



**BUDGET** The United States  
Department of the Interior

**JUSTIFICATIONS**

and Performance Information  
Fiscal Year 2018

**OFFICE OF  
SURFACE MINING  
RECLAMATION AND  
ENFORCEMENT**

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TAB

# Executive Summary



## EXECUTIVE SUMMARY

### Overview

The mission of the Office of Surface Mining Reclamation and Enforcement (OSMRE) is to carry out the requirements of the Surface Mining Control and Reclamation Act (SMCRA or the Act) in cooperation with the states and tribes.

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OSMRE's primary objectives are to:

- (1) ensure that coal mine surface activities are operated in a manner that protects citizens and the environment during mining,
  - (2) assure that the land is restored to beneficial use following mining, and
  - (3) address the effects of past mining by aggressively pursuing reclamation of abandoned coal mines.
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Each coal mine operation in the United States must be permitted and regulated under the provisions of SMCRA. At publication of this document, there were over 5,000 permits on coal mining sites covering nearly 3 million surface acres nationwide. These sites all require regulatory activity for permit approvals, monitoring, inspection, enforcement, and bond release approval.

OSMRE has statutory responsibility for administering the programs for controlling the environmental impacts of surface coal mining operations pursuant to Title V of the Act, as well as for administering the program for the restoration of abandoned and unreclaimed mined areas pursuant to Title IV of the Act. OSMRE authorizes states and tribes, upon approval of their regulatory and reclamation programs, to perform these responsibilities subject to OSMRE oversight. With this authority, primacy states directly regulate about 98 percent of the permitted sites in the nation. OSMRE oversees the State and Tribal programs and provides training, technical assistance, support, and tools to help ensure effective, consistent, and high quality regulatory and reclamation programs across the Nation.

OSMRE's FY 2018 budget supports the Presidential and Secretarial priority of supporting the environmentally responsible development of energy. It provides for the oversight of responsible production of coal through the protection, preservation, and restoration of mined lands and restoration of mined lands left unreclaimed. The FY 2018 budget focuses funding on OSMRE's core mission requirements and eliminates or reduces funding for lower priority, mission enhancing programs and activities. Further details on OSMRE's contributions are provided below.

## **Environmental Restoration**

### **Title IV (Abandoned Mine Land Reclamation)**

OSMRE supports the Department of the Interior's (DOI's) goal of Protecting America's Landscapes under the mission area of "Celebrating and Enhancing America's Great Outdoors" in its current Strategic Plan<sup>1</sup> through its Environmental Restoration activities. SMCRA requires that all operators of coal mining operations pay an Abandoned Mine Land (AML) Reclamation fee, based on tons of coal produced, into the Abandoned Mine Reclamation Fund in order to hold producers and users of coal responsible for reclaiming lands mined for coal and left abandoned prior to August 3, 1977. OSMRE collects the AML fee, and then annually distributes the fee receipts to states and tribes for reclamation activities based on a statutorily prescribed formula.

The Tax Relief and Health Care Act of 2006 (Public Law 109-432), which included Amendments to SMCRA, extended the fee authorization through September 30, 2021, made reclamation grants from the AML fund mandatory, and created new mandatory and unrestricted payments to states and tribes that certified they had completed their coal reclamation work. The 2006 Amendments significantly increased funding provided to states and tribes, from \$145.3 million in FY 2007 to a distribution of \$224.6 million in FY 2016.

In 2012 and 2013, additional amendments to SMCRA limited the amount of funding available to the certified states and tribes. On December 4, 2015, the Fixing America's Surface Transportation Act, or FAST Act, (Public Law 114-94) was enacted which lifted the limitations provided by the earlier amendments, and also provided for \$241.9 million in payments to certain eligible certified states and tribes.

There is currently over \$9 billion of reported Priority 1, 2, and 3 unfunded abandoned mine land problems. With the reduced discretionary funding level for FY 2018, the budget proposes curbing certain mission-enhancing environmental restoration activities in order to minimize the negative impact on OSMRE's core mission of reclaiming abandoned mine lands. OSMRE will concentrate its limited discretionary resources on State Program Evaluation and Federal Reclamation Program operations. These programs work directly with reclaiming abandoned mine lands and will fulfill OSMRE's Title IV obligations. The FY 2018 budget eliminates the discretionary AML Economic Development Pilot fund, established in the 2016 Appropriation Act (Public Law 114-113), which overlaps existing mandatory AML grants.

With its mandatory appropriations authority, OSMRE will continue to collect reclamation fees from operators, allocate and distribute reclamation grant funds to states and tribes, and make payments to the United Mine Workers of America (UMWA) health benefits plans, in accordance with the provisions of Title IV of SMCRA.

(See the Permanent Appropriations Section for more details)

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<sup>1</sup> U.S. Department of the Interior, Strategic Plan for Fiscal Years 2014-2018, Mission Area 1.

## **Environmental Protection Title V of SMCRA (Active Mining)**

OSMRE supports DOI's current Strategic Plan mission area, "Powering Our Future and Responsible Use of the Nation's Resources"<sup>2</sup> through its Environmental Protection activities. In order to strike the proper balance between environmental protection and meeting the Nation's energy needs, OSMRE strives to maintain a regulatory environment that is both stable and consistent with SMCRA, administered through primacy state programs, or directly by OSMRE, as the regulatory authority. That regulatory stability enables all parties, including producers, regulators and citizens, to have a common understanding of applicable requirements and rights so that each can make informed decisions affecting their economic and personal interests with a minimum level of controversy.

It is important for coal to be responsibly mined to reduce harmful environmental impacts of coal mining and to ensure that the land is reclaimed in accordance with land use plans established during the permitting process consistent with the law. Annual performance agreements developed for each state, with stakeholder input, outline the responsibilities and activities of both the state and OSMRE. Among other things, the agreements contain program evaluation goals and the technical or programmatic assistance that OSMRE may render to the states to address identified problems, for both new issues and those remaining from prior years. With greater technical skills, OSMRE anticipates improved evaluation of permit-related actions and resolution of issues to prevent unanticipated situations that otherwise might occur as operations progress, thereby improving implementation of existing laws.

To assist primacy states with their regulatory programs, OSMRE provides technical assistance and training, and funding in the form of regulatory grants. These grants provide up to 50 percent of a state's operating costs for regulating private coal and up to 100 percent of a state's operating costs for regulating mining on Federal lands within the state. OSMRE also provides grants to tribes to assist them in developing regulations and programs for regulating surface coal mining and reclamation operations on Indian lands. The budget includes grants to states and tribes consistent with actual usage over the past years.

Review of state permitting actions and inspections of mine sites are among the most important ways to determine if the state's mining law is being properly implemented and to protect people and the environment during mining. In FY 2016, states performed 26,280 complete and 42,707 partial mine inspections. OSMRE completed 681 partial and 473 complete inspections in Federal and Indian Lands Programs. Nationwide, 90 percent of the permitted sites inspected were free of off-site impacts. Off-site impacts are those that occur outside the permitted area that have the potential to harm the environment or the public as specified under the existing regulations. Off-site impacts associated with active sites are addressed through the inspection and enforcement processes. Also, it is important that the land is properly and timely reclaimed. Reclamation and natural resource specialists inspect sites and monitor work done to return the land and water to its intended post-mining land use.

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<sup>2</sup> U.S. Department of the Interior, Strategic Plan for Fiscal Years 2014-2018, Mission Area 3.

As with environmental restoration, OSMRE had in previous years provided funds to programs that enhance the core environmental protection mission. The FY 2018 budget proposes curbing certain mission-enhancing activities in order to maximize return on investment and minimize the negative impact on OSMRE's core environmental protection mission.

### **Training and Technological Advances**

OSMRE supports the coordination of science activities across bureaus which help achieve the DOI's important mission objectives, and has identified several key areas for investment where coordination with other Department bureaus will leverage results to more effectively achieve mission outcomes. The FY 2018 budget facilitates this need by supporting integrated efforts to achieve management efficiencies.

OSMRE uses emerging technologies, tools and methodologies to elevate the understanding of resources related to coal mining on a landscape-level, as envisioned in the DOI's current Strategic Plan mission area of "Building a Landscape-Level Understanding of Our Resources."<sup>3</sup> OSMRE's Technology Development and Transfer business line will focus on the training and technical innovation that directly supports OSMRE's Environmental Protection mission of regulatory oversight and Environmental Restoration mission of abandoned mine land reclamation.

The 2018 budget provides the resources required to meet the demand from states, tribes, public interest groups, and internal customers for OSMRE to provide technical support on coal mining. Activities include development of policy/guidance documents for technical issues, such as blasting, as well as onsite review and guidance on the application of regulations to specific permits and mine sites.

### **Management and Efficiencies**

OSMRE supports the DOI's and the Administration's initiative to improve programs through an evidence-based approach, while holding program managers accountable for improving performance. In FY 2017, OSMRE established a bureau-wide Performance Management Workgroup to comprehensively evaluate program performance. This effort will improve OSMRE's efficiency by providing better quality information for managers to make informed decisions and provide a better understanding of performance measures. Other efforts underway, and reflected in the FY 2018 budget, include data center consolidation, the use of technology to conduct meetings via electronic media, and the consolidation of activities and associated reduction of space.

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<sup>3</sup> U.S. Department of the Interior, Strategic Plan for Fiscal Years 2014-2018, Mission Area 6.

### **Budget Highlights**

The FY 2018 Budget Request for OSMRE is \$129.4 million in current appropriations<sup>4</sup>, a decrease of \$110.66 million and 38 full-time equivalent positions (FTE) from the FY 2017 CR Baseline level.

OSMRE will focus resources on its core mission functions toward implementation of SMCRA, provide technical support and assistance to the states and tribes for regulatory and reclamation programs, support the review and technology transfer of advanced technologies and reforestation of reclaimed mined lands, and evaluate the abandoned mine land program. OSMRE will achieve programmatic savings by eliminating duplicative programs, consolidating functions, reducing or eliminating beneficial, yet collateral, mission-enhancing activities, and reducing staff to the minimum level required to accomplish core mission functions. Below is an outline of the requested changes.

Program Changes include (net change of -\$111,533,000 and -38 FTE):

- -\$89,829,000 in AML Economic Development Pilot Program;
- -\$1,545,000 in Federal Watershed Cooperative Agreements;
- -\$200,000 in the OSMRE Volunteers in Service to America (VISTA) Program;
- -\$8,290,000 in State and Tribal Funding (Regulatory Grants);
- -\$750,000 in Applied Science Projects;
- -\$704,000 in Development Costs for Electronic Permitting;
- -\$190,000 in the National Technical Training Program (NTTP);
- -\$80,000 in Technical Innovation and Professional Services (TIPS) training;
- -\$176,000 in Field Office Closures;
- -\$561,000 in Targeted Contact Efficiencies;
- -\$198,000 in Operational Travel; and
- -\$9,010,000 in Staff Reductions.

Fixed Costs include (net change of +\$873,000):

- +\$883,000 for Pay Raises;
- -\$23,000 for Workers Compensation;
- +\$110,000 for Rental Payments and GSA Space with other Bureaus; and
- -\$97,000 for Working Capital Fund Adjustments.

In addition to discretionary appropriations, the budget includes \$503.5 million in mandatory funding for reclamation grants to states and tribes, and for United Mine Workers of America (UMWA) health benefit plans under current law. Mandatory funding is further described under the Permanent Appropriations Section.

A summary table of the budget is shown below. Increases and decreases are detailed by account, activity and sub-activity in the table contained in the Budget-at-a-Glance Section.

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<sup>4</sup> This amount does not include \$100,000 in civil penalty authority or offsetting collections.

### Total FY 2018 Budget Request

(Dollars in Thousands)

<b>Budget Authority</b>	<b>2016 Actual</b>	<b>2017 CR Baseline</b>	<b>2018 Request</b>
Regulation and Technology	123,293	123,019	109,432
<i>Civil Penalties (Indefinite Authority)</i>	<i>[133]</i>	<i>[100]</i>	<i>[100]</i>
<i>Permit Fees (Offsetting Collections)</i>	<i>-</i>	<i>[40]</i>	<i>[40]</i>
Abandoned Mine Reclamation Fund	117,303	117,080	20,007
<b>Total Discretionary</b>	<b>240,596</b>	<b>240,099</b>	<b>129,439</b>
<b>Total Discretionary (with Offsetting Collections)</b>	<b>240,729</b>	<b>240,239</b>	<b>129,579</b>
Payments (or Grants) to states in Lieu of Coal Fee Receipts (Treasury Funds)	303,373	46,239	114,200
Mandatory Grants to Non-Certified States (AML Funds)	163,149	134,725	207,300
Funds Transferred to UMWA Health Benefit Plans (Treasury and AML Funds)	179,521	211,925	181,997
<b>Total Mandatory</b>	<b>646,043</b>	<b>392,889</b>	<b>503,497</b>
<b>Total Discretionary and Mandatory</b>	<b>886,640</b>	<b>632,988</b>	<b>632,936</b>
<b>Total Discretionary and Mandatory (with Offsetting Collections)</b>	<b>886,772</b>	<b>632,988</b>	<b>632,936</b>
<i>FTEs</i>	<i>424</i>	<i>421</i>	<i>383</i>

The FY 2018 budget provides \$60.17 million (47 percent) of OSMRE's discretionary funds in grants to the states and tribes for regulatory programs. OSMRE will use the balance of the budget to perform its statutory oversight responsibilities, administer Federal regulatory and reclamation programs, provide technical assistance to the states and tribes, and carry out its fiscal responsibilities for collecting revenues and awarding grants. OSMRE currently implements these programs through three regional and 14 field and area offices. The FY 2018 budget proposes closing four (4) of the area offices.

OSMRE executes its mission through five (5) Business Lines. OSMRE's Business Lines are:

- Environmental Restoration,
- Environmental Protection,
- Technology Development and Transfer,
- Financial Management, and
- Executive Direction and Administration.

### Implementing SMCRA – Effective Partnerships

In implementing its mission responsibilities, OSMRE works closely with the states and tribes in administering their regulatory and reclamation programs. OSMRE also recognizes the importance of working with industry and coal field citizens in implementing SMCRA. This

budget supports using effective partnerships by communicating, consulting, and cooperating with these constituent groups to achieve SMCRA's objectives.

OSMRE continues to emphasize the importance of protecting the environment during and after coal mining operations. OSMRE oversees SMCRA's implementation in 24 primacy states by, among other things, assisting the states in the administration, implementation and maintenance of their approved regulatory programs. This process is detailed further in the Environmental Protection section of this document.

OSMRE, in cooperation with the 25 states and 3 tribes that have reclamation programs, will continue to clean up land and waters degraded by past mining practices. The funding provided will assist in the removal of existing health and safety hazards and restoration of areas to productive use. The cooperative process for restoring land and water affected by past mining is detailed further in the Environmental Restoration section of this document.

OSMRE will continue its efforts to establish partnerships to improve and increase outreach efforts that allow full participation from its stakeholders in addressing common problems. These initiatives will assist OSMRE in forging an enduring bond and partnership with its stakeholders.

To better serve its partners and the public, OSMRE continues to improve its abandoned mine site databases to include all eligible abandoned mine sites. In addition, OSMRE's website contains comprehensive information on regulatory and reclamation matters.

As mining and engineering information technology continues to improve, OSMRE continues to provide to states and tribes the most up-to-date information, technical training, technical assistance, and technology transfer. These programs greatly help the states and tribes operate their regulatory and reclamation programs in fulfilling SMCRA's requirements. This process is detailed further in the Technology Development and Transfer section of this document.

## Appropriations Language

### **Regulation and Technology**

*For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, \$109,432,000, to remain available until September 30, 2019: Provided, That appropriations for the Office of Surface Mining Reclamation and Enforcement may provide for the travel and per diem expenses of State and Tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training.*

*In addition, for costs to review, administer, and enforce permits issued by the Office pursuant to section 507 of Public Law 95-87 (30 U.S.C. 1257), \$40,000, to remain available until expended: Provided, That fees assessed and collected by the Office pursuant to such section 507 shall be credited to this account as discretionary offsetting collections, to remain available until expended: Provided further, That the sum herein appropriated from the general fund shall be reduced as collections are received during the fiscal year, so as to result in a fiscal year 2018 appropriation estimated at not more than \$109,432,000.*

Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

**Abandoned Mine Reclamation Fund**

*For necessary expenses to carry out title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, \$20,007,000, to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended: Provided, That pursuant to Public Law 97-365, the Department of the Interior is authorized to use up to 20 percent from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: Provided further, That funds made available under title IV of Public Law 95-87 may be used for any required non-Federal share of the cost of projects funded by the Federal Government for the purpose of environmental restoration related to treatment or abatement of acid mine drainage from abandoned mines: Provided further, That such projects must be consistent with the purposes and priorities of the Surface Mining Control and Reclamation Act: Provided further, That amounts provided under this heading may be used for the travel and per diem expenses of State and Tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training.*

Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

## Appropriations Language and Citations

### Regulation and Technology

*For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, \$109,432,000, to remain available until September 30, 2019: Provided, That appropriations for the Office of Surface Mining Reclamation and Enforcement may provide for the travel and per diem expenses of State and Tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training.*

*In addition, for costs to review, administer, and enforce permits issued by the Office pursuant to section 507 of Public Law 95-87 (30 U.S.C. 1257), \$40,000, to remain available until expended: Provided, That fees assessed and collected by the Office pursuant to such section 507 shall be credited to this account as discretionary offsetting collections, to remain available until expended: Provided further, That the sum herein appropriated from the general fund shall be reduced as collections are received during the fiscal year, so as to result in a fiscal year 2018 appropriation estimated at not more than \$109,432,000.*

- 30 U.S.C. 1260, 1268 – These sections provide for the assessment and collection of penalties levied for violations of the Act, and for the denial of permits to those with unabated violations or unpaid penalties.
- 30 U.S.C. 1252, 1253, 1254, 1271, 1272, 1273, 1295, 1300, 1302 – These sections provide for aid to all primacy states for maintaining approved regulatory programs and evaluation of the states' performance in doing so; monitoring implementation of the grant programs; small operator assistance programs; and for regulatory programs in states without approved programs, on Federal lands and on Indian lands; processing of permit applications and mine plans for Federal lands operations; designating of lands unsuitable for surface mining through technical reviews; scientific/engineering support and technical training for states operating approved permanent programs and federally administered programs; initiation of technical studies; issuance of technical publications; approval of experimental practices to meet the needs of approved state programs and federally-administered programs; preparation of environmental assessments and environmental impact statements for permits and other actions; and training of OSMRE staff and state staff to enable these agencies to more effectively carry out the provisions of the Act.
- 30 U.S.C. 1257, as amended by Public Laws 101-508 and 102-486 - Provide for the regulatory authority to designate a qualified laboratory to obtain technical information and prepare technical findings required by the operator for the permit application, and for the regulatory authority to assume the cost for such services. Further, the Act provides for the Secretary to provide or assume the cost of training for regulatory program compliance and permit application preparation for eligible small operators.

### **Abandoned Mine Reclamation Fund**

*For necessary expenses to carry out title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, \$20,007,000, to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended: Provided, That pursuant to Public Law 97-365, the Department of the Interior is authorized to use up to 20 percent from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: Provided further, That funds made available under title IV of Public Law 95-87 may be used for any required non-Federal share of the cost of projects funded by the Federal Government for the purpose of environmental restoration related to treatment or abatement of acid mine drainage from abandoned mines: Provided further, That such projects must be consistent with the purposes and priorities of the Surface Mining Control and Reclamation Act: Provided further, That amounts provided under this heading may be used for the travel and per diem expenses of State and Tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training.*

- 30 U.S.C. 1231, 1232, 1233 and 1240 – Provides for the payment of fees and other monies into the Abandoned Mine Reclamation Fund (Fund). The Fund consists of amounts deposited from time to time, derived from reclamation fees, donations, audit recoveries, interest charges, and administrative collection fees.

The funds collected are used for the reclamation and restoration of land and water resources adversely affected by past mining.

SMCRA provides for the use of the monies for the purpose of protecting public health, safety, and property from extreme danger of adverse effects of coal mining practices; restoration of land and water resources and the environment previously degraded by adverse effects of coal mining practices, and that are adjacent to a site that has been or will be remediated. It also provides that monies in the Abandoned Mine Reclamation Fund will be used to cover the administrative expenses of the Federal Government, accomplish abandoned mine reclamation and develop guidelines on the distribution of monies in the Fund.

