Office of Surface Mining Reclamation and Enforcement

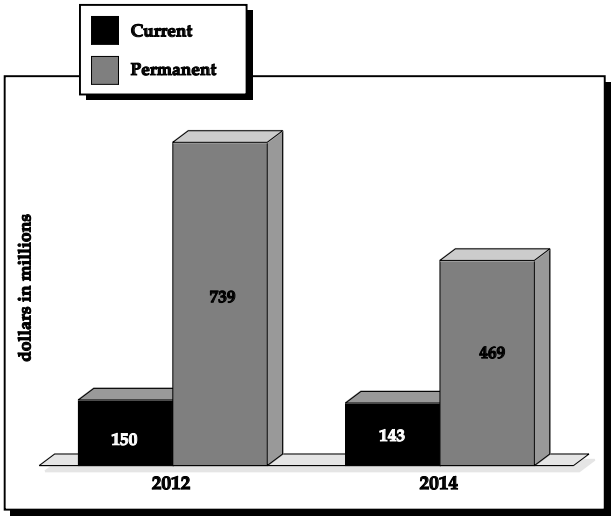
Mission – The mission of the Office of Surface Mining Reclamation and Enforcement is to ensure that through a nationwide regulatory program, coal mining is conducted in a manner that protects communities and the environment during mining, restores the land to beneficial use following mining, and mitigates the effects of past mining by aggressively pursuing reclamation of abandoned mine lands.

Budget Overview – The 2014 budget request for OSM is $143.1 million in discretionary appropriations, $7.1 million below the 2012 enacted level. The OSM estimates that staffing will equal 522 full time equivalents in 2014.

Regulation and Technology – The 2014 budget for Regulation and Technology is $115.1 million, a decrease of $7.8 million below the 2012 level. The request includes $12.6 million, an increase of $4.0 million above 2012, to improve implementation of existing laws and support States and Tribes. State and tribal regulatory grants are funded at $57.7 million in 2014, a decrease of $10.9 million below 2012. States are encouraged to recover more of their regulatory costs from the coal industry through user fees. In addition, the budget proposes to recover the cost of reviewing, administering, and enforcing permits for surface coal mining and reclamation in Federal programs and on Indian Lands where OSM is the regulatory authority. The OSM expects to collect $2.4 million in permit fees in 2014. The budget includes $1.2 million for applied science to conduct studies that would advance technologies and practices specific to coal mined sites for more comprehensive ecosystem restoration, including reforestation and reclamation using native vegetation and plant habitat.

Abandoned Mine Reclamation Fund – The total discretionary funding requested for this account is $28.0 million, an increase of $614,000 above 2012. The Surface Mining Control and Reclamation Act established the Abandoned Mine Reclamation Fund to receive the Abandoned Mine Land fees and finance reclamation of coal AML sites. The increase includes $400,000 for applied science studies pertaining to abandoned mines.

OSM Funding



Legislative Proposals – In 2014, OSM will distribute an estimated $468.5 million in permanent appropriations. This includes $273.5 million to non-certified States and Tribes in reclamation grants and $195.0 million in payments to the United Mine Workers of America retiree health plans. The Administration proposes to focus reclamation grant funds on the highest priority AML sites. The budget proposes to end permanent payments to States and Tribes that have finished restoring their abandoned coal mines, saving the taxpayer $32.0 million in 2014 and $327.0 million over the next ten years. These payments currently can be used for any purpose and therefore may not contribute to the goal of addressing abandoned mine hazards.

The budget proposes to return coal fees to the level prior to 2006, when an amendment to the Surface Mining Control and Reclamation Act reduced the fees. The proposal to return the fees to their historic levels will generate an additional $53.0 million in 2014 that will be used to reclaim priority abandoned mine sites and reduce some of the $3.9 billion in remaining dangerous AML sites nationwide.

Office of Surface Mining Reclamation and Enforcement Facts

- **Created in 1977 when Congress enacted the Surface Mining Control and Reclamation Act.**
- **Ensures coal mining operations are conducted in an environmentally responsible manner.**
- **Requires that land is adequately reclaimed and restored to beneficial use during and following the mining process through regulation.**
- **Institutes nationwide programs to protect the society and the environment from the adverse effects of surface coal mining operations.**
- **Trains hundreds of State and tribal professionals in a broad range of reclamation skills such as re-establishing wildlife habitat.**

