexpected event that affects the market.

Another type of fund is a permanent trust. Whereas stabilization funds are designed to counter the cycle of revenue flows, permanent trusts are established to create a sustainable benefit from an unsustainable source. These funds are created by placing a portion of the revenues from resource extraction into a trusts for future generations. The fund can then be invested and income from that fund used to support education, health, economic development, infrastructure maintenance, and

other local priorities. Although there are many examples of this type of fund around the west, including Wyoming, Montana, and New Mexico, Colorado has no such fund. On an international level, over $4 trillion has been invested in this type of fund.

And yet another fund, known as a growth fund, is also being implemented. It is similar to a permanent trust but used to expand business and investment holdings. The Southern Ute tribe is using this type of fund to capitalize on revenues from their land. Realizing that energy resources are finite, the fund is used to diversify the economic activity of the tribe.

These are only 3 examples of the mechanisms at communities' disposal to combat the shocks of the resource market. Funds can be local, regional, or state level with each having strengths and weaknesses. Communities should choose which level is appropriate for their context. Local funds may be best if all aspects of production occur in one county but regional may be more appropriate if, for example, the mine is located in one county but the majority of employees live in another.

My comments today are not meant to be prescriptive but descriptive of only a few of the options available to communities to take control of their economic future. Thank you.