**Summary of Requirements**  
**Office of Surface Mining Reclamation and Enforcement**  
*(Dollars in Thousands)*

	<b>2016 Actual</b>	<b>2017 CR Baseline</b>		Fixed Costs (+/-)	Program Changes (+/-)		<b>2018 Request</b>		Change from 2017 (+/-)	
	<i>Amount</i>	<i>FTE</i>	<i>Amount</i>	<i>Amount</i>	<i>FTE</i>	<i>Amount</i>	<i>FTE</i>	<i>Amount</i>	<i>FTE</i>	<i>Amount</i>
<b>REGULATION AND TECHNOLOGY</b>										
Environmental Protection	91,872	179	91,657	+394	-6	-9,866	173	82,185	-6	-9,472
Technology Development and Transfer	15,205	78	15,176	+164	-6	-2,539	72	12,801	-6	-2,375
Financial Management	505	3	504	+7	-	-1	3	510	-	+6
Executive Direction and Administration	15,711	38	15,682	+72	-3	-1,818	35	13,936	-3	-1,746
<b>TOTAL, REGULATION AND TECHNOLOGY</b>	<b>123,293</b>	<b>298</b>	<b>123,019</b>	<b>+637</b>	<b>-15</b>	<b>-14,224</b>	<b>283</b>	<b>109,432</b>	<b>-15</b>	<b>-13,587</b>
<i>Civil Penalties (Budget Authority)</i>	133	-	100	-	-	-	-	100	-	-
<i>Permit Fees (Offsetting Collections)</i>	-	-	40	-	-	-	-	40	-	-
<b>TOTAL, REGULATION AND TECHNOLOGY, with Civil Penalties and Offsetting Collections</b>	<b>123,426</b>	<b>298</b>	<b>123,159</b>	<b>+637</b>	<b>-15</b>	<b>-14,224</b>	<b>283</b>	<b>109,572</b>	<b>-15</b>	<b>-13,587</b>
<b>ABANDONED MINE RECLAMATION FUND</b>										
Environmental Restoration	9,480	46	9,462	+91	-8	-3,281	38	6,272	-8	-3,190
Technology Development and Transfer	3,544	16	3,537	+32	-3	-1,482	13	2,087	-3	-1,450
Financial Management	6,396	41	6,384	+79	-8	-1,281	33	5,182	-8	-1,202
Executive Direction and Administration	7,883	20	7,868	+34	-4	-1,436	16	6,466	-4	-1,402
AML Economic Development Pilot Program	90,000	-	89,829	-	-	-89,829	-	-	-	-89,829
<b>TOTAL, ABANDONED MINE RECLAMATION FUND</b>	<b>117,303</b>	<b>123</b>	<b>117,080</b>	<b>+236</b>	<b>-23</b>	<b>-97,309</b>	<b>100</b>	<b>20,007</b>	<b>-23</b>	<b>-97,073</b>
<b>TOTAL, DISCRETIONARY (without Offsetting Collections)</b>	<b>240,596</b>	<b>421</b>	<b>240,099</b>	<b>+873</b>	<b>-38</b>	<b>-111,533</b>	<b>383</b>	<b>129,439</b>	<b>-38</b>	<b>-110,660</b>
<b>TOTAL, DISCRETIONARY (with Civil Penalties and Offsetting Collections)</b>	<b>240,729</b>	<b>421</b>	<b>240,239</b>	<b>+873</b>	<b>-38</b>	<b>-111,533</b>	<b>383</b>	<b>129,579</b>	<b>-38</b>	<b>-110,660</b>

**Justification of Fixed Costs and Internal Realignments**  
(Dollars in Thousands)

**Regulation and Technology Account (Net +637)**

Fixed Cost Changes and Projections	2017 Total or Change	2017 to 2018 Change
Change in Number of Paid Days This column reflects changes in pay associated with the change in the number of paid days between the 2017 and 2018.	-282	+0
Pay Raise The change reflects the salary impact of the 2.1% pay raise for 2017 as signed by the President in December 2016, and the estimated 1.9% pay raise for 2018.	+715	+644
Departmental Working Capital Fund The change reflects expected changes in the charges for centrally billed Department services and other services through the Working Capital Fund. These charges are detailed in the Budget Justification for Departmental Management.	+1,670	-65
Worker's Compensation Payments The amounts reflect projected changes in the costs of compensating injured employees and dependents of employees who suffer accidental deaths while on duty. Costs will reimburse the Department of Labor, Federal Employees Compensation Fund, pursuant to 5 U.S.C. 8147(b) as amended by Public Law 94-273.	+145	-16
Unemployment Compensation Payments The amounts reflect projected changes in the costs of unemployment compensation claims to be paid to the Department of Labor, Federal Employees Compensation Account, in the Unemployment Trust Fund, pursuant to Public Law 96-499.	+4	+0
Rental Payments The amounts reflect changes in the costs payable to the General Services Administration (GSA) and others for office and non-office space as estimated by GSA, as well as the rental costs of other currently occupied space. These costs include building security; in the case of GSA space, these are paid to the Department of Homeland Security (DHS). Costs of mandatory office relocations, i.e. relocations in cases where due to external events there is no alternative but to vacate the currently occupied space, are also included. The rental payments in 2018 include a program change of -\$116,000 for the planned closure of four offices.	+4,045	+74
Baseline Adjustments for O&M Increases In accordance with space maximization efforts across the Federal Government, this adjustment captures the associated increase to baseline operations and maintenance (O&M) requirements resulting from movement out of GSA or direct-leased (commercial) space and into Bureau-owned space. While the GSA portion of fixed costs will go down as a result of these moves, Bureaus often encounter an increase to baseline O&M costs not otherwise captured in fixed costs. This category of funding properly adjusts the baseline fixed cost amount to maintain steady-state funding for these requirements.	+27	+0

**Justification of Fixed Costs and Internal Transfers**  
(Dollars in Thousands)

**Abandoned Mine Reclamation Fund (Net +236)**

<b>Fixed Cost Changes and Projections</b>	<b>2017 Total or Change</b>	<b>2017 to 2018 Change</b>
Change in Number of Paid Days This column reflects changes in pay associated with the change in the number of paid days between the 2017 and 2018.	-139	+0
Pay Raise The change reflects the salary impact of the 2.1% pay raise for 2017 as signed by the President in December 2016, and the estimated 1.9% pay raise for 2018.	+352	+239
Departmental Working Capital Fund The change reflects expected changes in the charges for centrally billed Department services and other services through the Working Capital Fund. These charges are detailed in the Budget Justification for Departmental Management.	+822	-32
Worker's Compensation Payments The amounts reflect projected changes in the costs of compensating injured employees and dependents of employees who suffer accidental deaths while on duty. Costs will reimburse the Department of Labor, Federal Employees Compensation Fund, pursuant to 5 U.S.C. 8147(b) as amended by Public Law 94-273.	+71	-7
Unemployment Compensation Payments The amounts reflect projected changes in the costs of unemployment compensation claims to be paid to the Department of Labor, Federal Employees Compensation Account, in the Unemployment Trust Fund, pursuant to Public Law 96-499.	+2	+0
Rental Payments The amounts reflect changes in the costs payable to the General Services Administration (GSA) and others for office and non-office space as estimated by GSA, as well as the rental costs of other currently occupied space. These costs include building security; in the case of GSA space, these are paid to the Department of Homeland Security (DHS). Costs of mandatory office relocations, i.e. relocations in cases where due to external events there is no alternative but to vacate the currently occupied space, are also included. The rental payments in 2018 include a program change of -\$60,000 for the planned closure of four offices.	+1,993	+36
Baseline Adjustments for O&M Increases In accordance with space maximization efforts across the Federal Government, this adjustment captures the associated increase to baseline operations and maintenance (O&M) requirements resulting from movement out of GSA or direct-leased (commercial) space and into Bureau-owned space. While the GSA portion of fixed costs will go down as a result of these moves, Bureaus often encounter an increase to baseline O&M costs not otherwise captured in fixed costs. This category of funding properly adjusts the baseline fixed cost amount to maintain steady-state funding for these requirements.	+13	+0

**TAB**

**Budget at a Glance**



## BUDGET AT A GLANCE

### INTRODUCTION

The following tables provide a snapshot of the cost changes by appropriation, business line and activities within those business lines. Below is a summary description.

#### **Regulation and Technology**

This appropriation finances the regulatory functions of SMCRA as administered by the states and OSMRE. Federal activities related to the administration and monitoring of State regulatory programs and OSMRE's technical training, assistance, and transfer activities related to environmental protection are also financed by this appropriation. The request is \$109,432,000; a decrease of \$13,587,000 from the 2017 CR Baseline level.

#### **Abandoned Mine Reclamation Fund**

This appropriation supports the discretionary reclamation program functions carried out by the states and OSMRE. The Fund is derived from a fee levied on coal production sales, use and transfers. The Fund also supports Federal activities related to the administration and monitoring of state programs, as well as OSMRE's technical training, assistance, and transfer activities related to environmental restoration. The request is \$20,007,000, a decrease of \$97,073,000 from the 2017 CR Baseline level.

**Summary of 2017 CR Baseline and 2018 Request  
By Appropriation and Business Line**  
(Dollars in Thousands)

<b>Regulation and Technology</b>	<b>2017 CR Baseline</b>	<b>2018 Request</b>	<b>Change from 2017</b>
Environmental Protection	91,657	82,185	-9,472
Technology Development and Transfer	15,176	12,801	-2,375
Financial Management	504	510	+6
Executive Direction and Administration	15,682	13,936	-1,746
<b>Total, without Offsetting Collections</b>	<b>123,019</b>	<b>109,432</b>	<b>-13,587</b>
<i>Civil Penalties (Budget Authority)</i>	100	100	0
<i>Permit Fees (Offsetting Collections)</i>	40	40	0
<b>Total, Regulation and Technology with Civil Penalties and Offsetting Collections</b>	<b>123,159</b>	<b>109,572</b>	<b>-13,587</b>
<b>Abandoned Mine Reclamation Fund</b>	<b>2017 CR Baseline</b>	<b>2018 Request</b>	<b>Change from 2017</b>
Environmental Restoration	99,291	6,272	-93,019
Technology Development and Transfer	3,537	2,087	-1,450
Financial Management	6,384	5,182	-1,202
Executive Direction and Administration	7,868	6,466	-1,402
<b>Total, Abandoned Mine Reclamation Fund</b>	<b>117,080</b>	<b>20,007</b>	<b>-97,073</b>
<b>Total Appropriation (without Civil Penalties and Offsetting Collections)</b>	<b>240,099</b>	<b>129,439</b>	<b>-110,660</b>
<b>Total Appropriation, with Civil Penalties and Offsetting Collections</b>	<b>240,239</b>	<b>129,579</b>	<b>-110,660</b>

**Summary of 2017 CR Baseline and 2018 Request  
By Full-time Equivalent (FTE)**

<b>Regulation and Technology</b>	<b>2017 CR Baseline</b>	<b>2018 Request</b>	<b>Change from 2017</b>
Environmental Protection	179	173	-6
Technology Development and Transfer	78	72	-6
Financial Management	3	3	
Executive Direction and Administration	38	35	-3
Total, Regulation and Technology FTE	298	283	-15
<b>Abandoned Mine Reclamation Fund</b>	<b>2017 CR Baseline</b>	<b>2018 Request</b>	<b>Change from 2017</b>
Environmental Restoration	46	38	-8
Technology Development and Transfer	16	13	-3
Financial Management	41	33	-8
Executive Direction and Administration	20	16	-4
Total, Abandoned Mine Reclamation Fund FTE	123	100	-23
<b>Total FTE</b>	<b>421</b>	<b>383</b>	<b>-38</b>

### Budget at a Glance Table

(Dollars in Thousands)

	2016 Actual	2017 CR Baseline	Fixed Costs (+/-)	Program Changes (+/-)	2018 Request
<b>Discretionary</b>					
<b>Appropriation: Regulation and Technology</b>					
<b>Environmental Protection</b>	<b>91,872</b>	<b>91,657</b>	<b>+394</b>	<b>-9,866</b>	<b>82,185</b>
<b>State and Tribal Funding</b>	<b>68,590</b>	<b>68,459</b>		<b>-8,290</b>	<b>60,169</b>
Decrease Regulatory Grant funding				[-8,290]	
<b>State Program Evaluation</b>	<b>8,616</b>	<b>8,600</b>	<b>+187</b>	<b>-647</b>	<b>8,140</b>
Operational Travel				[-28]	
Staffing Costs				[-619]	
<b>Federal and Indian Lands Program</b>	<b>8,368</b>	<b>8,312</b>	<b>+107</b>	<b>-405</b>	<b>8,014</b>
Decrease to be covered by offsetting collections		[-40]			[-40]
Operational Travel				[-28]	
Staffing Costs				[-377]	
<b>Federal Lands</b>	<b>1,534</b>	<b>1,531</b>	<b>+14</b>	<b>-131</b>	<b>1,414</b>
Operational Travel				[-5]	
Staffing Costs	[796]			[-126]	
<b>Program Development and Maintenance</b>	<b>4,764</b>	<b>4,755</b>	<b>+86</b>	<b>-393</b>	<b>4,448</b>
Operational Travel				[-16]	
Staffing Costs	[4,091]			[-377]	
<b>Technology Development and Transfer (TDT)</b>	<b>15,205</b>	<b>15,176</b>	<b>+164</b>	<b>-2,539</b>	<b>12,801</b>
<b>Technical Assistance</b>	<b>11,693</b>	<b>11,671</b>	<b>+105</b>	<b>-1,544</b>	<b>10,232</b>
Electronic Permitting Development				[-704]	
Reduce Technical Innovation & Professional Services (TIPS)				[-60]	
Operational Travel				[-30]	
Staffing Costs				[-750]	
<b>Training</b>	<b>2,531</b>	<b>2,526</b>	<b>+43</b>	<b>-620</b>	<b>1,949</b>
Reduce National Technical Training Program (NTTP)				[-115]	
Operational Travel				[-7]	
Staffing Costs				[-498]	

### Budget at a Glance Table

(Dollars in Thousands)

	2016 Actual	2017 CR Baseline	Fixed Costs (+/-)	Program Changes (+/-)	2018 Request
<b>Technology Transfer</b>	<b>981</b>	<b>979</b>	<b>+16</b>	<b>-375</b>	<b>620</b>
Operational Travel				[-3]	
Staffing Costs				[-372]	
<b>Financial Management</b>	<b>505</b>	<b>504</b>	<b>+7</b>	<b>-1</b>	<b>510</b>
<b>Revenue Management</b>	<b>410</b>	<b>409</b>	<b>+5</b>	<b>-1</b>	<b>413</b>
Operational Travel				[-1]	
<b>Grants Financial Management</b>	<b>95</b>	<b>95</b>	<b>+2</b>	<b>0</b>	<b>97</b>
<b>Executive Direction and Administration</b>	<b>15,711</b>	<b>15,682</b>	<b>+72</b>	<b>-1,818</b>	<b>13,936</b>
<b>Executive Direction</b>	<b>2,654</b>	<b>2,649</b>	<b>+32</b>	<b>-627</b>	<b>2,054</b>
Operational Travel				[-6]	
Staffing Costs				[-621]	
<b>Administrative Support</b>	<b>4,414</b>	<b>4,406</b>	<b>+48</b>	<b>-879</b>	<b>3,575</b>
Operational Travel				[-11]	
Staffing Costs				[-868]	
<b>General Services</b>	<b>8,643</b>	<b>8,627</b>	<b>-8</b>	<b>-312</b>	<b>8,307</b>
Office Closures				[-116]	
Contracting Efficiencies				[-196]	
<b>TOTAL, Regulation and Technology</b>	<b>123,293</b>	<b>123,019</b>	<b>+637</b>	<b>-14,224</b>	<b>109,432</b>

### Budget at a Glance Table

(Dollars in Thousands)

	2016 Actual	2017 CR Baseline	Fixed Costs (+/-)	Program Changes (+/-)	2018 Request
<b>Appropriation: Abandoned Mine Reclamation Fund</b>					
<b>Environmental Restoration</b>	<b>99,480</b>	<b>99,291</b>	<b>+91</b>	<b>-93,110</b>	<b>6,272</b>
<b>State Program Evaluation</b>	<b>2,662</b>	<b>2,657</b>	<b>+29</b>	<b>-756</b>	<b>1,930</b>
Operational Travel				[-8]	
Staffing Costs				[-748]	
<b>Federal Reclamation Programs - Projects</b>	<b>1,548</b>	<b>1,545</b>	<b>0</b>	<b>-1,545</b>	<b>0</b>
Eliminate Federal Watershed Coop Agreement funding				[-1,545]	
<b>Federal Reclamation Program - Operations</b>	<b>2,066</b>	<b>2,062</b>	<b>+29</b>	<b>-388</b>	<b>1,703</b>
Operational Travel				[-6]	
Staffing Costs				[-382]	
<b>Program Development and Maintenance</b>	<b>3,204</b>	<b>3,198</b>	<b>+33</b>	<b>-592</b>	<b>2,639</b>
Eliminate OSM/VISTA program funding				[-200]	
Operational Travel				[-10]	
Staffing Costs				[-382]	
<b>AML Economic Development Grants</b>	<b>90,000</b>	<b>89,829</b>	<b>0</b>	<b>-89,829</b>	<b>0</b>
Eliminate AML Economic Development Pilot Program				[-89,829]	
<b>Technology Development and Transfer (TDT)</b>	<b>3,544</b>	<b>3,537</b>	<b>+32</b>	<b>-1,482</b>	<b>2,087</b>
<b>Technical Assistance</b>	<b>1,585</b>	<b>1,582</b>	<b>+17</b>	<b>-402</b>	<b>1,197</b>
Reduce Technical Innovation & Professional Service (TIPS)				[-20]	
Operational Travel				[-5]	
Staffing Costs				[-377]	
<b>Training</b>	<b>794</b>	<b>792</b>	<b>+10</b>	<b>-201</b>	<b>601</b>
Reduce National Technical Training Program (NTTP)				[-75]	
Operational Travel				[-2]	
Staffing Costs				[-124]	
<b>Technology Transfer</b>	<b>1,165</b>	<b>1,163</b>	<b>+5</b>	<b>-879</b>	<b>289</b>
Eliminate Applied Science Project funding				[-750]	
Operational Travel				[-4]	
Staffing Costs				[-125]	

**Budget at a Glance Table**

(Dollars in Thousands)

	2016 Actual	2017 CR Baseline	Fixed Costs (+/-)	Program Changes (+/-)	2018 Request
<b>Financial Management</b>	<b>6,396</b>	<b>6,384</b>	<b>+79</b>	<b>-1,281</b>	<b>5,182</b>
<b>Fee Compliance</b>	<b>6,302</b>	<b>6,290</b>	<b>+72</b>	<b>-1,281</b>	<b>5,081</b>
Operational Travel				[ -19]	
Staffing Costs				[ -1,262]	
<b>Grants Financial Management</b>	<b>94</b>	<b>94</b>	<b>+7</b>	<b>0</b>	<b>101</b>
<b>Executive Direction and Administration</b>	<b>7,883</b>	<b>7,868</b>	<b>+34</b>	<b>-1,436</b>	<b>6,466</b>
<b>Executive Direction</b>	<b>1,413</b>	<b>1,410</b>	<b>+14</b>	<b>-514</b>	<b>910</b>
Operational Travel				[ -3]	
Staffing Costs				[ -511]	
<b>Administrative Support</b>	<b>2,323</b>	<b>2,319</b>	<b>+24</b>	<b>-497</b>	<b>1,846</b>
Operational Travel				[ -6]	
Staffing Costs				[ -491]	
<b>General Services</b>	<b>4,147</b>	<b>4,139</b>	<b>-4</b>	<b>-425</b>	<b>3,710</b>
Office Closures				[ -60]	
Contracting Efficiencies				[ -365]	
<b>TOTAL, Abandoned Mine Reclamation Fund</b>	<b>117,303</b>	<b>117,080</b>	<b>+236</b>	<b>-97,309</b>	<b>20,007</b>
<b>TOTAL, Discretionary Funding</b>	<b>240,596</b>	<b>240,099</b>	<b>+873</b>	<b>-111,533</b>	<b>129,439</b>

### Budget at a Glance Table

(Dollars in Thousands)

	2016 Actual	2017 CR Baseline	Fixed Costs (+/-)	Program Changes (+/-)	2018 Request
<b>Total Regulation and Technology*</b>	123,293	123,019	+637	-14,224	109,432
Civil Penalties	133	100			100
Offsetting Collections - Permit Fees	0	40			40
<b>Total Regulation and Technology (with Civil Penalties and Offsetting Collections)</b>	<b>123,426</b>	<b>123,159</b>	<b>+637</b>	<b>-14,224</b>	<b>109,572</b>
<b>Total Abandoned Mine Reclamation Fund</b>	117,303	117,080	+236	-97,309	20,007
<b>TOTAL, Budget Resources with Offsetting Collections</b>	<b>240,729</b>	<b>240,239</b>	<b>+873</b>	<b>-111,533</b>	<b>129,579</b>

#### Mandatory

<b>Payments to States and Tribes in Lieu of Coal Fee Receipts (Treasury Funds)</b>	<b>303,373</b>	<b>46,239</b>	<b>0</b>	<b>+67,961</b>	<b>114,200</b>
In Lieu Payments to Certified States and Tribes**	303,373	46,239		+67,961	114,200
<b>Mandatory Grants to States (AML Funds)</b>	<b>163,149</b>	<b>134,725</b>	<b>0</b>	<b>+72,575</b>	<b>207,300</b>
Grants to Noncertified States					
State & Tribal Share	31,684	24,435		+3,165	27,600
Historic Coal Fund	113,131	88,643		+73,757	162,400
Minimum Program Make Up	18,334	21,647		-4,347	17,300
<b>United Mine Workers of America Plans (UMWA)</b>	<b>179,521</b>	<b>211,925</b>	<b>0</b>	<b>-29,928</b>	<b>181,997</b>
Payments to United Mine Workers of America Health Benefit Plans (AML Fund Interest)	29,109	32,140		+15,145	47,285
Payments to United Mine Workers of America Health Benefit Plans (Treasury Funds)	150,412	179,785		-45,073	134,712
<b>TOTAL, Mandatory Funding</b>	<b>646,043</b>	<b>392,889</b>	<b>0</b>	<b>+110,608</b>	<b>503,497</b>

\* FY 2016 Actual reflects actual Civil Penalties collections, zero in Permit Fee collections, and \$40,000 in appropriated funds for Permit Fee activities in Environmental Protection.