The budget also includes a legislative proposal to establish a new fee on hardrock mineral production to fund the reclamation of abandoned hardrock mines across the Country. Just as the coal industry is held responsible for the actions of its predecessors, the Administration proposes to hold the hardrock mining industry responsible for abandoned hardrock mines. The legislative proposal will levy an AML fee on uranium and metallic mines on both public and private lands. The proposed AML fee on the production of hardrock minerals will be based on the volume of material displaced after January 1, 2014. The fee will be collected by OSM. The receipts will be distributed through a set allocation of funds between Federal and non-Federal lands. Based on need, the Secretary would disperse the non-Federal share to States and Tribes who would select their own priority restoration projects, using national criteria. The proposed hardrock AML fee and reclamation program would operate in parallel to the coal AML reclamation program, as two parts of a larger proposal to ensure the Nation's most dangerous coal and hardrock AML sites are addressed by the industries that created the problems. This proposal is expected to generate $1.8 billion over ten years for the reclamation of abandoned mine lands.

Fixed Costs – Fixed costs of $925,000 are fully funded.

SUMMARY OF BUREAU APPROPRIATIONS
(all dollar amounts in thousands)

Comparison of 2014 Request with 2012 Enacted

	2012 Enacted		2014 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Regulation and Technology	344	122,813	363	115,055	+19	-7,758
Abandoned Mine Reclamation Fund	159	27,399	159	28,013	0	+614
Subtotal, Current *(w/o offsetting collections)*	503	150,212	522	143,068	+19	-7,144
Offsetting Collections	0	40	0	2,400	0	+2,360
Subtotal, Current *(w/ offsetting collections)*	503	150,252	522	145,468	+19	-4,784

Comparison of 2014 Estimate with 2013 Estimate

	2013 Estimate		2014 Estimate		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Permanent						
Payments to UMWA Health Plans (AML)	0	54,789	0	15,000	0	-39,789
Payments to UMWA Health Plans (Treasury Funds)	0	140,663	0	180,000	0	+39,337
Payments to States in Lieu of Coal Fee Receipts (Treasury Funds)	0	129,301	0	85,300	0	-44,001
Mandatory Grants to States and Tribes (AML)	0	210,145	0	188,200	0	-21,945
Subtotal, Permanent	0	534,898	0	468,500	0	-66,398

HIGHLIGHTS OF BUDGET CHANGES
By Appropriation Activity/Subactivity

APPROPRIATION: Regulation and Technology

	2013 Full Year CR	2012 Enacted	2014 Request	Change from 2012
Environmental Protection	92,394	91,832	82,795	-9,037
Permitting Fees	40	40	2,400	+2,360
Offsetting Collections	-40	-40	-2,400	-2,360
Technology Development and Transfer	14,543	14,455	15,872	+1,417
Financial Management	508	505	513	+8
Executive Direction/Administration	16,019	15,921	15,775	-146
TOTAL APPROPRIATION *(w/o civil penalties)*	123,464	122,713	114,955	-7,758
Civil Penalties	100	100	100	0
TOTAL APPROPRIATION *(w/ civil penalties)*	123,564	122,813	115,055	-7,758

Detail of Budget Changes

	2014 Change from 2012 Enacted
TOTAL APPROPRIATION	-7,758
Environmental Protection	-9,037
Reduce State and Tribal Regulatory Grants	-10,916
Improve Implementation and Support to States/Tribes	+3,734
Federal Programs	-1,652
Indian Lands	-708
Fixed Costs	+505
Technology Development and Transfer	+1,417
Applied Science	+1,199
Fixed Costs	+218
Financial Management	+8
Fixed Costs	+8
Executive Direction	-146
Fixed Costs	-146
Subtotals for Changes Across Multiple Subactivities	
Fixed Costs	[+585]

APPROPRIATION: Abandoned Mine Reclamation Fund

	2013 Full Year CR	2012 Enacted	2014 Request	Change from 2012
Environmental Restoration	9,538	9,480	9,510	+30
Technology Development and Transfer	3,566	3,544	3,994	+450
Financial Management	6,435	6,396	6,490	+94
Executive Direction and Administration	8,028	7,979	8,019	+40
TOTAL APPROPRIATION	27,567	27,399	28,013	+614

Detail of Budget Changes

	2014 Change from 2012 Enacted
TOTAL APPROPRIATION	+614
Environmental Restoration	+30
Project Monitoring	+209
Reduce Watershed Cooperative Agreements	-335
Fixed Costs	+156
Technology Development and Transfer	+450
Applied Science	+400
Fixed Costs	+50
Financial Management	+94
Fixed Costs	+94
Executive Direction	+40
Fixed Costs	+40
Subtotals for Changes Across Multiple Subactivities	
Fixed Costs	[+340]