\*\* FY 2016 Actual includes payments of \$241.9 million in accordance with P.L. 114-94.

Mandatory Funding: FY 2016 and FY 2017 AML grants and UMWA payments reflect actual amounts paid. FY 2018 estimates are based on economic assumptions as of March 2017.



TAB

Environmental Restoration



## ENVIRONMENTAL RESTORATION

## Environmental Restoration Budget Request

*(Dollars in Thousands)*

	2016 Actual	2017 CR Baseline	2018			Change From 2017 (+/-)
			Fixed Costs (+/-)	Program Changes (+/-)	President's Budget	
<b>Abandoned Mine Reclamation Fund</b>	<b>99,480</b>	<b>99,291</b>	<b>+91</b>	<b>-93,110</b>	<b>6,272</b>	<b>-93,019</b>
State Program Evaluation	2,662	2,657	+29	-756	1,930	-727
<i>FTE</i>	<i>18</i>	<i>14</i>		-2	<i>12</i>	-2
Federal Programs - Projects	1,548	1,545		-1,545	0	-1,545
Federal Programs - Operations	2,066	2,062	+29	-388	1,703	-359
<i>FTE</i>	<i>8</i>	<i>15</i>		-3	<i>12</i>	-3
Program Development and Maintenance	3,204	3,198	+33	-592	2,639	-559
<i>FTE</i>	<i>17</i>	<i>17</i>		-3	<i>14</i>	-3
AML Economic Development	90,000	89,829		-89,829	0	-89,829
<b>Total, Environmental Restoration</b>	<b>99,480</b>	<b>99,291</b>	<b>+91</b>	<b>-93,110</b>	<b>6,272</b>	<b>-93,019</b>
<b>Total FTE</b>	<b>43</b>	<b>46</b>		<b>-8</b>	<b>38</b>	<b>-8</b>

Note: 2016 FTE figures reflect actual usage.

Fixed Costs result in an increase of \$91,000 and cover pay related items.

In addition to the discretionary appropriations above, OSMRE will also distribute mandatory funding for AML reclamation as outlined in the Permanent Appropriations Section.

**Summary of 2018 Program Changes for Environmental Restoration**

<b>Request Component</b>	<b>(\$000)</b>	<b>FTE</b>
AML Economic Development Pilot Program	-89,829	
Federal Watershed Cooperative Agreement	-1,545	
OSMRE VISTA Program	-200	
Operational Travel	-24	
Staffing Costs	-1,512	-8
<b>TOTAL Program Changes</b>	<b>-93,110</b>	<b>-8</b>

**Justification of 2018 Program Changes**

The 2018 budget for Environmental Restoration is \$6,272,000 and 38 FTE, a program change of -\$93,110,000 and -8 FTE from the 2017 CR Baseline level.

**AML Economic Development (-\$89,829,000):** The FY 2016 Actual level included funding for abandoned mine land reclamation to equally support three Appalachian States with the greatest amount of unfunded needs to address Priority 1 and 2 abandoned coal mine problems, to be used in conjunction with economic and community development activities. This funding continued under the FY 2017 CR level and overlaps with existing mandatory AML grants.

**Federal Watershed Cooperative Agreement (-\$1,545,000):** The Federal Watershed Cooperative Agreement Program (WCAP) provides funds to not-for-profit organizations, through partnership agreements, to undertake local projects to clean streams affected by acid mine drainage. Although these types of projects are not mandated by SMCRA, the WCAP has yielded significant results with relatively modest Federal investment. This request does not include any funding for the WCAP.

**VISTA Program (-\$200,000):** To focus on its core mission with limited resources, it is necessary for OSMRE to eliminate funding for some beneficial, yet collateral, activities. The OSMRE Volunteers in Service to America (VISTA) program has contributed to organizational goals of building capacity, engaging economic development, promoting environmental stewardship, enhancing outreach and education, and promoting professional development. The program has led to many OSMRE VISTAs being transformed into professionals and long-term assets for the OSMRE mission.

**Operational Travel (-\$24,000):** OSMRE will maximize the use of available technologies to enable a 10 percent reduction in operational travel from FY 2017 levels in all program activities. State Program Evaluation travel will be reduced by \$8,000; the Federal Reclamation Program - Operations travel will be reduced by \$6,000; and the Program Development and Maintenance activity travel will be reduced by \$10,000. OSMRE leadership and management will closely monitor all official travel requirements during FY 2018 and may shift funding between business activities in order to ensure that the available funding is applied to the most critical operational travel requirements.

**Staffing Costs (-\$1,512,000/-8 FTE):** To support the President’s initiatives to improve the efficiency, effectiveness, and accountability of the Executive Branch and to reduce the overall size of the Federal workforce, OSMRE is proposing reductions in the number of funded Full Time Equivalent (FTE) positions in all of its program activities. The costs and FTE savings are expected to be achieved by limiting the filling of current vacancies to only the most critical operational positions and by further reducing the number of FTE through attrition. OSMRE proposes reducing the State Program Evaluation activity by \$748,000 and two (2) FTE; the Federal Reclamation Program – Operations activity by \$382,000 and three (3) FTE; and the Program Development and Maintenance activity by \$382,000 and three (3) FTE. The reduced staffing levels proposed in the Environmental Restoration business line will enable OSMRE to meet its statutory requirements under SMCRA and minimally support other mission enhancing activities.

## **OVERVIEW**

As stewards of our nation's natural and cultural resources, the Department of the Interior is entrusted with safeguarding these treasures for future generations. Environmental problems associated with abandoned mine sites, such as water pollution, open portals and pits, land stripped of natural vegetation, and refuse piles degrade our natural resources and create public health and safety risks. Through the reclamation of these problems, our land and water resources are improved for productive uses, such as, agriculture, wildlife habitat, or development. Mine site reclamation not only improves our environment, but also safeguards people and property, and revitalizes communities by creating jobs.

OSMRE's Environmental Restoration business line funds operations and projects for the Abandoned Mine Land Program (AML). OSMRE evaluates State and Tribal AML programs, abates high-priority coal mining-related hazards through the Federal Reclamation Program (where OSMRE has reclamation responsibility), and fosters partnerships aimed at addressing acid mine drainage and other water pollution problems.

Since 1977, over 475,000 equivalent acres of Priority 1 (extreme danger to public health and safety) and Priority 2 (adverse effects to public health, safety, or environmental problems adjacent to this Priority) public health, safety and associated environmental related coal problems have been reclaimed. Details on the types of problems that have been addressed can be found in the AML Reclamation Accomplishments section. OSMRE has developed a national inventory that contains information for over 21,000 problem areas associated with abandoned mine lands, mostly coal. A problem area is a uniquely defined geographical area that contains one or more abandoned mine land problems. The more serious problem areas are classified as Priority 1, Priority 2, or Priority 3 (adverse effects to land, water resources, or environmental problems adjacent to another Priority). The cost of addressing the remaining Priority 1 and 2 coal-related sites is estimated at over \$6 billion. In addition, there is almost \$3 billion of Priority 3 unfunded problems, for a total of over \$9 billion of unfunded AML problems.

The authority to collect the mine reclamation fee and distribution of the fee was revised by the Tax Relief and Health Care Act of 2006, which included the Surface Mining Control and Reclamation Act Amendments of 2006 (Public Law 109-432). This 2006 Act extended the authority for fee collection through September 30, 2021, lowered the fee and the amount collected, and changed the way State and Tribal reclamation grants are funded, beginning in FY 2008. State and Tribal reclamation grants are permanent appropriations. The remaining activities funded under the discretionary appropriation for this business line include State Program Evaluation, Federal Reclamation Program Operations and Projects, and Program Development and Maintenance.

**ENVIRONMENTAL RESTORATION  
ENCOMPASSES:**

State Program Evaluation  
Federal Reclamation Program – Projects  
Federal Reclamation Program – Operations  
Program Development and Maintenance

**Operational Processes (Program Activities):** The mission goal of the Environmental Restoration business line is to provide a cleaner and safer environment for the American people by reclaiming and restoring land and water resources degraded by past coal mining. The program activities within this business line ensure that land and water resources impacted by past mining operations are reclaimed and improved for productive use.

Evaluation and oversight of the State and Tribal AML reclamation operations is coordinated by OSMRE through the State Program Evaluation program activity. Federal Reclamation Program Projects and Operations provide resources to address issues in states and tribes without an approved AML program, as well as for the Watershed Cooperative Agreement Program, which supports cooperative conservation through local volunteer non-profit organizations. The Environmental Restoration business line also funds the Program Development and Maintenance Program activity, which provides policy direction, support, and services to states and tribes, and ensures that State/Tribal programs are amended as needed.

The Environmental Restoration activities improve natural resources and reduce the risk to public health, safety, and general welfare by correcting problems caused by past mining. OSMRE has identified success indicators to show accomplishments leading to the overarching mission goal. These goals and measures are identified at the end of this business line section.

**Actions Required to Achieve Annual Goals:** In FY 2018 and beyond, OSMRE will continue to encourage partnership participation by working with states and tribes through their reclamation agencies, and through private and grass-roots associations. In addition, OSMRE will increase efforts to leverage funding from other government and non-government organizations to address abandoned mine sites. This emphasis on partnership and leveraging of resources supports cooperative conservation efforts.

**Resources, Skills, and Technology Needed:** OSMRE will continue to need a diverse and multidisciplinary cadre of individuals with scientific and engineering skills. These staff members establish reclamation project design and construction criteria, either directly or in conjunction with contractors for Federal programs. The staff also review and monitor watershed cooperative agreements, and civil penalty and bond forfeiture reclamation projects. Program analysts, grant specialists, and other support personnel are needed to implement the State/Tribal grants program and to conduct program evaluations. Computer systems personnel and contractors are needed to maintain the Abandoned Mine Land Inventory System. OSMRE maintains the system and network by which the states and tribes manage their data.

The following section details, by program activity, the funding and FTE resources required to meet the annual performance measures. It also includes examples of the types of efforts used to

evaluate programs, address emergency and high-priority issues and manage those projects, and provide reclamation support services to communities affected by coal mining issues.

## **2018 PROGRAM PERFORMANCE**

### **Abandoned Mine Land Fund**

The Surface Mining Control and Reclamation Act (SMCRA) established the Abandoned Mine Reclamation Fund (AML Fund) to receive the AML fees and finance reclamation of coal AML sites. Before the 2006 SMCRA amendments, the reclamation grants to states and tribes were funded through discretionary appropriations. These grants are now funded from permanent (mandatory) appropriations. A discussion of AML grant funding in support of eliminating the Nation's highest priority coal problems can be found under the Permanent Appropriations Section. The top of Table 1 identifies which states and tribes have approved AML Programs and receive AML grants from permanent appropriations.

The FY 2018 AML Fund appropriation for Environmental Restoration will cover discretionary spending for State Program Evaluation, Federal Reclamation Program Operations, and AML Program Development and Maintenance.

Funding appropriated from the AML fund will also cover Federal expenses requested and outlined in subsequent business line chapters to cover Technology Development and Transfer, Financial Management, and Executive Direction and Administration. Watershed Cooperative Agreements and high-priority and emergency coal projects under the Federal Reclamation Program in states and tribes without approved AML programs are proposed to be covered in FY 2018 by the remaining funds appropriated for these programs from prior years.

### **Addressing AML Emergencies**

Emergencies are AML problems that occur suddenly and present a high probability of physical harm or threaten the health, safety, or general welfare of people. These problems must be addressed immediately. The process used for addressing emergencies that develop on AML sites, and allocating needed funds, is dependent on whether the state has an AML program. The 2006 Amendments created different sources of funding for addressing AML issues by allowing for the appropriation of both discretionary and mandatory grants. Prior to 2006, though a state would assume responsibility for addressing the AML issues within its borders, unless that state chose to address emergencies, OSMRE had been responsible for emergency projects. It was subsequently deemed more efficient and cost effective to combine responsibility for AML issues and AML emergencies issues under a single authority with a single source of funding. Thus, beginning in FY 2011, the responsibility for addressing emergency situations utilizing the mandatory grant funds was transferred to states and tribes with AML programs.

For reference, Table 1 identifies State, Tribal and Federal responsibilities for the AML Program and Emergency Issues.

**Table 1 – State, Tribal, and Federal Responsibility for the AML Program**

	AML Program		Emergency Issues	
State and Tribal Responsibility	Alabama	North Dakota	Alabama	North Dakota
	Alaska	Ohio	Alaska	Ohio
	Arkansas	Oklahoma	Arkansas	Oklahoma
	Colorado	Pennsylvania	Colorado	Pennsylvania
	Illinois	Tennessee	Illinois	Tennessee
	Indiana	Texas	Indiana	Texas
	Iowa	Utah	Iowa	Utah
	Kansas	Virginia	Kansas	Virginia
	Kentucky	West Virginia	Kentucky	West Virginia
	Louisiana	Wyoming	Louisiana	Wyoming
	Maryland	Crow Tribe	Maryland	Crow Tribe
	Mississippi	Hopi Tribe	Mississippi	Hopi Tribe
	Missouri	Navajo Nation	Missouri	Navajo Nation
	Montana		Montana	
	New Mexico		New Mexico	
Federal Responsibility	California	Oregon	California	Oregon
	Georgia	Rhode Island	Georgia	Rhode Island
	Idaho	South Dakota	Idaho	South Dakota
	Massachusetts	Washington	Massachusetts	Washington
	Michigan		Michigan	
	North Carolina	Tribes other than Crow, Hopi and Navajo*	North Carolina	Tribes other than Crow, Hopi and Navajo*

\*OSMRE has conducted AML reclamation on Tribal lands across the Nation, most recently on Cherokee Tribal lands in Oklahoma.

### 1. State Program Evaluation

SMCRA requires OSMRE to monitor the progress and quality of each State and Tribal program to ensure that their reclamation programs function effectively. This program area is an integral part of the State and Tribal funding. Evaluation of State and Tribal reclamation programs ensure efficient and effective use of program dollars for the intended purpose. The FY 2018 budget request includes \$1,930,000 and 12 FTE for State Program Evaluation activities. This reflects a reduction of \$727,000 and two (2) FTE from FY 2017 CR levels.

OSMRE analyzes documents submitted by states and tribes (e.g. grant applications, amendments, reports), and conducts periodic drawdown reviews and on-site evaluations of selected reclamation projects. OSMRE also provides the states and tribes with expert technical assistance on reclamation projects. OSMRE, states, and tribes hold conferences and forums to discuss reclamation issues, technology, and solutions to reclamation problems.

OSMRE utilizes topic-specific oversight reviews to monitor State and Tribal AML program operations. The current evaluation system does not require that the entire program be reviewed each year. Instead, the system requires the appropriate field office, in consultation with each

state or tribe, to develop a performance agreement which addresses the areas to be reviewed, and establishes applicable performance measures. Since much of topic-specific oversight is trend analysis, and because the interaction between the programs and OSMRE is continual, the performance agreements can be for periods longer than one year. However, OSMRE reviews them each year to determine the progress being made.

These agreements first address the overriding goal of the AML program, which is successful reclamation. They recognize that if the state or tribe is permanently reclaiming abandoned mine sites by abating hazards, reducing or mitigating adverse effects of past mining, and restoring adversely affected lands and water to beneficial use, then it is conducting a successful program.

OSMRE encourages states and tribes to maintain ongoing programs for post-project monitoring to assure that completed reclamation projects receive adequate maintenance until reclaimed lands are stable, and to ensure the effectiveness of reclamation designs. OSMRE evaluations of post-construction monitoring ensure implementation of these types of state monitoring plans.

## **2. Federal Reclamation Program**

OSMRE addresses environmental hazards on a priority basis when an emergency occurs in states and on Tribal lands without AML programs; administers projects funded by Federal civil penalties collected from operators and projects funded from bonds forfeited by operators of federally permitted sites; monitors watershed cooperative agreement projects; and provides technical assistance to states and tribes specific to the above projects. The FY 2018 budget request does not include any funding for Federal Reclamation Program projects. This reflects a reduction of \$1,545,000 from FY 2017. The request includes \$1,703,000 and 12 FTE for Federal Reclamation Program operations, a reduction of \$359,000 and three (3) FTE from FY 2017 CR levels.

### **a. Federal Emergency Projects**

Federal Emergency Projects provides immediate relief from abandoned mine hazards in states and on Indian lands without an approved AML Program. Emergencies in states covered by the Federal Reclamation Program usually involve subsidence, vertical mine shaft collapse or sudden exposure of mine openings.

The most common emergencies in the states covered by Federal Reclamation Programs are subsidence events caused by the caving in of old underground mines. Subsidence events can impact man-made structures on the surface and may be life threatening when they occur in populated areas, such as in schools, parks, playgrounds, and residential areas. The second most common type of emergency event in these states is vertical mine shaft collapse. This may result in vertical holes that are hundreds of feet deep and are usually the result of shafts being improperly filled or an inadequate cap that was placed over the shaft at the time of abandonment. Often at the time of closure the shafts were either filled with on-site material or wooden or concrete caps were placed over them to prevent entry. Over time the fill material settles or the cap deteriorates to a point where it can no longer sustain the weight of the material placed over it. Other AML problems may also present life-threatening conditions and include: mine entries,

hazardous/explosive gases, mine and refuse fires, dangerous high walls, landslides and mine pool blowouts.

When notified of a possible emergency situation, OSMRE personnel will review available information and visit the site as necessary, usually within 48 hours or less, and perform a technical investigation. Should OSMRE determine that an emergency exists, OSMRE conducts remedial action as quickly as possible to abate the emergency situation. This does not always fully reclaim the site, but does address the emergency situation. The remaining reclamation will be completed, as appropriate, after the emergency has been addressed.

During FY 2016, there were no new emergency projects declared under the Federal Reclamation Program within the Appalachian and Mid-Continent Regions.

During FY 2016, the Western Region addressed two AML emergencies in Washington State. The first emergency project was a subsidence feature open to mine workings that occurred in a residential back yard in Issaquah, WA. OSMRE expended \$49,828 for architecture and engineering and construction services to remediate the subsidence feature. Another subsidence feature occurred on property near Cumberland, WA which OSMRE expended \$49,798 to reclaim.

During FY 2017, the Western Region will complete a mine gas ventilation project near the underground Visitor Center in the Black Diamond Mines State Preserve in Antioch, CA. The ventilation system will ensure that toxic carbon dioxide gasses are diluted and ventilated to the surface above the Eureka Slope, thereby reducing the risk of exposure of these deadly gasses to park visitors.

#### **b. Federal High Priority Projects**

OSMRE manages non-emergency AML projects in states and on Tribal lands where the state/tribe is ineligible for an AML program. OSMRE reviews priority coal projects on its enhanced Abandoned Mine Land Inventory System (e-AMLIS) and selects projects for funding at the beginning of the year after review of the nature of the problem and site specific information. Those determined to be most critical are addressed first, however, a site in close proximity to one selected may be addressed concurrently if it proves necessary and is cost beneficial.

During FY 2016, OSMRE fully completed maintenance on one of two high priority reclamation projects on Cherokee Nation lands initiated during FY 2014. This maintenance project involved erosion repair, reseeding, mulching and other related maintenance activities on the Dwight Mission project sites. The second project site at Cherokee West will require additional maintenance during FY 2017 at an estimated cost of \$13,400 due to persistent erosional problems attributable to steep slopes at the site. The repair work is necessary to stabilize the project site. The request for high-priority funds was approved by OSMRE on January 17, 2017, and the site work will be completed in cooperation with the Cherokee Nation in FY 2017.

In FY 2016, the Appalachian Region explored and remediated six abandoned coal mine shafts at four locations in Saginaw, Bay, and Genesee Counties of Michigan. OSMRE had identified, located, and mitigated the threat of these mines shafts because of their proximity to populated areas and the risk they posed to the public and property. These six shafts ranged from 130 to 210 feet in depth. The work involved drilling into the shafts and filling existing void areas with a concrete mixture; which solidified the vertical structures minimizing the threat of any future sudden collapses. In addition, a large Priority 3 coal refuse pile that existed within the problem area of two of the mine shafts was mitigated by regrading and revegetating to minimize sedimentation deposition of acid bearing materials off-site. Additional monitoring of the reclaimed pile will occur in the spring of 2017 to insure permanent vegetative growth has been properly established. The current cost of this remediation is \$878,070.

In FY 2016, the Western Region abated two Priority 1 AML Projects. OSMRE expended \$94,476 to seal two mine entries at the Black Diamond Mines Regional Preserve in Antioch, CA. OSMRE also expended \$62,238 to reclaim a subsidence feature on property in Centennial, WA.

In FY 2017, the Western Region will work with the Fort Peck Reservation to abate subsidence features on reservation lands in Montana. The Hidden Hollow Ranch Project in the aforementioned Reservation was funded during the previous fiscal year, and project development continues into FY 2017.

### **c. Watershed Cooperative Agreement Projects**

Lifeless, sediment clogged rivers and streams harboring acid waters that are stained red with life suffocating iron precipitates, are often the result of AML Acid Mine Drainage (AMD). Whole stream ecosystems have been rendered void of life due to the lethal environmental conditions caused by AML AMD.

The OSMRE Watershed Cooperative Agreement Program (WCAP) was designed by OSMRE to assist affected coalfield citizens. This program, implemented in 1999, makes funds available directly to not-for-profit organizations, especially small local watershed organizations. These community-based organizations undertake local projects to clean streams affected by AMD. The watershed organizations that apply for the funding, normally receive up to \$100,000 for each reclamation project. The funds are primarily used for project construction. Agencies are required to have other partners contributing either funding or in-kind services, as cleaning up the AMD pollution comes at a high cost and cannot be borne by any single government agency or citizen group. OSMRE's WCAP funding results in improvements of land and water resources and creates beneficial uses such as fish and wildlife habitat and recreational areas. Communities are strengthened and capacity increased due to the awareness, knowledge, and outreach that this program fosters.

A companion project, the Acid Drainage Technology Initiative (ADTI), is under the Technology Development and Transfer business line and contributes to the activities to abate AMD. See that business line section for further details on ADTI efforts.

The following are examples of projects that are funded under the WCAP:

Kentucky Hollow AMD Treatment System, Allegheny County, Pennsylvania: Under a FY 2016 cooperative agreement, OSMRE provided funding to the Pittsburgh Botanic Garden for the construction of the Kentucky Hollow AMD Treatment System. The Kentucky Hollow AMD Treatment System will use two drainable limestone beds and a settling/flush pond to treat toxic mine water to create water suitable for a viable ecosystem. In addition to OSMRE's funds of \$47,500, PA Growing Greener funds of \$369,007, as well as numerous other contributing partners bring partner supported resources to a total of \$399,416. The total project is estimated to cost \$446,916.

Holmes AMD Treatment Project, Tuscarawas County, Ohio: In FY 2016, OSMRE provided funding to Rural Action, Incorporated to improve the performance of the Holmes AMD Treatment Project. The project focuses on improving the performance of an existing wetland to treat AMD from a complex problem involving two AMD sources, one from a deep mine discharge and the other from the Alexandria Mine Drain. The goal is to have a single treatment stream. The wetlands natural functions will be enhanced by slowing the velocity of the water flow through, and thus increasing the retention time of the wetland. This will result in improved system performance as more iron will precipitate out of the system and not be allowed to enter Silver Creek and subsequently Mud Run. Additionally, alkalinity will be added with the introduction of a limestone leach bed to raise the pH of the water and accelerate metal precipitation. OSMRE's funds of \$100,000 were supplemented with funds from the Ohio Department of Natural Resources, Division of Mineral Resource Management (\$94,177) and the Muskingum Watershed Conservancy District (\$76,000). The total project is estimated to cost \$270,117.

Rozenboom WCAP, Mahaska County, Iowa: In FY 2016, OSMRE awarded the Pathfinders Resource Conservation and Development (Pathfinders RC&D) agency in Fairfield, Iowa, \$100,000 in funding to assist in the AML reclamation of a site featuring 23 acres of AMD forming materials. Uncontrolled high sediment loads and acid mine drainage were running off into Little Bluff Creek thus negatively affecting the Bluff Creek Watershed. The cause of this toxic runoff is the unvegetated dangerous spoil piles and two acid water bodies that are essentially void of life. The cooperative agreement has enlisted assistance from the following partners: (1) Iowa Division of Soil Conservation and Water Quality, (2) Mahaska County Soil and Water Conservation District, (3) USDA- NRCS, (4) Mahaska County Pheasants Forever and, (5) the landowner of the site. The



**Rozenboom Project (OSMRE Photograph)**

benefits that will be derived from the completion of this project include water quality improvements, removal of toxic pollutants, improved stream segments, improved aquatic habitat, improved fisheries, educational opportunities created, aesthetic enhancement, associated land restoration and health/safety hazards eliminated. Partners are providing \$3.84 for every \$1 that OSMRE is providing via the WCAP funding. Reclamation is currently underway and the anticipated completion date of the project is in the fall of 2017.

Larkin Watershed WCAP, Wapello County, Iowa: During FY 2016, OSMRE awarded Pathfinders RC&D \$100,000 to assist in the reclamation of a site featuring 40 acres of Clogged Stream Land and .5 miles of Clogged Stream. Uncontrolled high sediment loads and AMD are eroding from the site into an unnamed tributary that empties into the Des Moines River less than half a mile away. This stream exhibits the classic signs of an AMD damaged waterway which includes large amounts of iron staining precipitates in the streambed, low pH water, and absence of quality stream life. The project is receiving assistance



Larkin Project (OSMRE Photograph)

from the following partners: (1) Iowa Division of Soil Conservation and Water Quality, (2) Wapello County Soil and Water Conservation District, (3) USDA-NRCS, (4) Wapello County Conservation board, (5) Wapello County Farm Bureau and, (6) Wapello County Pheasants Forever. Water quality improvement, removal of toxic pollutants, educational opportunities, aesthetic enhancement,

elimination of health/safety hazards, and improvement of stream segments, aquatic habitat and fisheries are just some of the benefits of this WCAP project. Partners are providing \$7.56 for every \$1 that OSMRE has provided via the WCAP funding. Reclamation is underway with an anticipated completion date in the Spring of 2018.

#### **d. Civil Penalty Reclamation Projects**

SMCRA authorizes Federal civil penalties collected under Section 518 of the Act to be used for reclaiming lands mined and abandoned after passage of SMCRA on August 3, 1977. These funds are derived from monetary civil penalties assessed by OSMRE nationwide. The funds are also available for reclamation of bond forfeiture sites. These funds are divided among projects proposed by both state and Federal regulatory authorities and used for project costs only.

Since the major coal producing states administer their own programs, civil penalty revenues available to OSMRE are limited and not sufficient for all priority post-act reclamation needs. Current civil penalty funded projects include:

Hoodtown Mine Permit 3139, Tennessee: Started at the end of FY 2015 and completed in FY 2016, OSMRE used \$148,266 of civil penalty reclamation funds to augment existing bond forfeiture funds for this site to complete reclamation of this abandoned surface mine. The work involved reclaiming approximately 50 acres of poorly vegetated and partially regraded slopes that were causing severe erosion and offsite sedimentation. Reclamation efforts included regrading the site to smooth out eroded areas, repairing two sediment pond spillways, clearing sediment buildup within existing drainage control features, incorporating erosion and sediment controls, seeding, mulching and tree planting. The reclamation effort was completed successfully and the hazards associated with the site were eliminated.

Dade County Mining Company Permit #G-Non-7, Georgia: In FY 2015, OSMRE used \$308,751 of civil penalty reclamation funds to reclaim an un-bonded 10-acre coal mine site in Georgia, which was abandoned in 1984. Reclamation efforts included dewatering and backfilling mine pits, eliminating highwalls, incorporating erosion and sedimentation controls, seeding and mulching, grading, and planting trees. Prior to reclamation, the site posed a safety hazard to the public and was a source of sedimentation to adjacent streams. Reclamation efforts were completed, all hazards eliminated, and revegetation and trees established by the end of February 2016. The site continues to be inspected to ensure reclamation success.



**Georgia mine site after reclamation, with a cover of annual rye grass (OSMRE Photograph)**

Treadway Inc., Fancy Lump Mine, Alabama: In 2014, OSMRE awarded the Alabama Surface Mining Commission (ASMC) an additional \$500,000 to conduct Phase 2 of the Treadway, Inc. Civil Penalty Project, involving a 93-acre site. This area contains approximately 3,500 linear feet of highwall, with several segments containing dangerous impounded water bodies at the base of these

highwalls. Over 40 acres of the project area will require substantial grading to achieve approximate original contour and to correct slope failures. Basin reconstruction and installation of numerous rip-rap down drains are needed to effectively control erosion from surface runoff. Revegetation of the area will include both grasses and trees. Tree plantings will incorporate the Forestry Reclamation Approach concepts. In the latter part of 2016, before the contracting was completed for the project, the ASMC received a coal mining permit application that encompass' the project area and will include reclamation of the Phase 2 project area. Therefore, the project was put on hold until ASMC issues a permitting decision sometime in 2017.

**e. Program Staff (Operations)**

Federal Reclamation Program Operations funds enable OSMRE to administer watershed cooperative agreements and address Federal emergencies, and high priority, and civil penalty projects. For emergency projects, OSMRE begins the initial investigation making threshold determinations relating to each incident, including, whether the incident is: (1) suddenly occurring, (2) life threatening, and, (3) related to a coal mine abandoned prior to August 3, 1977. With emergency projects, time is of the essence. In some instances, abatement activities begin within hours of OSMRE's initial investigation. For Federal high priority projects, the process is similar, but begins with the determination of whether the condition is related to an abandoned coal mine, and if so, a determination of the priority for reclamation.

Once the determination is made that the site is eligible for funding as an emergency or high priority project, the Federal Reclamation Program staff obtains approval for project funding and develops the abatement plan. This includes:

- Compliance with the National Environmental Policy Act (NEPA), Endangered Species Act (ESA), and the Historic Preservation Act;
- Obtaining the right of entry for access;
- Developing engineering plans and specifications needed for abatement;
- Preparing and mailing bid packages to potential construction contractors;
- Conducting pre-bid and pre-construction conferences;
- Awarding contracts;
- Coordinating, managing and inspecting all aspects of the ongoing construction; and
- Reviewing, approving and paying invoices.

OSMRE staff will address emergencies and high priority projects in non-program states and tribes as described earlier, as well as provide technical assistance to states and tribes with approved AML Programs. OSMRE will continue to provide specialized expertise in various AML problems, including subsidence, mine fires, mine gases, and landslides to states that request assistance. OSMRE staff will also administer projects funded by Federal civil penalties

collected from operators and monitor watershed cooperative agreement projects under this activity.

### **3. Program Development and Maintenance**

The Program Development and Maintenance activity is an integral part of the State and Tribal funding program. The FY 2018 budget proposes \$2,639,000 in funding, and provides for 14 FTE for reclamation program management and programmatic guidance to states and tribes. This represents a reduction of \$559,000 and three (3) FTE from FY 2017 CR levels. OSMRE has an ongoing process of reviewing existing policies in the Environmental Restoration business line. Whenever necessary, policies are revised to meet the existing need of the programs and to keep abreast of changes to the law.

OSMRE assists states and tribes to build on their reclamation successes by providing ongoing technical assistance on reclamation practices and by continually enhancing the primacy grants process.

An important part of OSMRE's role in state and tribe AML program operations is the review and approval of State/Tribal AML projects. All AML projects are considered "Major Federal Actions" under the National Environmental Policy Act (NEPA). Because of this, every project must be evaluated by OSMRE personnel under NEPA regulations prior to approval. While most states and tribes conduct some or all of the consultations and document preparation prior to submission of projects for approval, OSMRE personnel must conduct required analyses of these documents, assure that requirements are met, and approve either a categorical exclusion determination, a finding of no significant impacts, or an environmental impact statement – record of decision, for each project. These reviews require consultations under various other Federal laws including the National Historic Preservation Act (NHPA), the Endangered Species Act (ESA) and the Clean Water Act.

OSMRE emphasizes State, Tribal and Federal partnerships in the AML program. OSMRE works directly with the states and tribes, through State and Tribal associations and with other Federal agencies, to coordinate and enhance reclamation. Such relationships foster coordination essential to land reclamation. New policy, and changes to existing policy, are circulated to the states and tribes for input prior to being finalized enabling OSMRE to make programmatic decisions in a collegial manner. Examples of activities include working with states/tribes to develop improved strategic plan measurements for the AML program; holding meetings/workshops with the State/Tribal grantees to provide employee training and to keep them abreast of policies and procedures; and soliciting input from states/tribes and interested parties on AML issues to make informed decisions.

#### **a. AML Inventory**

OSMRE manages a national enhanced Abandoned Mine Land Inventory System (e-AMLIS), which serves as a planning and evaluation tool for the states, tribes, OSMRE, and the public. In accordance with the requirements of SMCRA, e-AMLIS contains data for known eligible Priority 1 and 2, pre-SMCRA coal reclamation problems. As required by SMCRA, OSMRE

personnel review and approve or disapprove each new state/tribe submitted coal related problem area, or revision to an existing problem area, to maintain consistency and ensure compliance with Federal law and regulations. Each problem is classified as unfunded, funded (in progress) or completed. The e-AMLIS also contains information regarding funded and completed Priority 3 coal and post-SMCRA coal problems, as well as information on completed non-coal problems. Coal projects selected for funding by states or tribes are contained in e-AMLIS prior to funding, except for those emergency sites that may be entered after completion due to the immediate need for reclamation.

The states and tribes use the inventory to assist them in planning, to make funding decisions and to report program accomplishments. OSMRE uses e-AMLIS to record and report AML Program accomplishments under the Government Performance and Results Act (GPRA). States, tribes, and OSMRE have access to enter and modify information in e-AMLIS electronically.

E-AMLIS is web based, enabling the public to access this information readily via OSMRE's website. E-AMLIS users can search for information about individual Problem Areas or query the Inventory. The results of a query can be shown in preformatted reports, or on a map, and can be downloaded in various formats.

#### **b. Grants Management**

OSMRE supports and participates in Grants.gov, the government-wide electronic grants announcement and application system. OSMRE uses the DOI Financial and Business Management System (FBMS) financial assistance module for internal processing of all grant and cooperative agreement obligation and deobligation transactions.

OSMRE has a decentralized grants management organization, with a small policy staff at headquarters. Regional and field offices perform day-to-day grants and program management. Accounting and reporting occurs under the Financial Management business line activity. OSMRE and the State/Tribal grantees cooperate to maximize the use of available funding and operate an effective program. Grantees provide input by participating on joint teams and by reviewing and commenting on changes in the program. In addition, OSMRE periodically holds meetings/workshops with the State/Tribal grantees to provide training for grantees and to keep them abreast of policies and procedures. This cooperative working relationship contributes to streamlined application and awards processes, faster obligation of Federal funds, innovative program monitoring, and less paperwork-intensive reporting and close-out of grants.

#### **c. Rulemaking**

OSMRE assists states and tribes with development, administration, implementation, and maintenance of their approved AML programs. Decisions affecting state programs are Federal rulemaking actions. OSMRE evaluates state-initiated program changes (statutory, regulatory, or changes in the program's provisions, scope, or objectives), as well as OSMRE required modifications that are a result of legal interpretations or changes to SMCRA and Federal regulations. In its evaluation, OSMRE solicits public comments through proposed rules published in the Federal Register, holds public meetings, maintains the administrative record,

approves or does not approve proposed state program amendments, and publishes the decisions as final rules in the Federal Register.

## **ENVIRONMENTAL RESTORATION**

### **2017 Planned Program Performance**

In 2017, the planned activities in the Environmental Restoration program activity include:

- Continue partnerships with watershed groups and related reclamation by awarding watershed cooperative agreements to interested groups.
- Respond to Federal AML emergencies in non-program states.
- Provide AML grants to states and tribes.
- OSMRE will monitor watershed cooperative agreement projects funded before or during FY 2016, and will provide opportunities, contingent on availability of funding, to fund other projects during FY 2017.
- OSMRE will continue to use civil penalty reclamation funds to eliminate hazards resulting from past mining activities.
- Achieve the goals for performance measures identified on the Goal Performance Table for this business line, and engage youth by providing educational and employment opportunities to young adults in fields associated with surface coal mining reclamation.
- Support the Underground Mine Map Initiative (UMMI) to minimize future subsidence risk by making information available on the location of mined out areas using maps and surface overlays that can provide this critical information to local governments to account for risks. This is being accomplished on a national level through competitive grants awarded by OSMRE. The awards are used by states to collect, preserve and digitally reproduce the mine maps so they can be overlain onto city maps. In addition to funding, OSMRE technical experts provide technical assistance and training to states in data scanning capture and archiving of the mine map information.
- OSMRE will provide guidance and assistance in establishing benchmark standards in mine map preservation, including digital imaging and rectification, and creating and serving mine map overlays for mine safety, state and tribal AML, local government, and public viewing and use.
- Continue monitoring the FY 2016 AML Economic Development Pilot Program.

## **2016 Program Accomplishments**

In 2016, the major accomplishments in the Environmental Restoration program activity include:

- Provided \$224.6 million in grants to 25 states and 3 tribes in mandatory AML funding.
- Improved land and water health by reclaiming, or mitigating, the equivalent of 12,132 acres of land from the effects of natural resource degradation from past mining.
- Awarded 14 new watershed cooperative agreements in 4 states (Iowa, Ohio, Pennsylvania, and West Virginia) totaling \$1.120 million in OSMRE funds. This leveraged over \$3.8 million in partnering funds.
- Awarded three grants to Kentucky, Pennsylvania, and West Virginia in support of the AML Economic Development Pilot Program.
- Stabilized six mine shafts in Michigan that were a threat to the local populations. Work involved exploring and filling voids within the mine shafts to minimize the threat of sudden collapse. The effort was completed successfully and the hazards associated with the sites were eliminated.
- In FY 2015, OSMRE used \$308,751 of civil penalty reclamation funds for a site in Georgia that was abandoned in 1984. Reclamation efforts continued in 2016 with tree planting. Reclamation is now complete and OSMRE is currently evaluating the site for success and possible release.
- OSMRE reclaimed four mine sites in Tennessee which were abandoned and left unreclaimed by the permittees. The performance bonds posted to guarantee the reclamation of mine sites were used to fund the reclamation projects. In two of the projects, civil penalty monies were required to supplement the performance bonds to fully complete reclamation.
- The Federal Reclamation Program addressed two AML emergencies and abated two Priority 1 hazards in Washington and California.
- Achieved performance as shown on the Goal Performance Table associated with this business line.

**Performance Overview Table - Environmental Restoration  
Mission Area 1 Protection America's Landscape**

Strategic Objective Metrics	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 CR Baseline	2018 Budget Request
<b>Strategic Plan Measure / Efficiency or other Bureau-Specific Measure</b>						
<b>Strategic Plan Measures</b>						
Acres of abandoned coal mine lands remediated by eliminating health, safety, and environmental concerns.	11,347	15,859	12,339	12,132	11,600	10,600
<b>Comments:</b> Declining physical area (equivalent acres) is due in part to a greater share of funded projects with complex water-related problems which tend to have higher costs per site with lesser physical area to restore. Funding levels will continue to decrease through FY 2018 reducing the number of funded projects.						
<b>Contributing Programs:</b> Permanent Appropriations for Environmental Restoration						
<b>Efficiency or other Bureau-Specific Measures</b>						
Number of people with reduced exposure potential to safety risks from abandoned mine lands.	463,860	357,909	432,304	440,707	297,000	283,000
<b>Comments:</b> This measure covers sites for states and tribes with approved reclamation programs. The number of people directly affected is calculated using Census data of the area surrounding the project. The population data in locality of site largely determines the number of people affected by the project. Variations in number of people is determined by population site statistics, such as number of visitors if the area is situated near a national park, community center, or major highway.						
<b>Contributing Programs:</b> Permanent Appropriations for Environmental Restoration						
Number of active partnering and leveraging agreements	26	13	15	18	14	13
<b>Comments:</b> Watershed Cooperative Agreements are projects covering abandoned mine sites that would not otherwise be addressed, because they are not listed in the Abandoned Mine Land Inventory as priority 1 or 2 projects.						
<b>Contributing Programs:</b> Watershed Cooperative Agreements						
The amount of increased funds derived from active partnering and leveraging agreements.	8,234,343	3,909,586	7,292,730	5,592,239	3,500,000	3,250,000
<b>Comments:</b> The amount of increased funds derived from active partnering and leveraging agreements indicates the watershed groups' successes at pooling together resources. The leveraged dollars are significant to the success of the program because without the cooperation of various groups, the reclamation projects would not be undertaken.						
<b>Contributing Programs:</b> Watershed Cooperative Agreements						
Provide appropriate grant funding within 60 days of a complete grant application for abandoned mine land grants.	71%	93%	100%	100%	96%	96%
<b>Comments:</b> This measure includes all States and Tribes that applied for AML grants during the fiscal year. It demonstrates OSMRE's ability to process all complete applications for AML grant applications within 60 calendar days of receipt.						
<b>Contributing Programs:</b> Program Development and Maintenance - Grants Management						
Number of people with reduced exposure to safety risks from abatement of emergencies from abandoned mine lands.	102,160	105,754	131,905	191,729	100,000	100,000
<b>Comments:</b> This measure covers abandoned sites where OSMRE has responsibilities for AML emergencies for states and tribes without approved reclamation programs. For FY 2017 emergency situations have been identified with actions being taken to reduce risks to people.						
<b>Contributing Programs:</b> Federal Reclamation Program Operations and Projects						
Percentage of declared emergencies abated within 6 months.	98%	98%	99%	96%	95%	95%
<b>Comments:</b> This measure demonstrates how timely emergencies were abated during the fiscal year.						
<b>Contributing Programs:</b> Federal Reclamation Program Operations and Projects						



TAB

Environmental Protection



**ENVIRONMENTAL PROTECTION****Environmental Protection Budget Request***(Dollars in Thousands)*

	2016 Actual	2017 CR Baseline	2018			Change from 2017 (+/-)
			Fixed Costs (+/-)	Program Changes (+/-)	2018 Request	
<b>Regulation and Technology</b>	<b>91,872</b>	<b>91,657</b>	<b>+394</b>	<b>-9,866</b>	<b>82,185</b>	<b>-9,472</b>
State and Tribal Funding	68,590	68,459		-8,290	60,169	-8,290
<i>FTE</i>						
State Program Evaluation	8,616	8,600	+187	-647	8,140	-460
<i>FTE</i>	81	84		-2	82	-2
Federal and Indian Lands Program	8,368	8,312	+107	-405	8,014	-298
Offsetting Collections		[+40]			[+40]	
<i>FTE</i>	48	49		-2	47	-2
Federal Lands	1,534	1,531	+14	-131	1,414	-117
<i>FTE</i>	7	7		-1	6	-1
Program Development and Maintenance	4,764	4,755	+86	-393	4,448	-307
<i>FTE</i>	36	39		-1	38	-1
<b>Total, Environmental Protection</b>	<b>91,872</b>	<b>91,657</b>	<b>+394</b>	<b>-9,866</b>	<b>82,185</b>	<b>-9,472</b>
<b>Total FTE</b>	<b>172</b>	<b>179</b>		<b>-6</b>	<b>173</b>	<b>-6</b>

Note: 2016 FTE amounts reflect actual usage.

FY 2016 Actuals include \$40,000 in additional appropriated funds for permitting activities. There were no offsetting collections for permit fees in FY 2016.

Fixed Costs result in a net increase of \$394,000 and cover pay related items.

**Summary of 2018 Program Changes for Environmental Protection**

<b>Request Component</b>	<b>(\$000)</b>	<b>FTE</b>
State and Tribal Funding	-8,290	
Operational Travel	-77	
Staffing Costs	-1,499	-6
<b>TOTAL Program Changes</b>	<b>-9,866</b>	<b>-6</b>

**Justification of 2018 Program Changes**

The 2018 budget for Environmental Protection is \$82,185,000 and 173 FTE, a program change of -\$9,866,000 and -6 FTE from the 2017 CR Baseline level.

**State and Tribal Funding (-\$8,290,000):** The Federal Government provides funding to states and tribes to regulate the coal industry. This request supports \$60,169,000 in funding for this activity, or \$8,290,000 below the FY 2017 CR level. Stable regulatory programs promote competition, allow for responsible development and protect the safety and welfare of citizens and the environment. OSMRE’s statutory role is to promote and assist its partner states and tribes in establishing a stable regulatory environment for coal mining. The proposed level of regulatory grant funding provides for the efficient and effective operations of primacy programs at a level consistent with the anticipated obligations of State and Tribal regulatory programs to account for the Nation’s demand for coal mine permitting and production.

**Operational Travel (-\$77,000):** OSMRE will maximize the use of available technologies to enable a 10 percent reduction in operational travel from FY 2017 CR levels in all program activities. State Program Evaluation travel will be reduced by \$28,000; the Federal & Indian Lands Program travel will be reduced by \$28,000; the Federal Lands program travel will be reduced by \$5,000; and the Program Development and Maintenance activity travel will be reduced by \$16,000. OSMRE leadership and management will closely monitor all official travel requirements during FY 2018 and may shift funding between business activities in order to ensure that the available funding is applied to the most critical operational travel requirements.

**Staffing Costs (-\$1,499,000/-6 FTE):** To support the President’s initiatives to improve the efficiency, effectiveness, and accountability of the Executive Branch and to reduce the overall size of the Federal workforce, OSMRE is proposing reductions in the number of funded Full Time Equivalent (FTE) positions in all of its program activities. The costs and FTE savings are expected to be achieved by limiting the filling of current vacancies to only the most critical operational positions and by further reducing the number of FTE through attrition. OSMRE proposes reducing the State Program Evaluation activity by \$619,000 and two (2) FTE; the Federal and Indian Lands Program by \$377,000 and two (2) FTE; the Federal Lands activity by \$126,000 and one (1) FTE; and the Program Development and Maintenance activity by \$377,000 and one (1) FTE. The reduced staffing levels proposed in the Environmental Protection business line will enable OSMRE to meet its statutory requirements under the Surface Mining Control and Reclamation Act (SMCRA) and minimally support other mission enhancing activities.

## OVERVIEW

The Environmental Protection business line provides resources to administer regulatory programs for 24 primacy states, as well as for the Federal and Indian Lands Programs which include two (2) states and four (4) tribes where OSMRE is the regulatory authority. These programs address the protection of the public and environment from the adverse effects of current mining, and reclamation of land at the conclusion of mining. At the end of FY 2016, the permitted area of coal mining operations encompassed 2.6 million acres nation-wide. During active mining, the potential risks from safety and environmental hazards exist both within and outside the permitted site. Effective implementation and enforcement of SMCRA minimizes those risks.

OSMRE administers a Federal and an Indian Lands Program in the States of Washington and Tennessee and on Tribal lands of the Navajo Nation, the Hopi Tribe, the Ute Mountain Ute Tribe, and the Crow Tribe.

<p style="text-align: center;"><b>ENVIRONMENTAL PROTECTION ENCOMPASSES:</b></p> <p>State and Tribal Funding</p> <ul style="list-style-type: none"><li>• State Grants</li><li>• Tribal Regulatory Development Grants</li></ul> <p>State Program Evaluation</p> <p>Federal and Indian Lands Programs</p> <p>Federal Lands</p> <p>Program Development and Maintenance</p>
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**Operational Processes (Program Activities):** Program activities within this business line ensure the environment is protected during surface coal mining operations, and that coal operators adequately reclaim disturbed land after mining is completed.

This business line also provides for OSMRE's costs to ensure that states programs meet minimum Federal regulatory requirements. The State and Tribal Funding activity includes grants to states and tribes to regulate coal operations on lands within their

borders. This activity includes grants to tribes to develop regulatory programs and to assist OSMRE in the regulation of surface coal mining and reclamation operations on Indian lands. Additionally, for primacy states with Federal lands within their borders, cooperative agreements formalize states' eligibility to receive additional grant funding to cover their full costs to regulate coal operations on those Federal lands within their borders.

The State Program Evaluation program activity funds OSMRE's evaluation and oversight of State programs. The Federal and Indian Lands Programs activity funds OSMRE regulatory activities to ensure SMCRA compliance in states without their own regulatory program and on Tribal lands. The Federal Lands program activity funds OSMRE's responsibilities and activities in preparing Mining Plan Decision Documents for leased Federal coal, as well as any other activities on Federal lands not covered by the primacy states with cooperative agreements.

OSMRE's Environmental Protection mission goal promotes responsible coal extraction and addresses the protection of public health, safety, and general welfare from the adverse effects of current surface coal mining and reclamation operations since the enactment of SMCRA in 1977. The performance measures for this goal are the protection of the environment and public from off-site impacts resulting from surface coal mining operations and successful reclamation on lands affected by surface coal mining operations. This goal is accomplished through the cooperative efforts of the OSMRE and State and Tribal regulatory offices. The following measures are used by OSMRE as indicators of annual performance.

Percent of coal mining sites free of off-site impacts. Impacts are effects resulting from surface coal mining activities such as blasting or water runoff that affect people, land, water, or structures outside the permitted area of mining operations in violation of the existing regulations. The severity of the impacts is rated as minor, moderate, or major. Due to the nature of mining, it is inevitable that some impacts will occur, though they should be minimized, and offsite impacts prevented, when possible.

Acres released from Phase I, and II bond release. This performance measure is the number of acres of land that have been approved to complete a phase of reclamation every year by active coal mine operators, and is dependent on the operator to file an application for each release phase. This is documented and measured through a series of bond releases. The bonds are required to assure that funds are available for reclamation in case the operator fails to reclaim the mined land.

Acres released from Phase III bond release. This performance measure shows the number of acres that have been reclaimed and approved for final release meeting the performance standards for current mining operations.

Percent of mined acreage reclaimed. This performance measure has been represented as a ratio of the cumulative number of acres released from Phase I, Phase II, and Phase III and the cumulative number of mined acres.

Percent of mined acres reclaimed can also be expressed as an annual measure for each fiscal year. This is calculated using acres reclaimed for final release (Phase III) during the fiscal year and current mined acres at the end of the fiscal year.

**Actions Required to Achieve Annual Goals:** OSMRE continues its outreach to interested parties to address concerns related to mountaintop removal operations, acid mine drainage, other water pollution, and slurry and other impoundments; to evaluate its rules; to advance coal remining efforts; to encourage reforestation; to ensure mines are properly bonded; and to ensure that contemporaneous reclamation is occurring. To ensure that contemporaneous reclamation is occurring, the timeliness of reclamation must accurately be measured. A measure for contemporaneous reclamation during the fiscal year is captured with an annual measure for mined acreage reclaimed.

In addition, OSMRE will continue to practice cooperative conservation through working in partnership with states and tribes to carry out the mission of the SMCRA. The shift in OSMRE's

role from direct enforcement to oversight has refocused actions on mission accomplishment while fostering better working relationships with states.

**Resources, Skills, and Technology Needed:** Program analysts, reclamation specialists, grant specialists, and various support personnel are needed to implement the State regulatory programs and to conduct program evaluations. OSMRE and the primacy states also will continue to need a diverse and multidisciplinary cadre of personnel skilled in scientific and engineering areas to review mine permits, determine whether performance bond coverage and amounts are sufficient to ensure reclamation, conduct mine site inspections, and implement enforcement actions when necessary. Computer systems personnel are needed to help maintain various data systems, such as the National Inspection and Enforcement Tracking System that contains data from OSMRE's oversight and regulatory program inspections.

For FY 2018, the President's Budget requests \$60.2 million to fund up to 50 percent of the costs for 24 primacy State regulatory programs, and up to 100 percent of the costs for 14 of the primacy states to cover regulating mining on Federal lands within their borders through cooperative agreements. This amount will also provide 100 percent of the regulatory program development costs for three tribes.

The FY 2018 budget request includes \$8.1 million to improve implementation of existing laws and to support states and tribes. The request also includes \$8.0 million to fund regulatory programs in non-primacy states, including Tennessee and Washington, and on Indian Lands. Also included in the FY 2018 budget request is \$1.4 million for OSMRE to carry out mine plan reviews for Federal lands, and \$4.5 million for program development and maintenance to ensure that regulatory standards adequately reflect changes in technologies and program needs. Appropriation language is requested to supplement this appropriation with \$40 thousand, which will be offset with collections for new permit application fees in the Federal and Indian Lands Programs.

The following section details, by program activity, the funding and FTE resources required to meet the annual performance measures. It also includes examples of cooperative work between OSMRE, states, and tribes to regulate coal-mining activities that will continue in FY 2018 and support this budget request.

## **2018 PROGRAM PERFORMANCE**

### **1. State and Tribal Funding**

The \$60,169,000 requested for FY 2018 for State and Tribal Funding recognizes the need to support the regulatory programs. This request is a reduction of \$8,290,000 from the FY 2017 CR level and fully funds the projected 2018 activity requirements, based on a downward trend in state grant execution and an historical return of unexecuted appropriated funds at the end of the grant cycle each year. OSMRE will also continue to support State regulatory grant requests by re-distributing the available prior year funds as needed for this activity. This activity promotes responsible coal extraction using technology to minimize the impact of operations on people, structures, and the environment.

#### **a. State Grants**

The principal means of providing environmental protection within the framework of SMCRA is through "primacy" states that receive Federal grant funding. Currently, 24 states have achieved primacy and serve as regulatory authorities in the implementation of SMCRA. Primacy states have the most direct and critical responsibilities for conducting regulatory operations to minimize the impact of coal extraction operations on people and the environment. The states have the capabilities and knowledge to regulate the lands within their borders. Providing up to a 50 percent match of state funding in Federal grants to primacy states encourages states to take this responsibility, while ensuring that regulations are consistent across the Nation.

Cooperative agreements between OSMRE and primacy states with Federal lands allow those states to receive grant funding to cover their costs to review permit applications and issue permits, and conduct the required inspections of regulated activities on Federal lands. The additional grant funding provides for uniform enforcement of state program requirements at all facilities within the state and reduces both direct Federal program costs and Federal staff requirements. SMCRA section 705 (c) sets the amount that a state may receive through a cooperative agreement to an amount approximately equal the amount that the Federal Government would have expended to do the same work. The regulations further require that no grant may exceed the actual costs to the state for this activity. Currently, 14 states have entered into cooperative agreements with OSMRE to regulate surface coal mining and reclamation operations on Federal lands: Alabama, Colorado, Illinois, Indiana, Kentucky, Montana, New Mexico, North Dakota, Ohio, Oklahoma, Utah, Virginia, West Virginia, and Wyoming.

Activities that State regulatory authorities conduct with Federal grant and matching state funding include: permit review and issuance, including the use of the Applicant Violator System to ensure that permits will not be issued to operators with outstanding violations; inspection and enforcement; designation of lands unsuitable for mining, and; ensuring timely reclamation after mining. In addition, individual states may conduct special activities to address specific needs. These activities may include upgrading permitting programs, computerizing systems to improve review of pending permits, and drafting regulations that respond to changes in Federal rules.

All active and inactive sites, facilities, and areas that support coal mining and reclamation within a state are inspected by the State regulatory authority for compliance with all program requirements. Federal regulations require all active inspectable units under the permanent program to have four complete and eight partial inspections per year. Four complete inspections are required annually for all inactive units. Inspections conducted by primacy states in any given year depend, in part, on the number of active and inactive permits in each state. The primacy states conducted 69,987 inspections in FY 2016 (see Table 2). This represents a 6% decline in inspection activity from the previous year.

#### **b. Tribal Regulatory Development and Regulatory Program Grants**

As allowed by the Energy Policy Act of 1992 and Section 710 (i) of SMCRA, OSMRE provides grants to the Crow and Hopi Tribes and the Navajo Nation to assist them in developing regulations and programs for regulating surface coal mining and reclamation operations on Indian lands. The grant amounts are based on each tribe's anticipated workload to develop a Tribal program (including Tribal laws, regulations and policies), to assist OSMRE with surface coal mine inspections and enforcement (including permitting activities, mine plan review and bond release), and to sponsor employment training and education concerning mining and mineral resources. These grants fund 100 percent of the Tribal primacy development activities.

The Surface Mining Control and Reclamation Act Amendments of 2006 provides for Indian tribes to apply for, and obtain approval of, a Tribal program regulating in whole, or in part, surface coal mining and reclamation operations on reservation land under the jurisdiction of the Indian tribe. The legislation also provides for 100 percent funding of the costs of developing, administering, and enforcing an approved Tribal program. Discussions on the submission of applications for Tribal primacy began in 2007. OSMRE is continuing to review informal materials (statute and regulations) as they are received from the tribes. Informal review of the Navajo Nation's Tribal primacy application is substantially complete, and a formal application for Tribal primacy may be submitted by the Navajo Nation in the summer of 2017 pending approval by the Tribal Council. The Crow Tribe and the Hopi Tribe continue to pursue Tribal primacy, including the development of a statute and regulations, but at this time an anticipated date for submission of a formal application for Tribal primacy has not been determined.

## **2. State Program Evaluation**

State Program Evaluation activities serve two purposes: they determine whether states are effectively implementing their regulatory programs as approved, and they provide documentation to the public of the work that OSMRE and the states are doing. The \$8,140,000 requested for FY 2018 will fund 82 FTE to carry out these activities. This is a reduction of \$460,000 and two (2) FTE from 2017 CR levels.

#### **a. Oversight Policy and Procedures**

OSMRE assumes a monitoring role following approval of a State or Tribal SMCRA regulatory program. That role includes both programmatic evaluations and inspections of individual mine sites to determine whether states with primacy are properly administering, implementing,

maintaining, and enforcing their regulatory programs. Detailed guidance is provided and available on OSMRE's website. Major policy documents include:

Directive REG-8, Oversight of State Regulatory Programs establishes policies, procedures, and responsibilities for conducting oversight of State and Tribal regulatory programs. It establishes formulas and criteria for the number and type of oversight inspections. It also contains detailed instructions on data collection and preparation of the annual evaluation report, as well as public participation in the evaluation process.

Directive REG-23, Corrective Actions for Regulatory Program Problems and Action Plans describes the corrective action procedures that apply when OSMRE identifies problems with an approved state or Tribal regulatory program, or with State or Tribal actions taken or not taken under that program that could, if left unaddressed, result in a failure by the state or tribe to effectively implement, administer, enforce, or maintain its approved program.

Directive INE-35, Ten-Day Notices establishes the policy and procedures that OSMRE will follow when OSMRE has reason to believe that a violation of SMCRA, the State regulatory program, or a state-issued permit exists.

As part of the process, a Performance Agreement is developed for each state annually. OSMRE solicits input from all its stakeholders, which include the public, State agencies, Federal agencies, and the coal industry, for relevant issues to review in each state. The Performance Agreement is a comprehensive plan that outlines the responsibilities and activities of both the state and OSMRE. It provides details about specific program evaluation goals for each state and the plans to achieve those goals, the types and number of inspections OSMRE plans to conduct, technical or programmatic assistance that OSMRE may render to the state, and the method to resolve any identified problems, both new problems and any issues remaining from previous years.

#### **b. Oversight Inspections**

SMCRA requires the Secretary to conduct mine inspections to evaluate the administration of state programs. Inspections are conducted on a range of sites - from those actively producing coal to forfeited bond sites awaiting reclamation. Most OSMRE oversight inspections focus on areas in which there is a high level of activity or public concern or where systemic problems have been observed. In states with 1,000 or more inspectable units, OSMRE also conducts inspections of a random sample of those units to provide an objective evaluation of the effectiveness of the state program in ensuring compliance with program requirements. The vast majority of oversight inspections are joint inspections, in which the State or Tribal inspector accompanies the OSMRE inspector. However, Directive REG-8 provides for independent oversight inspections to validate and enhance the credibility of both the regulatory program and the oversight process. In addition, at least 33 percent of the inspections conducted will be complete inspections. Complete inspections allow for a comprehensive, complete review of the

entire mine site which furthers OSMRE's ability to effectively evaluate and monitor a state's or tribe's regulatory program.

In FY 2016, OSMRE conducted 1,545 oversight inspections in primacy states (see Table 2). OSMRE intends to sustain this level of oversight inspections in FY 2017 and FY 2018 to assure the integrity of the regulatory program, to capture additional data, and to identify more conclusive findings and trends. The actual number may change depending on the program areas, the presence or absence of problems, input from the public, and the terms of the performance agreements in each state.

**c. Identifying and Correcting Violations of SMCRA**

In primacy states, SMCRA requires that the OSMRE inspector issue a Ten-Day Notice (TDN) to the State regulatory authority whenever, on the basis of any available information, including a Federal inspection or any information received from a citizen complaint, the inspector has reason to believe that a violation exists. The State regulatory authority then has ten (10) days to take enforcement action, initiate other action to cause the violation to be corrected, or demonstrate good cause for not taking such action. If OSMRE determines that the state response is not appropriate, an OSMRE inspector will conduct a Federal inspection of the site and take any necessary enforcement action. This procedure does not apply to situations in which there is an imminent danger to public health or safety or if the observed or alleged violation is causing or can reasonably be expected to cause significant, imminent environmental harm. In those cases, the OSMRE inspector must issue a cessation order if the violation is observed on an inspection, or conduct a Federal inspection if a citizen complaint alleges that a violation of this nature exists.

During FY 2016, OSMRE observed a slight increase in the number of TDNs issued from FY 2015 (from 50 to 63). OSMRE also saw an increase in the number of alleged violations in FY 2016 from the prior year (from 92 to 115). OSMRE will continue to work with the states to resolve any outstanding TDN issues. OSMRE has procedures in place to monitor corrective actions when issues are identified as a result of OSMRE oversight activities.

OSMRE also has an obligation under section 521 of SMCRA to take steps to ensure that all types of violations, including violations of performance standards or permit conditions and violations of permitting requirements, are corrected if the state does not take action to do so. Should a State or Tribal program not show timely adequate improvements, OSMRE has other tools under 30 CFR Parts 732 (requiring program amendments) and 733 (compelling program change or substituting a Federal program) to ensure enforcement or a program change.

In addition to the corrective actions processes described above, OSMRE's Applicant Violator System (AVS) Office promotes the use of alternative enforcement to compel compliance with SMCRA. As part of this effort, the AVS Office provides training, investigative services and identifies sites with outstanding violations for regulatory authorities to consider pursuing alternative enforcement when primary enforcement is not enough. These activities will continue throughout FY 2017 and FY 2018.

**Table 2 - Inspections Conducted in Primacy States in FY 2016**

Region / State	State Inspections			OSMRE Oversight Inspections
	Partial	Complete	Total	
<b>Appalachian Region</b>				
Kentucky	11,495	6,758	18,253	327
Maryland	564	260	824	28
Ohio	1,526	818	2,344	53
Pennsylvania	7,461	4,973	12,434	322
Virginia	2,129	1,401	3,530	126
West Virginia	16,094	8,339	24,433	440
<b>Total Appalachian Region</b>	<b>39,278</b>	<b>22,553</b>	<b>61,831</b>	<b>1,309</b>
<b>Mid-Continent Region</b>				
Alabama	23	1,979	2,002	54
Arkansas	51	24	75	1
Illinois	638	323	961	29
Indiana	591	328	919	22
Iowa	0	0	0	0
Kansas	64	31	95	5
Louisiana	24	12	36	9
Mississippi	16	8	24	7
Missouri	62	30	92	11
Oklahoma	277	230	507	9
Texas	334	156	490	12
<b>Total Mid-Continent Region</b>	<b>2,080</b>	<b>3,121</b>	<b>5,201</b>	<b>159</b>
<b>Western Region</b>				
Alaska	49	29	78	5
Colorado	213	131	344	13
Montana	96	54	150	12
New Mexico	40	32	72	3
North Dakota	589	106	695	12
Utah	187	131	318	11
Wyoming	184	127	311	34
<b>Total Western Region</b>	<b>1,384</b>	<b>629</b>	<b>2,013</b>	<b>136</b>
<b>Grand Total</b>	<b>42,707</b>	<b>26,280</b>	<b>69,987</b>	<b>1,545</b>

Footnote: OSMRE inspections in primacy states include oversight inspections of all types (such as comprehensive inspections, follow-up, bond forfeiture, mine drainage), oversight document reviews, assistance inspections, citizen complaint site visits, and Federal action inspections, as needed. State data is for the time period of July 1, 2015, through June 30, 2016.

### 3. Federal and Indian Lands Program

The FY 2018 request provides \$8,014,000 and 47 FTE to conduct required activities in the Federal and Indian Lands Program. This request reflects a reduction of \$298,000 and two (2) FTE from 2017 CR Baseline levels. The request also includes an additional \$40,000 for permitting activities that will be offset with collections for new permit application fees in the Federal and Indian Lands Program.

#### a. States

OSMRE regulates coal mining in states without approved regulatory programs, ensuring responsible coal extraction using up-to-date science and technology to minimize the impact of operations on people, structures, and the environment.

The permit review process in federally administered programs consists of review of the permit application package for administrative completeness and technical adequacy, preparation of findings and supporting documentation, and conducting an environmental analysis. Review timeframes vary depending on the complexity of a permit application, the size of the mine, and the response times of applicants submitting additional information required to process the permit application.

At the end of FY 2016, Tennessee had 109 permits on coal mining operations, of which 64 permits were in active status. There were two permitted mine sites for the State of Washington at the end of FY 2016, neither of which is currently mining coal by traditional means. One Washington mine site is, however, conducting reprocessing operations of previously-mined coal deposited in refuse impoundments, and the other site has submitted a permit revision application proposing to reinstate mining. Permitting actions in Federal Programs are shown in Table 3.

The following information highlights key characteristics of the two states whose regulatory activities are currently administered by Federal Programs, Tennessee and Washington.

Tennessee: In FY 2016, there were 7 active coal producing sites, 28 active non-producing sites, (tipples, preparation plants, etc.), 71 mine sites (i.e., non-producing sites either in temporary cessation, mining is complete, or the site is undergoing reclamation), and 12 abandoned sites in Tennessee. In addition, 8 coal exploration notices of intent were on hand at the end of FY 2016. The Knoxville Field Office (KFO) received 10 new permit applications in FY 2016 and has 9 in various stages of review. In addition, KFO received 7 Successor-In-Interest (SII) applications with several in various stages of review at the end of FY 2016. In the beginning of FY 2017, KFO received 11 new SII permit applications; KFO expects to issue all of these in FY 2017. Over the five-year period of 2010-2014, coal production declined from 1.83 million tons to 0.74 million tons, but 2015 saw a slight increase in production to 0.85 million tons. OSMRE has discussed the possible return of the primacy program with Tennessee on numerous occasions. Tennessee is actively pursuing development of regulations and evaluating the financial commitments of implementing a regulatory program under Title V of SMCRA in Tennessee.

An interagency group comprised of State and Federal agencies, including OSMRE, the Army Corps of Engineers, the Environmental Protection Agency, the U.S. Fish and Wildlife Service (USFWS), and the Tennessee Department of Environment and Conservation, developed a local interagency working agreement (LIWA) in 2010, to improve permit coordination in Tennessee. The group continues to meet regularly to review new applications and improve the established processes, resulting in more efficient and effective decisions related to coal mining activities.

As a result of a 2015 lawsuit in Tennessee regarding USFWS and OSMRE adherence to the requirements of the Endangered Species Act (ESA) and the 1996 Biological Opinion, the LIWA was modified to include an effects determination document. This document was developed by OSMRE in coordination with USFWS to outline and document the processes and findings used to satisfy the ESA on SMCRA permit revisions, renewals, and mid-term reviews. The document contains an assessment of the biological data, an effects determination of the impacts to ESA species, and an evaluation of whether the operation will constitute jeopardy to the continued existence for each respective ESA species. The effects determination document is included in the overall NEPA analysis done for each approvable application and is included in the permit documentation.

Also as a result of the 2015 lawsuit, KFO agreed to conduct full section 7 ESA consultation on all new permitting applications. Prior to the 2015 lawsuits, KFO relied upon the 1996 biological opinion to satisfy its section 7 consultation requirements. In a settlement agreement, the decision was made to conduct section 7 consultation in lieu of relying on the 1996 biological opinion because KFO was already conducting effects determinations on every permitting action involving threatened and endangered species. These effects determinations were very similar to the biological assessment required under section 7 consultation. KFO, therefore, agreed to the section 7 consultation process.

In addition, seasonal water quality/quantity data is collected annually at established OSMRE trend stations. Data from this effort is used to evaluate and develop cumulative hydrologic impact assessments (CHIA) for permitting decisions and to help develop biological assessments to meet section 7 consultation requirements in the Tennessee Federal Program. The three sets of samples include 17 trend stations during low-flow conditions and 34 trend stations during winter mean-flow conditions and summer mean-flow conditions. This CHIA data supports permitting decisions and assesses successfulness of program implementation for both SMCRA and ESA.

In October 2010, OSMRE received a Lands Unsuitable for Mining petition from the State of Tennessee covering more than 67,000 acres of ridgelines in State Wildlife Management Areas. On December 11, 2015, OSMRE released a draft proposal and draft Environmental Impact Statement (EIS) to designate portions of the State's mountain ridges as unsuitable for surface coal mining in accordance with state wildlife management plans. The 45-day public comment period on the draft proposal and EIS ended on January 25, 2016. OSMRE received in excess of 25,000 comments on the draft

EIS. The comments were analyzed and several modifications to the potential designation were made. A final record of decision was signed on December 7, 2016, designating 74,968 acres unsuitable for mining because the area is incompatible with existing land use plans, and surface coal mining will affect fragile lands. The designation did exempt remaining areas, underground mining accessed outside of the designated area, and existing haul roads.

Tennessee had 4 bond forfeiture sites at the end of FY 2016. Bond forfeiture funds are monies collected from forfeited performance bonds. These funds can only be used to reclaim lands where the bond was forfeited and where OSMRE is the regulatory authority. Forfeited funds are site-specific and cannot be used to reclaim other sites. Surplus amounts must be returned to the operator. In FY 2016, OSMRE awarded a construction contractor a contract to reclaim three bond forfeiture sites in Tennessee. These include an underground permitted site in Cumberland County (under Heather Mining Company), and two permitted sites in Morgan County (under Dalco Coal of Tennessee, LLC).

Washington: There are two surface coal mines regulated under the Federal Program. The Centralia Mine produced coal for the adjacent Centralia Power Plant beginning in 1971 until November 2006, when the parent company, Trans-Alta Corporation, halted mining because of the high costs to recover the remaining coal. Coal for the power plant now comes from the Powder River Basin. In July 2010, OSMRE denied a request to continue temporary cessation at the Kopiah Pit, and the decision was upheld on appeal. OSMRE approved TransAlta's operation plan for recovery of coal from coal mine waste impoundments in February 2012. Coal recovery operations began in November 2014. This operation plan facilitates reclamation of the coal mine waste impoundments after coal recovery. The recovered coal is sold to the Centralia Power Plant. Such coal recovery is considered active mining. TransAlta has committed to payment of all necessary fees (royalty and abandoned mine land) associated with the mining of this coal. TransAlta has submitted revised reclamation plans for five areas of the mine. In October 2012, OSMRE approved the reclamation plan for the Central Packwood pit area. OSMRE's review of the revised reclamation plans for the North Hanaford Pit, Pit 7, and the Kopiah Pit and coal mine waste impoundments 3A, 3B, 3C and 3D are ongoing at this time. OSMRE approvals of the revised plans for Pit 7 and the Kopiah Pit are anticipated in 2017.

The Pacific Coast Coal Company (PCC) mine near the City of Black Diamond has not produced coal since 2000. A significant revision application to re-commence mining is currently under review. OSMRE has updated the CHIA and is preparing a revised environmental assessment for the significant revision application and the renewal of the existing permit. The environmental assessment is planned to be published and noticed for public review and comment in 2017.

**b. Tribes**

OSMRE is responsible for regulation of coal mining and reclamation activities on Indian lands. The Indian lands program includes permit application review, determination of performance bond amounts, inspection and enforcement, bond release, and maintaining a staff to coordinate with the individual Tribes and other Federal agencies, as necessary. The proposed budget provides funds for activities to promote responsible mineral extraction on Indian lands to meet the Nation's energy needs.

The Crow Tribe, the Hopi Tribe, the Ute Mountain Ute Tribe, and the Navajo Nation have active permits on their lands. The mines on Indian lands are among the largest in the United States, with a total of about 100,500 acres regulated by OSMRE.

Navajo Nation and Hopi Tribe: The McKinley Mine and the Navajo Mine are large surface mines on lands within the Navajo Nation. Mining operations have ceased at the McKinley Mine, and it is currently undergoing final reclamation. Activities on the Kayenta Mine involve mining Navajo coal beneath Navajo Tribal lands surface, and coal jointly owned by the Navajo Nation and the Hopi Tribe – most of which is beneath Navajo Tribal lands surface and some of which is beneath Hopi Tribal lands surface. OSMRE assisted the Bureau of Reclamation (lead agency) on the completion of the *Draft Environmental Impact Statement for the Navajo Generating Station and Kayenta Mine Complex*. The availability of the draft environmental impact statement for public review and comment was noticed in the Federal Register on September 30, 2016.

Crow Tribe: There are two surface mines in Montana that mine coal owned by the Crow Tribe, one of which operates within the boundaries of the Crow Reservation.

Ute Mountain Ute Tribe: The only involvement of Tribal lands in New Mexico is where a haul road for a mine crossed the Ute Mountain Ute Reservation. The haul road is fully reclaimed and is currently under the period of extended responsibility for successful re-vegetation. An underground mining operation in Colorado also extracts Federal coal beneath Ute Mountain through privately owned surface outside of the external boundaries Ute Mountain Ute Tribe Reservation. Permitting actions on Indian lands are shown in Table 3.

OSMRE coordinates closely with Indian tribes through the regulatory process. The Federal trust responsibility is a legal obligation under which the United States has charged itself with moral obligations of the highest responsibility and trust toward Indian tribes. OSMRE ensures that the lands and trust resources of federally-recognized tribes and their members are identified, conserved, and protected. In fulfilling these responsibilities, OSMRE operates within a government-to-government relationship with Indian tribes.

Table 4 provides inspection and enforcement data on Federal Indian Lands Program during FY 2016.

**Table 3 – Permit and Permit Revision Workload where OSMRE is the Regulatory Authority**

Activity	Federal Programs*		Indian Lands	
	FY 2016 Actual	FY 2017 Projected	FY 2016 Actual	FY 2017 Projected
In progress prior FY	64	64	27	26
Anticipated Submissions, current FY	48	52	50	52
Total FY workload	112	116	77	78
Completed in FY	48	52	51	48
<b>Balance, end of FY</b>	<b>64</b>	<b>64</b>	<b>26</b>	<b>30</b>

Source: OSMRE Data for States and Tribes system (DST) FY 2016.

\*These numbers do not include reviews of more than one version of a significant revision or environmental assessment.

**Table 4 – Inspections Conducted by OSMRE in the Federal and Indian Lands Program**

State/Tribe	Inspections			Violations	
	Partial	Complete	Total	Notice of Violations	Failure to Abate Cessation Order
Tennessee	619	428	1,047	10	0
Washington	16	8	24	0	0
<b>States Total</b>	<b>635</b>	<b>436</b>	<b>1,071</b>	<b>10</b>	<b>0</b>
Crow Tribe	16	8	24	0	0
Hopi Tribe	0	2	2	0	0
Navajo Nation	26	19	45	1	0
Ute Tribe	4	8	12	0	0
<b>Tribes Total</b>	<b>46</b>	<b>37</b>	<b>83</b>	<b>1</b>	<b>0</b>

Source: Inspections from OSMRE Data for States and Tribes systems (DST) FY 2016. Violation data from OSMRE Inspection and Enforcement Tracking System (I&E) FY 2016.

#### 4. OSMRE Responsibility on Federal Lands

As previously highlighted, mining on Federal lands in primacy states is regulated by the respective state through cooperative agreements with OSMRE and is funded through the State and Tribal Funding program activity. There is currently no active coal mining on Federal lands in the Federal Program states. OSMRE is, however, responsible for preparing mine plan decision documents under the Mineral Leasing Act, and processes valid existing rights claims that involve certain Federal lands under this program activity. As part of the Federal Lands Program, OSMRE consults and coordinates, as applicable, with State Historic Preservation

Offices, the Fish and Wildlife Service, the Bureau of Land Management (BLM), the U.S. Forest Service (USFS), the National Park Service, the Environmental Protection Agency, and the U.S. Army Corps of Engineers, as well as with state regularity authorities. Processing of mining plan decision documents constitutes the largest part of the workload under this program activity. This request includes \$1,414,000 and six (6) FTE for this program activity, a reduction of \$117,000 and one (1) FTE from 2017 CR levels.

Table 5 provides projected mining plan decision document workload data.

**Table 5 – Mining Plan Decision Document Workload on Leased Federal Coal, by Fiscal Year**

<b>Mining Plans and Modifications to Existing Mining Plans</b>		
<b>Activity</b>	<b>FY 2016 Actual</b>	<b>FY 2017 Projected</b>
In progress prior FY	6	11
Anticipated Submissions in current FY	9	4
Total FY workload	15	15
Completed in FY	4	11
<b>Balance, end of FY</b>	<b>11</b>	<b>4</b>

Under this program activity, OSMRE also provides support to BLM and USFS in leasing activities that involve Federal coal resources. OSMRE’s participation in NEPA compliance analyses prepared at the leasing stage ensures the consideration of OSMRE mine plan approval concerns. This cooperative effort saves mining companies valuable time in the leasing and mine plan approval process; it also may result in improved resource recovery. In addition, satisfactory evaluation of the environmental impacts of coal mining in the proposed lease area at the time of leasing can reduce the likelihood of the need for a subsequent Environmental Assessment (EA) or Environmental Impact Statement for mining plan approval under SMCRA.

**5. Program Development and Maintenance**

Work elements under this program are primarily related to policy actions, such as rulemaking, grants management and special studies that support the other program activities in the environmental protection business line. This request provides \$4,448,000 and 38 FTE for these activities, a reduction of \$307,000 and one (1) FTE from 2017 CR levels.

**a. Rulemaking**

OSMRE issues Federal rules and prepares the associated information collection clearance packages. Functions under this program activity include rule development and preparation of environmental assessments, environmental impact statements, and cost benefit analyses for rules prepared by OSMRE. Prior to and during the development of a proposed rule, OSMRE involves the public and interested parties. This stakeholder participation results in improved regulatory proposals. OSMRE also maintains the administrative record for rules and coordinates rule

publication with the Office of the Federal Register. OSMRE had several rulemakings in progress at the time the President issued his *Regulatory Freeze Pending Review* memorandum on January 20, 2017. Below are the OSMRE rulemakings with ongoing activity at publication of this document.

Stream Protection: On December 20, 2016, OSMRE published the final Stream Protection Rule to more completely implement SMCRA and modernize the regulations to reflect the last 30 years of advances in scientific knowledge and mining and reclamation techniques since the regulations were last updated. The rule went into effect on January 19, 2017. The rule was nullified under the Congressional Review Act (Public Law 115-5) on February 16, 2017. OSMRE is therefore developing a final rule to amend the Code of Federal Regulations by reinstating the regulations that were in effect on January 18, 2017.

Rulemaking Associated with State Programs: OSMRE assists states with development, administration, implementation, and maintenance of their approved regulatory programs. Decisions to approve or disapprove state program amendments are Federal rulemaking actions. OSMRE evaluates state-initiated program changes (statutory, regulatory, or changes in the program’s provisions, scope, or objectives), as well as OSMRE required modifications that are a result of legal interpretations or changes to SMCRA and Federal regulations. In its evaluation, OSMRE solicits public comments through proposed rules published in the Federal Register, holds public meetings, maintains the administrative record, approves or does not approve proposed state program amendments, and publishes the decisions as final rules in the Federal Register.

During FY 2016, OSMRE completed activity on 11 state program amendments, as summarized in Table 6.

**Table 6 – FY 2016 State Program Amendment Activity  
Number of Amendments\***

<b>Amendment Type</b>	<b>Pending Oct. 1, 2015</b>	<b>Received FY 2016</b>	<b>Completed FY 2016</b>	<b>Pending Sept. 30, 2016</b>
Pre-Submission Assistance	6	5	6	5
Formal	28	12	5	35
<b>Total</b>	<b>34</b>	<b>17</b>	<b>11</b>	<b>40</b>

States may be required to amend their programs as a result of changes to SMCRA and Federal regulations. When a state program amendment is required, OSMRE notifies the state of the required change and reviews the state submission and either approves or disapproves the proposed change.

**b. Grants Management**

OSMRE supports and participates in the Administration's E-Government initiative, and Health and Human Services' government-wide electronic grants application system (Grants.gov). OSMRE is currently using DOI's Financial and Business Management System (FBMS) financial assistance module for internal processing of all grant and cooperative agreement transactions. Recipients have been provided training in Grants.gov and FBMS, and will receive further training and assistance in using the system to expedite their applications and reports. OSMRE and the State/Tribal grantees cooperate to maximize the use of available funding and operate an effective program. This cooperative working relationship contributes to a streamlined application and awards process, faster obligation of Federal funds, innovative program monitoring, less paperwork, and intensive reporting and close-out of grants.

**c. Special Projects**

OSMRE's special projects include interpretation of SMCRA, reports to Congress, legislative analyses, and assistance in response to litigation. OSMRE also conducts studies and analyses in response to Departmental initiatives and coordinates with other DOI bureaus and Federal agencies, including the Fish and Wildlife Service (Endangered Species Act), Advisory Council on Historic Preservation (National Historic Preservation Act), EPA (Clean Water Act, Resource Conservation and Recovery Act, and others), Army Corps of Engineers (Section 404 Clean Water Act permits), Mine Safety and Health Administration, and the Small Business Administration (Small Business Regulatory Enforcement Fairness Act), all of whose activities can affect the surface coal mining regulatory program.

## **ENVIRONMENTAL PROTECTION**

### **2017 Planned Program Performance**

In 2017, the planned activities in the Environmental Protection program activity include:

- Review of the formal Tribal primacy submission from the Navajo Nation and assist the Navajo Nation Minerals Department with their primacy presentation to the Navajo Nation Council.
- Continue the review of informal submissions from the Crow and Hopi Tribes.
- Implement the Federal and Indian Lands Programs; conduct 36 complete and 72 partial inspections, and complete 62 permit revisions.
- Complete 9 Federal and Indian Lands Program mining plan decision documents including associated environmental effects analysis in compliance with the National Environmental Policy Act (NEPA).
- Once OSMRE publishes the partial approval of Kentucky's program amendment for bonding, OSMRE will monitor the implementation of these changes for effectiveness through oversight studies and monitoring.
- Achieve the goals for performance measures identified in the Goal Performance Table for this business line, and engage youth by providing educational and employment opportunities to young adults in fields associated with surface coal mining regulation and reclamation.

### **2016 Program Accomplishments**

In 2016, the major accomplishments in the Environmental Protection program activity included:

- Completed review of the informal Tribal primacy submission from the Navajo Nation.
- Implemented the Federal and Indian Lands Programs; conducted 473 complete and 681 partial inspections, and completed 99 permit revisions.
- States performed 26,280 complete mine inspections and 42,707 partial inspections to ensure coal mines are operated safely and in accordance with environmental laws.
- Reforestation – Industry planted 110,220 trees on 160 acres of reclaimed mined land in Tennessee during FY 2016. This year marks the fourth consecutive year OSMRE achieved full utilization of the Forestry Reclamation Approach, with 100 percent of all trees planted on Forestry Reclamation Approach (FRA) prepared areas. This success is in part due to outreach efforts with industry, citizens, and academics interested in the

reforestation of mined land. For the remaining Appalachian Region, 3,664,750 trees were planted using the FRA and 6,119,720 trees were planted without the FRA. A total number of 9,894,690 trees were planted during FY 2016.

- Completed four mining plan decision documents recommending approval of the mining plan modification including the preparation of four environmental assessments analyzing the environmental effects of the mining plan modification in compliance with NEPA.
- Completed an environmental assessment on the Area IV North Significant Revision application at Navajo Mine. The 2012 environmental assessment was remanded back to OSMRE to include an analysis of the combustion of coal from Area IV North at the Four Corners Power Plant.
- Assisted the Bureau of Reclamation (lead agency) on the completion of the *Draft Environmental Impact Statement for the Navajo Generating Station and Kayenta Mine Complex*. The availability of the draft environmental impact statement for public review and comment was noticed in the Federal Register on September 30, 2016.
- Achieved performance as shown on the Goal Performance Table associated with this business line.

**Performance Overview Table - Environmental Protection**  
**Mission Area 3, Powering Our Future Responsible Use of the Nation's Resources**

Strategic Objective Metrics	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 CR Baseline	2018 Budget Request
<i>Strategic Plan Measures</i>						
Percent of active coal mining sites that are free of off-site impacts.	88.70% (6,568 of 7,403 sites)	89.90% (5,995 of 6,671 sites)	89.10% (5,748 of 6,532 sites)	90.00% (5,963 of 6,622 sites)	88% (5,747 of 6,517 sites)	88% (5,659 of 6,434 sites)
<b>Comments:</b> The measure is an indicator of successful mining by minimizing negative impacts of surrounding area of the site. An off-site impact is reported from inspections conducted and recorded in reports indicating if people, land, water, or structures are impacted from mining activity.						
<b>Contributing Programs:</b> State Grants, State Program Evaluation, and Federal and Indian Lands Program.						
Percent of mined acreage reclaimed.	76.00% (5,111,545 of 6,726,259 acres )	76.40% (5,233,244 of 6,850,958 acres)	77.80% (5,332,873 of 6,855,824 acres)	80.90% (5,453,562 of 6,742,700 acres)	81% (5,554,859 of 6,843,997 acres)	81% (5,648,936 of 6,938,074 acres)
<b>Comments:</b> This measure is used to represent success of contemporaneous reclamation of current coal mining operations. The measure is represented as a ratio of the cumulative number of acres reclaimed and the cumulative number of mined acres (represented by cumulative bonded acres).						
<b>Contributing Programs:</b> State Grants, State Program Evaluation, and Federal and Indian Lands Program.						
<i>Efficiency or other Bureau-Specific Measures</i>						
Number of acres released from Phase I and II performance bonds.	71,094	82,916	57,235	80,860	65,573	61,253
<b>Comments:</b> This performance measure is the intermediate acreage released from Phases I & II which is in the process of reclamation. The pace of both new permitted acreage for mining and reclamation of existing mined land is expected to slow through FY 2018.						
<b>Contributing Programs:</b> State Grants, State Program Evaluation, and Federal and Indian Lands Program.						
Number of acres released from Phase III performance bonds.	50,861	38,783	42,394	39,829	35,724	32,824
<b>Comments:</b> This measure is acreage that is released from the final Phase III bond release where it has achieved its approved post-mining land uses.						
<b>Contributing Programs:</b> State Grants, State Program Evaluation, and Federal and Indian Lands Program.						
Provide appropriate grant funding within 60 days of a complete grant application for regulatory grants.	78%	96%	93%	100%	96%	96%
<b>Comments:</b> This measure includes all States and Tribes that applied for regulatory grants during the fiscal year. It captures the ability to process all complete applications for regulatory grant applications within 60 calendar days of receipt.						
<b>Contributing Programs:</b> State Grants, State Program Evaluation, and Federal and Indian Lands Program.						
Completion of the technical review of Federal and Indian Land permit actions within 90 days.	100%	86%	88%	100%	80%	80%
<b>Comments:</b> The measure is an indication of the timeliness of the technical review process to review applications including determination if the application is administratively complete and complete the entire technical review within 90 days of submission by the operator.						
<b>Contributing Programs:</b> Federal and Indian Lands Program						



TAB

Technology Development and  
Transfer



**TECHNOLOGY DEVELOPMENT AND TRANSFER****Technology Development and Transfer Budget Request***(Dollars in Thousands)*

	2016 Actual	2017 CR Baseline	2018			
			Fixed Costs (+/-)	Program Changes (+/-)	2018 Request	Change From 2017 (+/-)
<b>Regulation and Technology</b>	<b>15,205</b>	<b>15,176</b>	<b>+164</b>	<b>-2,539</b>	<b>12,801</b>	<b>-2,375</b>
Technical Assistance	11,693	11,671	+105	-1,544	10,232	-1,439
<i>FTE</i>	45	49		-3	46	-3
Training	2,531	2,526	+43	-620	1,949	-577
<i>FTE</i>	23	21		-2	19	-2
Technology Transfer	981	979	+16	-375	620	-359
<i>FTE</i>	10	8		-1	7	-1
<b>Abandoned Mine Reclamation Fund</b>	<b>3,544</b>	<b>3,537</b>	<b>+32</b>	<b>-1,482</b>	<b>2,087</b>	<b>-1,450</b>
Technical Assistance	1,585	1,582	+17	-402	1,197	-385
<i>FTE</i>	9	9		-2	7	-2
Training	794	792	+10	-201	601	-191
<i>FTE</i>	5	4			4	
Technology Transfer	1,165	1,163	+5	-879	289	-874
<i>FTE</i>	2	3		-1	2	-1
<b>Total, Technology Development and Transfer</b>	<b>18,749</b>	<b>18,713</b>	<b>+196</b>	<b>-4,021</b>	<b>14,888</b>	<b>-3,825</b>
<b>Total FTE</b>	<b>94</b>	<b>94</b>		<b>-9</b>	<b>85</b>	<b>-9</b>

Note: 2016 FTE amounts reflect actual usage.

Fixed Costs result in an increase of \$196,000 and cover pay related items.

**Summary of 2018 Program Changes for Technology Development & Transfer**

<b>Request Component</b>	<b>(\$000)</b>	<b>FTE</b>
Applied Science Projects	-750	
Development Costs for Electronic Permitting	-704	
National Technical Training Program (NTTP)	-190	
Technical Innovation & Professional Services (TIPS)	-80	
Operational Travel	-51	
Staffing Costs	-2,246	-9
<b>TOTAL Program Changes</b>	<b>-4,021</b>	<b>-9</b>

**Justification of 2018 Program Changes**

The 2018 budget for Technology Development and Transfer is \$14,888,000 and 85 FTE, a program decrease of \$4,021,000 and nine (9) FTE from the 2017 CR Baseline level.

**Applied Science Projects (-\$750,000):** Applied science projects and studies address challenges in energy production by identifying advanced technologies and practices specific to coal mined sites for more comprehensive ecosystem restoration, including reforestation and reclamation, and mapping and hydrologic assessment of flooded/flooding abandoned underground mines. OSMRE has invested a portion of its new discretionary appropriations each year in these types of projects. In order to focus on its core mission with limited resources, OSMRE will not allocate any new funding for these beneficial, yet collateral, activities in FY 2018.

**Electronic Permitting (-\$704,000):** OSMRE has been exploring the best way to leverage current state efforts and share information between and among all regulatory program offices for this activity. This modernization project will achieve future economies of scale for cost savings and improved effectiveness and transparency. In FY 2017, OSMRE staff will continue to work with the State of Montana to finalize developing the data application for OSMRE using Montana’s ePermitting system as a model. Therefore, this funding specific to the development of a permitting application, provided in the FY 2016 enacted budget and continued in the FY 2017 CR level, will not be needed in FY 2018.

**National Technical Training Program (NTTP) (-\$190,000):** The NTTP program activity supports and enhances technical skills that states and tribes need to operate their regulatory and reclamation programs. To focus on its core mission and fulfil its statutory requirements with reduced funding in FY 2018, OSMRE will reduce funding to the training classes it provides by 15 percent from the 2017 CR levels. NTTP training will be reduced by five (5) classes to 31 classes for FY 2018.

**Technical Innovation & Professional Service (TIPS) (-\$80,000):** OSMRE provides technical software, hardware, and training for all states, tribes, and OSMRE offices nationwide to support mine permitting, mine inspection, and bond release activities. To focus on its core mission and fulfil its statutory requirements with reduced funding in FY 2018, OSMRE will reduce funding

to the training classes it provides by 15 percent from the 2017 CR level. TIPS training will be reduced by four (4) classes to 21 classes for FY 2018.

**Operational Travel (-\$51,000):** OSMRE will maximize the use of available technologies to enable a 10 percent reduction in operational travel from FY 2017 CR levels in all program activities. Technical Assistance travel will be reduced by \$35,000; the Training activity travel will be reduced by \$9,000; and the Technology Transfer activity travel will be reduced by \$7,000. OSMRE leadership and management will closely monitor all official travel requirements during FY 2018 and may shift funding between business activities in order to ensure that the available funding is applied to the most critical operational travel requirements.

**Staffing Costs (-\$2,246,000/-9 FTE):** To support the President's initiatives to improve the efficiency, effectiveness, and accountability of the Executive Branch and to reduce the overall size of the Federal workforce, OSMRE is proposing reductions in the number of funded Full Time Equivalent (FTE) positions in all of its program activities. The costs and FTE savings are expected to be achieved by limiting the filling of current vacancies to only the most critical operational positions and by further reducing the number of FTE through attrition. OSMRE proposes reducing the Technical Assistance activity by \$1,127,000 and five (5) FTE; the Training activity by \$622,000 and two (2) FTE; and the Technology Transfer activity by \$497,000 and two (2) FTE. The reduced staffing levels proposed for FY 2018 in the Technology Development and Transfer business line will enable OSMRE to meet its statutory requirements under the Surface Mining Control and Reclamation Act (SMCRA) and minimally support other mission enhancing activities.

## OVERVIEW

The Technology Development and Transfer (TDT) business line (program activity) provides resources for technical assistance, training, technology development and technology transfer program sub-activities. This program activity supports and enhances the technical skills that states and tribes need to operate their regulatory and reclamation programs. Through support of OSMRE's restoration and protection goals, TDT funds implement effective partnerships with OSMRE's stakeholders. TDT is a nation-wide program that provides resources to states and tribes that meet their specific technical and training needs in carrying out the requirements of SMCRA.

In FY 2017 and FY 2018, OSMRE will continue to promote, to the extent possible, the use of Technical Innovation and Professional Services (TIPS) in technical decision-making processes related to SMCRA; address the remediation of acid mine drainage through participation in the Acid Drainage Technology Initiative; and finalize changes and provide training and technical assistance to meet identified needs of states and tribes. Also, OSMRE's technology transfer program will continue its support for electronic permitting and mobile computing efforts, by sponsoring interactive technical forums and related workshops. In addition, OSMRE will continue to provide regional technical service, libraries, and more efficient access to COALEX (a computer-assisted library search service).

**TECHNOLOGY DEVELOPMENT & TRANSFER  
ENCOMPASSES:**

Technical Assistance  
Technical Training  
Technology Transfer

**Operational Process (Program Activities):** The TDT program activities enhance the technical skills that states and tribes need to operate their regulatory and reclamation programs in order to more effectively implement SMCRA. These program activities are an integral part of accomplishing Environmental Restoration and Environmental Protection to achieve OSMRE's goals and outcomes.

OSMRE provides technical assistance and training to OSMRE staff, and states and tribes on a variety of topics. To solve problems related to the environmental effects of coal mining, OSMRE provides multidisciplinary technical assistance, and works with industry, states, tribes and the public on technical issues arising from new regulations. Other technical assistance efforts include the TIPS, the Applicant Violator System (AVS), and Electronic Permitting (EP). OSMRE also established an intergovernmental team, the National Technology Transfer Team (NTTT) to provide direction, communication, and coordination of efforts related to technology transfer and development. This team is a permanent entity and will continue throughout FY 2017 and FY 2018. New technologies, changes in regulations, and staff turnover necessitate the need for continued technical training. OSMRE provides this required training through the National Technical Training Program (NTTP). Technology transfer is a major part of OSMRE's cooperative effort with states and tribes.

The outcome of TDT program performance is ultimately measured by the success of the regulatory and reclamation programs in carrying out their environmental restoration and protection missions. In addition, performance for the business line is measured through the number of staff technically trained (including knowledge and skills taught and applied), the utilization of automated technologies (such as TIPS), and the quality and timeliness of technical assistance provided by OSMRE, determined via evaluations and customer service surveys.

**Actions Required to Achieve Annual Goals:** In FY 2018, OSMRE plans continued improvements in this business line. The NTTP, TIPS, the National Mine Map Repository (NMMR), and AVS will increase access to users by continuing to provide material via the Internet and supporting the Administration's E-Government initiative. In addition, the NTTP and TIPS will continue to work with technical leadership to provide direction, communication, and coordination efforts related to technical issues and studies.

**Resources, Skills, and Technology Needed:** An ongoing goal for FY 2018 is to continue ensuring states, tribes, and OSMRE have the best available technical data and information needed to make good science-based decisions regarding mining plans, reclamation project design, permit reviews, and acid mine drainage remediation and prevention. To successfully implement the surface mining regulatory and reclamation programs, OSMRE, as well as the states and tribes, must maintain multi-disciplinary staffs that are fully competent in addressing a wide variety of technical issues that impact these programs.

The total FY 2018 request for this business line is \$14.9 million. The request includes \$11.4 million for Technical Assistance (including the TIPS and AVS support); \$2.6 million for Technical Training; and \$0.9 million for Technology Transfer efforts to meet the annual goals set forth above.

The following section details by program activity, the funding and FTE resources required to meet our customer satisfaction performance measures. It also includes examples of the types of technical training, assistance efforts, and transfer provided by this business line.

## **2018 PROGRAM PERFORMANCE**

The following program activities support OSMRE's goal to strengthen the capabilities of the states, tribes, and OSMRE staff to implement SMCRA effectively through quality technical and scientific information, expertise, and training. Skill and knowledge enhancement is critical to the continued success of surface mining and reclamation programs. In addition, OSMRE will provide opportunities to students and interns, either directly or through cooperative agreements with others, under various activities described in this section to engage youth in technical and natural resources activities.

OSMRE's stakeholders (states, tribes, public and industry) continue to express support for Technology Development and Transfer efforts and encourage OSMRE to provide the types of technical support needed to effectively and efficiently meet SMCRA, the National Environmental Policy Act, and other environmental and safety laws. Cost-effective compliance will help industry remain competitive with other energy sources. Helping the states, tribes and industry achieve up-front compliance will reduce the need for additional regulatory resources. The TDT program area described in the following pages represents those activities where OSMRE staff provides direct technical support and ongoing efforts in other business lines. Many activities not yet conducted in FY 2017 will identify the needs for activities in FY 2018. In addition, adjustments in activities may be necessary during FY 2017 and FY 2018 in order to focus resources on the highest priority program needs. Therefore, the discussions are representative of the types of activities that will be conducted in the future.

### **1. Technical Assistance**

This program activity provides assistance to State and Tribal regulatory and reclamation staff, and to OSMRE staff that review and monitor state programs, develop rules or policy, litigate SMCRA challenges or enforcement actions, or maintain other technical support infrastructure such as TIPS, AVS, and technical training programs. The \$11,429,000 requested for FY 2018 will fund 53 FTE to carry out these activities. This is a reduction of \$1,824,000 and five (5) FTE from the 2017 CR level.

Technical assistance is provided specific to abandoned mine land projects, civil penalty and bond forfeiture projects, and other regulatory matters. These types of endeavors are integral parts of the Environmental Restoration and Protection business lines and are not included in this program activity.

Customer surveys such as those conducted under the Government Performance and Results Act (GPRA) are used to document the responsiveness of OSMRE's technical assistance to its customers in a timely and professional manner. By meeting the technical assistance needs, OSMRE can effectively achieve its Environmental Restoration and Environmental Protection mission goals while fostering the efficient use of our natural resources.

**a. Technical Policy Assistance**

OSMRE specialists provide technical assistance to state and OSMRE regulatory and reclamation policy staff. The areas of assistance include rulemaking; citizen complaint investigations; review of offsite impacts; guideline development; state program amendments; state mining permit evaluation; AML problem evaluation; blasting policy; prime farmland reclamation; geomorphic reclamation; soil substitution, coal combustion residue placement; reclamation bonding sufficiency and bond release; threatened and endangered species; restoration of mined land with native vegetation; land unsuitability determinations; participation as technical experts on interagency committees; acid mine drainage (AMD) prevention and remediation; acid and toxic forming materials handling; surface and groundwater dewatering; stream and underground mine flooding; mountaintop mining and valley fills; permit findings; re-mining; impoundment stability; subsidence caused by underground mining; and assistance in fostering Tribal primacy by helping tribes develop technical capabilities.

Examples of activities for FY 2017 – FY 2018 include:

**Blasting:** Annually, OSMRE facilitates discussions between State and Federal blasting specialists to foster a better understanding of blasting issues and technology that result in consistent defensible application of blasting rules, national certification of blasters and resolution of citizen complaints. To achieve these goals in FY 2016, OSMRE conducted state-specific blasting inspection training, utilized Excel tools to predict and evaluate the adverse effects of blasting, maintained the OSMRE Blasting webpage, hosted monthly Blasting Technical Chat conference calls, facilitated State regulatory discussions at state coordinated workshops, and responded to numerous state inquiries for technical information and advice.

OSMRE continues to issue OSMRE Blaster Certificates (recognized by many states for certificate/license reciprocity), provided continuing education for blasters and maintained the Blaster Certification Tracking System (BCTS) which is used to track federally-certified blasters. Currently, 73 blasters possess OSMRE Blaster Certificates in the Federal and Indian Lands Program, in the States of Tennessee and Washington and in the Navajo and Crow nations. To encourage strong education of blasters, a formal 40-hour training class was developed for blasters seeking to become certified. The class was first delivered to blaster-certificate applicants in Utah. Also, OSMRE facilitated discussions of the Appalachian Blaster Certification Delegation (ABCD) whose aim is to standardize training, experience requirements, and testing of blasters. Another goal of the ABCD is to develop consistent and fair enforcement actions against the individual blasters.

In FY 2017 and FY 2018, OSMRE will continue to help states address technology issues related to the use of explosives such as new products, new design techniques, interpretation of seismic and acoustic monitoring information, the proper deployment of blasting seismographs, consistent development of blasting plans, blast area security assurances, establishing safe vibration limits, control of flyrock, minimization of blast fumes and proper record keeping. Blaster certification programs will continue to be supported through the ABCD to ensure adequate training, improved work experience opportunities, consistent testing, and uniform certificate issuance and reciprocity across the nation. Support will also continue at national continuing education events

that provide technological and regulatory updates to blasters in need of continuing education credits. To ensure that OSMRE continues to promote the best technologies currently available, OSMRE will also assist the International Society of Explosives Engineers' Standards Committee develop and maintain performance and field deployment standards for blasting seismographs and participate on the National Fire Protection Association's Technical Committee on Explosives that develop standards on the safe use of explosives.

Underground Mine Mapping: In FY 2016, OSMRE awarded grants to ten states for the Underground Mine Map Initiative. The States of Alabama, Kentucky, Maryland, Ohio, Pennsylvania, Texas, Utah, Virginia, Washington, and West Virginia received funding to locate mine maps, scan maps, geo-reference mines, and develop new ArcGIS databases.

Acid Mine Drainage (AMD): Surface and underground coal mining activities expose iron sulfide minerals in rock to weathering. The interaction of these rocks/minerals with air and water can result in AMD, and/or metal-rich drainage, which are the primary water quality problems in Appalachia and to a lesser, but still serious, extent in other coal and hard rock mining regions.

OSMRE will continue to participate in the Acid Drainage Technology Initiative (ADTI) in FY 2017 and FY 2018. ADTI is a collaborative effort among Federal agencies, industry, the State environmental agencies, academia, and the National Mine Land Reclamation Center to promote communication and technology enhancement in the fields of emerging mine water issues, particularly AMD, selenium and total dissolved solids prediction, prevention and treatment, and biological impacts.

AMDTreat Software: AMDTreat is a computer application developed by OSMRE that is the industry standard for estimating long-term treatment costs for polluted mine water drainage, commonly referred to as Acid Mine Drainage (AMD). As a result, most Appalachian states rely on AMDTreat to help support various aspects of their regulatory and abandoned mine land programs. For example, Pennsylvania Department of Environmental Protection requires operators and permit reviewers to use AMDTreat to calculate or substantiate treatment costs for all 261 long-term discharges covered by a bond or trust fund. The fact that AMDTreat is being used to calculate and substantiate \$340,661,291 of treatment liability in Pennsylvania is a testament to the importance of the software in supporting state programs.

In FY 2016, OSMRE invested over \$437,000 on a cooperative project to update the computer coding and enhance treatment modules of AMDTreat. The cooperative effort includes OSMRE, the United States Geological Service (USGS), and the regulatory authorities of Pennsylvania and West Virginia to perform the recoding and enhancement effort. The scope of work includes creation of a new Graphical User Interface which will reflect current standards and streamlining, recoding of existing features, and the addition of cutting edge water treatment technology. This ongoing effort will continue throughout FY 2017.

Designating Areas Unsuitable for Surface Coal Mining: Section 522 of SMCRA establishes a process by which the public may petition the regulatory authority to limit or prohibit all or certain types of surface coal mining operations on land areas to protect certain features or

environmental values. OSMRE receives and processes these petitions for all lands for which it is the regulatory authority. The decision-making process includes preparation of an environmental impact statement and a takings implication assessment.

OSMRE also is responsible for making valid existing rights (VER) determinations under section 522(e) of SMCRA for all Federal lands and all lands for which OSMRE is the regulatory authority. Section 522(e) prohibits or limits surface coal mining operating within certain areas, subject to valid existing rights.

Both unsuitability determinations and VER determinations require substantial technical and programmatic resources and are supported by the Environmental Protection business line. They also involve litigation support if a takings claim is subsequently filed against the Federal Government.

#### **b. Site-Specific Technical Assistance**

OSMRE specialists assist in the technical aspects of compliance monitoring (including inspection and enforcement assistance), experimental practice reviews, reclamation cost estimate calculation, bond release application reviews, bond approval reviews, bond forfeiture reclamation designs, land unsuitability determinations, surveying, revegetation, geologic sampling, AML designs, subsidence and AMD abatement, and any technical assistance on citizen complaints and ten-day notices. The following are examples of the types of assistance provided to states and tribes.

Missouri Technical Assistance, Bathymetric Surveys: OSMRE's Mid-Continent Region (MCR) now has the ability to conduct sophisticated underwater (aka bathymetric) surveys of water features such as final-pit impoundments, waste disposal impoundments, and sediment ponds on active and abandoned mine sites. This equipment uses sonar pulses which allow accurate elevation models and contour maps to be built of the underwater surfaces. In FY 2016, at the request of the State of Missouri, MCR traveled to an active (Title V) mine site near Moberly, MO, to conduct a bathymetric survey of a 4,000-foot long final pit impoundment. The large final pit was previously mined by dragline mining techniques and had since filled with water. Missouri requested the bathymetric survey in order to determine the volume capacity of the water-filled pit for use in determining bonding liability held. MCR conducted the pit survey and used computer software to process the bathymetry data and terrestrial LiDAR into a complete digital elevation model and contour map of the entire pit area, both above and below water, to provide this volume calculation. As a direct result of this technical assistance, the bond amount held by the operator was increased by approximately \$3,000,000.

Kansas Technical Assistance, Monahan Refuse Site: The MCR is providing technical assistance in assessing this refuse site's potential of the design and construction of an AMD treatment system appropriate for site conditions and limitations. In addition to Kansas AML, the local Resource Conservation and Development Council are providing support as well as nearby Pittsburg State University as part of educational cooperative project.

Mine Water Treatment Systems Efficiency Evaluation: Numerous cases of active and abandoned mine water treatment systems exist throughout the Appalachian Region. The efficacy

of these systems is often well below optimum conditions due to a variety of reasons. Abandoned mine water treatment systems are generally operated by state agencies or local non-government organizations and require continual funding for ongoing operations and maintenance (O&M). Water treatment at active mine sites has the statutory requirement of treating to meet National Pollutant Discharge Elimination System (NPDES) effluent standards. Sufficient bonding is required to assure that treatment continues until the water quality meets effluent standards without treatment; which in many instances lasts for decades. Characterization of the mine water treatment systems allows for determination of the estimated time period that treatment may be necessary, methods for improvement of the existing treatment system efficiency, and cost to construct and operate new or replacement treatment systems as well as the potential for employing new innovative technologies to save capital, labor and materials costs. Many existing treatment systems were designed and constructed based on technology developed many years ago. New technologies and methods (e.g., use of high-strength hydrogen peroxide as an oxidant for iron removal) have been shown to greatly reduce treatment costs and diminish the volume of residual sludge created during treatment.

In FY 2016, OSMRE continued evaluating numerous mine water treatment facilities in West Virginia, Maryland, Pennsylvania, and Tennessee. Approximately twenty-three active permit sites in Tennessee are being evaluated at the request of the Knoxville Field Office for the long-term treatment liability of perpetual mine water discharges. Upon request, operators have provided mapping of the permit area including treatment facilities, water quality and flow data, and long-term costs for O&M of the existing treatment facilities. Based on the information provided by the operator, OSMRE evaluates the current treatment approach and provide suggested improvements or new treatment technologies along with the associated capital and annual (O&M) costs for each mine discharge. In Tennessee, OSMRE uses the establishment of long term treatment trusts financed by the operator to provide perpetual funding for the O&M and capital improvements of mine water treatment facilities.

Three mine water treatment facilities within the North Branch Potomac River watershed in northeastern West Virginia were evaluated for long-term treatment costs related to O&M of the mine pool pumping and water treatment facilities. Operators of the three facilities provided the information requested by OSMRE and West Virginia Department of Environmental Protection related to O&M and capital costs, treatment system mapping and schematic diagrams, and water quality and flow information for the raw mine water sources at each site. By using this information, three treatment facilities were evaluated under multiple cost-modeling scenarios using AMDTreat software in order to develop annual O&M costs for the existing systems and the capital and annual costs for new replacement systems with recommended technologies to improve treatment efficiency and reduce operating costs. The capital and annual costs for the new and existing systems were used to calculate a present value as an estimated bond or trust amount for perpetual operation of each treatment facility.

In FY 2016, OSMRE provided technical assistance to Pennsylvania Department of Environmental Protection (PADEP) and Virginia Department of Mines, Minerals, & Energy related to existing passive treatment systems for mine water discharges that are not functioning as intended. OSMRE personnel conducted site visits, sampled waters within each system to evaluate performance, measured flows, and reviewed information provided by the agencies

related to the engineering design and historic water quality and flow data. Based on all of this information OSMRE is able to provide the respective agency with recommendations and where applicable an improvements plan to rebuild the entire system or replace specific components of a system to improve the treatment effectiveness and minimize future issues. Many of these efforts continue in FY 2017.

PADEP requested technical assistance in FY 2015 from OSMRE to update a water treatment system for the LTV Clyde Mine Water Treatment Facility located in Washington County, PA. The technical assistance concluded in FY 2016 with the updated plant under construction. OSMRE developed the engineering design drawings including site plans, erosion and sediment control plans, profiles and sections, and details along with an engineer's construction cost estimate to incorporate a polishing wetland at the Clyde Mine Water Treatment Facility. This facility receives water pumped from an underground mine complex and has been treating the water using a hydrogen peroxide chemical process. However, one of the treatment components, specifically a clarifier unit, became less efficient so OSMRE designed a state of the art polishing wetland to improve the treatment efficiency and result in cleaner water. This treatment was successfully used at a wetland constructed at the Flight 93 Memorial Site mine water treatment system.

Engineering Evaluations, Analyses, and Investigations: OSMRE continues to provide engineering support to OSMRE field offices and State regulatory authorities in support of SMCRA. Field investigations and recommendations are provided to assist with citizen complaints, Ten-Day Notices, and Deficiency Letters. Site investigations are performed to obtain field data to support engineering evaluations and analyses for slurry impoundments, oversight studies, and off-site impacts resulting from mining activities. Engineering support is provided through evaluations of design calculations, slope stability analyses, soil mechanics, surface water hydrology, seepage analyses, erosion and sediment control, cost estimating, and the preparation of Engineering Reports. OSMRE is currently providing engineering assistance on the following projects in West Virginia, Tennessee, and Kentucky: Two slurry impoundments required engineering assistance to address staging issues and slope stability concerns for upstream construction and a proposed downstream buttress. A request to assess an orphaned impoundment is currently proceeding to ensure stability of the structure, and consistency with the approved permit. OSMRE is also providing engineering support to address a citizen complaint of flooding due to mining activities. This effort involves computer modeling of precipitation events and site conditions to address the cause of the flooding. A study to assess the stability of slurry impoundment embankments has resulted in a recommendation that the operator of a large impoundment conduct field and laboratory testing to satisfy slope stability concerns.

Coal Seam Fire Delineation: OSMRE continues to assist states and tribes in the use of the FLIR (Forward Looking InfraRed) camera to delineate the extents of underground mine fires, burning coal seams, and burning stock- and waste-piles. Burning coal causes a multitude of problems ranging from minor (the smell of burning coal) to life threatening (mine subsidence or forest fires) and has environmental consequences (e.g., particulate and other air emissions). The FLIR camera is a part of TIPS' equipment owned by OSMRE and loaned to states and tribes throughout the nation. Use of the FLIR camera to delineate the extents of burning coal seam

helps states and tribes calculate the extent of the problem and derive solutions to address both present and future problems. OSMRE is also investigating the viability of emerging technologies in this area; in particular, OSMRE is evaluating devices that can be paired with smart-phones to obtain infrared imagery with these pervasive devices.

**c. National Mine Map Repository**

OSMRE maintains the National Mine Map Repository (NMMR), authorized under the former U.S. Bureau of Mines and subsequently transferred to OSMRE in the mid-1980s. This repository, located in OSMRE's Appalachian Regional Office in Pittsburgh, Pennsylvania, maintains the only national inventory of mine maps and includes more than 181,000 abandoned coal and non-coal underground mines from throughout the United States. These maps, and the associated information, are used to fulfill customer requests for unique information that can range from rare maps for small projects to national collections for large interstate infrastructure projects such as high speed rail or electricity transmission lines. The maps bring great value to any project that depends on knowing the subsurface conditions of the earth for infrastructure design or public safety projects. Underground voids resulting from past mining have the potential to induce subsidence damage to homes, businesses, infrastructure, and to endanger underground miners. NMMR customers include State regulatory and reclamation staff, local government agencies, developers, engineering and mining companies, architects, universities, law firms, insurance companies, environmental consultants, pollution control boards, realtors, law-enforcement agencies, historical societies, drilling companies, and homeowners. The NMMR also provides scanning of mine maps for its clients. Receipts from the sale of maps and charges for NMMR research services are minimal and support the program.

The NMMR continues to pursue the acquisition, digitizing, geo-referencing and archiving of mine maps located throughout the United States. During FY 2016, we significantly increased our collection of Alaska, Kentucky, Pennsylvania, and West Virginia mine map scans and brought on five summer Pathways interns to increase production to fully utilize state of the art scanning equipment and complete digital records. Through this effort, the NMMR increased the archives by geo-referencing an additional 200 mines and scanned 1,000 new mine maps. Another major effort during FY 2016 was the correction of scanned mine maps that had not been accurately geo located. Nearly 8,000 mis-located mines for West Virginia have so far been correctly located this fiscal year. New software has been purchased to enable timelier processing and a new, larger scanner has been purchased to enhance our ability to scan mine maps. During FY 2017, work will be completed on the re-write of the NMMR database. This rewrite will allow for more efficient data entry and retrieval of mine map information.

**d. Electronic Permitting (e-Permitting)**

OSMRE, states and tribes worked on developing various e-Permitting solutions for their legacy coal permitting systems. During FY 2016, OSMRE began collaborations with the Montana Department of Environmental Quality, to develop a web-based coal mining permitting system. This new system enables Federal and State Government agencies to more effectively regulate the coal mining industry. Mine operators are able to plan multiple phases of future operations without interfering with their current permit in a way that would be impossible with the

traditional file-based processes. The system will automate the workflow between both entities, and records a permanent audit trail of all activities, and it will manage complex bond calculations, and track inspections.

**e. Technical Innovation and Professional Services (TIPS)**

The goal of TIPS is to provide State, Tribal, and OSMRE personnel with a comprehensive set of analytical tools to aid in technical decision-making related to regulatory and reclamation processes. The services provided are centered around off-the-shelf scientific and engineering computer hardware and software supported by OSMRE in partnership with the states and tribes. This technical assistance has grown from a few applications available on a single specially designed shared workstation, to a suite of software on each user's desktop computer.

TIPS is a national program that continues to research emerging technologies and their application to SMCRA. Currently, TIPS assistance consists of providing commercial software applications to State, Tribal, and OSMRE offices at considerable cost savings by sharing the commercial licenses for the software via the Internet and OSMRE Wide Area Network. The 30 commercially available software applications cover a wide range of regulatory and AML subjects. The customer base covers over 90 State, Tribal and OSMRE office locations throughout the country – about 2,000 users.

The TIPS suite of scientific, data base, and mapping core software aids the technical decision-making associated with: (1) conducting reviews of permits, (2) performing cumulative hydrologic impact assessments, (3) quantifying potential effects of coal mining, (4) preventing acid mine drainage, (5) quantifying subsidence impacts, (6) measuring revegetation success, (7) assisting in the design of abandoned mine lands projects, and (8) providing the scientific basis for environmental assessments and environmental impact statements.

Demand for TIPS tools and support continues to increase, especially in the demand for geospatial data, and mobile computing tools for field use. TIPS continues to offer more training to accommodate the use of mobile computing devices by inspectors. Mobile computing allows inspectors to be more efficient, which, in turn, raises the quality and quantity of inspections. TIPS software users in states, tribes and OSMRE logged 68,696 TIPS core software sessions in FY 2016, aiding the permitting process and abandoned mine land reclamation.

Examples of TIPS related activities include:

GeoMine Project (Geographic Information System): In FY 2016, OSMRE collaborated with the DOI Cloud team to host GeoMine geospatial data services through a secure, FedRAMP-approved vendor. The public release of the operational GeoMine internet was delayed until December 2016. In FY 2016, several SMCRA programs with digital data that are “GeoMine-ready” were loaded into the database. These states included Colorado, Wyoming, Montana, and Utah.

GIS Mobile Computing: In FY 2016, OSMRE procured tablets that can display and collect geospatial data while at the mine site. The base data for the systems comes from GeoMine and

an Imagery Server allowing field personnel to display data along with their Global Positioning System (GPS) location. Data collected in the field is synchronized nightly to the GIS server and is made available to anyone in the OSMRE network via a web map. The results during the FY 2017 field season will be used to streamline and expand the program to more regions, states and tribes in FY 2018.

Emerging Technology Testing (Mobile Computing Devices): Widespread adoption of smartphone and tablet technologies within the general population over the past few years has greatly enhanced the technical capabilities and adaptability of State, Tribal and OSMRE staff. Success of previous efforts toward testing of mobile devices, and training of inspection field staff in their use was often limited due to the steep learning curves associated with those devices. The personal adoption and familiarity with smartphones has given field staff more confidence in their ability to learn and productively adopt technology associated with smartphones (various apps and Bluetooth connected devices). OSMRE staff has been working to test the functionality and effectiveness of various GPS, laser measurement, water testing and infrared devices that are smartphone compatible.

Emerging Technology Testing (UAS, Photogrammetry and Ground-Based Scanners): Rapidly evolving technologies in the last few years have been the wide-spread adoption of Unmanned Aerial Systems (UAS) throughout the nation. An effort has been made in cooperation with the DOI Office of Aviation Services (OAS) to test the applicability of UAS technologies in the field in relation to SMCRA activities. From FY 2010 – FY 2015, UAS were used to fly missions over active coal mines in the AR with the assistance of OAS in the field. Current efforts are underway to procure several UAS for the OSMRE Field Offices and Regional staff. UAS data has been proven effective in assisting site inspectors in the field, as well as allowing collection of georeferenced imagery that can be used for advanced data processing for site design work for AML. Photogrammetry software has been utilized successfully to create fully rendered surface models from imagery taken from satellites, manned aircraft, unmanned aircraft, and ground-based. Ground-based laser scanners are also being examined for use in conjunction with these photogrammetric models to allow for accurate surface modeling for enforcement and reclamation design.

ArcGIS Imagery Server: The TIPS group established a 40 Terabyte server to deliver satellite and aerial imagery data to OSMRE. The server organizes data by sensor and date to provide geospatial data users the most appropriate imagery layer for analysis. In FY 2017, and continuing into FY 2018, additional data applications will be developed to make the data more accessible for nontraditional geospatial data users, such as inspectors, in support of SMCRA work.

Montana AML Groundwater Flow Model: TIPS provided technical assistance to the Montana Department of Environmental Quality in developing a three-dimensional groundwater flow model. The project used Groundwater Vistas software to evaluate well locations, required groundwater extraction rates, dewatering timeframes, seasonal pumping schedules, and alternate management strategies. A critical insight gained through this work was that the construction dewatering and water treatment efforts would be best achieved by pumping the aquifer system underlying the impoundment instead of extracting water directly from the tailings. The modeling

work was tested by the installation of a 17-well dewatering system, groundwater pumping rates exceeding 800 gallons per minute, and complete excavation of the tailings impoundment. The successful design and operation of the dewatering system resulted in project completion one year ahead of schedule.

**f. Applicant/Violator System (AVS)**

The AVS is a National information database OSMRE maintains to support many types of research and program efforts, but primarily it supports permit eligibility determinations under section 510(c) of SMCRA. As part of the permit review process, State and Federal regulatory authorities use the information contained in the AVS to evaluate if an applicant for a mining permit or AML contract has outstanding or unabated violations in order to determine the applicant's eligibility to engage in surface coal mining operations or receive an AML reclamation contract.

During FY 2016, the AVS Office processed over 669 requests for data evaluations from State and Federal regulatory authorities and state abandoned mine land program officials to assist in spotting permit and AML-project eligibility problems. OSMRE also entered into seven payment/settlement agreements with entities trying to remedy unabated Federal civil penalty and reclamation fee violations tracked in the AVS so they could become eligible to receive new permits to surface mine.

In line with the Department's intent in pursuing IT efficiencies, the AVS's virtualized database uses Cloud infrastructure services from a third-party contractor who supplies all hardware and maintenance support. The AVS office will continue to work with system users to identify and implement system improvements during FY 2017 and FY 2018. To ensure our customers can continue to rely on accurate data and a stable environment to support their efforts with implementation of section 510(c) of SMCRA, AVS staff will continue to conduct data studies in FY 2017 and FY 2018 to ensure regulatory program staff enter and maintain permit and violation information in the system in accordance with regulations and data standards.

The AVS Office staff provides services to customers, including regulatory authorities, the coal industry, citizens groups, and other Federal agencies. Some of the services provided include: a newly accepted role in identifying potential bankruptcies and creation of a bankruptcy notification process for OSMRE and our State regulatory partners; assistance in interpreting of AVS data; updating information in the AVS for coal businesses that mine in more than one state; providing system training to users; and providing investigative assistance to regulatory authorities on complex ownership and control issues.

Customer surveys are used to document the responsiveness of AVS services provided to its customers. During FY 2016, the AVS Office received a customer satisfaction rating of 98 percent with a returned survey rate of 60 percent. The survey response rate has decreased in the past several years due to a reduction in state staff that can respond, as well as fewer permitting actions that generate a survey request. OSMRE attributes the high 98 percent customer service rating to a shared conviction by all the staff that responding to customers' needs in a timely manner is the AVS office's primary business.

## 2. Technical Training

Technical Training provides OSMRE, State, and Tribal staff the necessary information and skills to implement the surface mining reclamation and enforcement program. This request includes \$2,550,000 and 23 FTE for this program activity. This reflects a reduction of \$768,000 and two (2) FTE from the 2017 CR level. The various training program components are explained below.

### a. National Technical Training Program

OSMRE established the National Technical Training Program (NTTP) in 1985, recognizing the need for an ongoing educational program to increase the technical competence and professionalism of Federal, State, and Tribal personnel. The program delivers training related to permit approval, bond release, reclamation, and enforcement. The training serves to build and update technical expertise and fosters consistent application of standards. Training is provided in each of the disciplines involved in implementation of SMCRA, which include chemistry, geology, engineering, hydrology, blasting, agronomy, and botany.

All aspects of the program from identification of needs through course development and presentation are cooperative efforts of State, Tribal, and OSMRE offices. There is an economy of scale achieved by the pooling of State and Federal resources that allows instruction in a wide variety of subjects each year for all State, Tribal, and OSMRE programs.

Following are a few comments received on student evaluations from employees and supervisors.

“Excellent course with lots of real work examples of success and failures to prepare students for all the surprises that can arise when preparing designs, bid packages, and implementing construction and post-construction reviews” AML Drilling and Grouting (Employee)

“Even when the course content is not specifically related to the employee's normal job duties, I'm of the opinion that attending is still very beneficial in every instance. Employees always come back with new ideas and knowledge that they would not have been exposed to, absent these training opportunities. Classroom discussions tend to drift from the actual conversation starting point at times, which in this case is a positive thing. Those experiences can be just as valuable and helpful as the attendees often hear of a different perspective, technique or approach to something.” Evidence Preparation and Testimony (Supervisor)

“The presentation of course materials and topics were relevant, useful, and impressive. The main presenters were confident, fluent in the subjects presented, articulate in answering questions, thorough, concise, and accurate in presentation methods. Supporting staff were very helpful to attending trainees.” Forensic Hydrology Investigation (Employee)

“The training made my employee aware of possible consequences of not documenting his work.” Evidence Preparation and Testimony (Supervisor)

**Meeting Office Specific Needs of Mining and Reclamation Staff through Special Sessions:**

In addition to regularly scheduled FY 2016 courses, NTTP presented the following special sessions: Enforcement Procedures, in Salt Lake City, Utah, with 16 students; Passive Treatment, in Big Stone Gap, VA, with 22 students; Two Coalfield Communication, in Anchorage, Alaska and Charleston, West Virginia, with 28 and 15 students respectively; and Blasting and Inspection, in Frankfort, Kentucky, with 22 students.

**Course Enhancements:** The Wetlands Awareness course was enhanced to include electronic format to enhance the technological capability to produce on the ground results that reflect current site conditions. Revisions were made to the Instructor Training Course (ITC) to include a 5-7 minute training presentation conducted by the attendees on the first day of class. The presentation provides instructors and attendees with a benchmark by which to measure progress throughout the week. The course culminates with attendees' presentation of a 20-minute training lesson.

**Plans for FY 2017 and FY 2018:** NTTP received 1,592 requests for spaces in FY 2017, and anticipates it will receive additional requests for special sessions during the year. To keep travel costs down and to provide the maximum experience of field conditions most like those that students work in, courses will be scheduled as close to home offices as possible in both FY 2017 and FY 2018. In FY 2016, courses were held in 15 locations in 6 states.

**Annual Program Planning to Identify Training Needs:** Each Spring, OSMRE conducts a Training Needs Survey for the upcoming fiscal year to determine the training needs of the almost 2,000 State and Tribal regulatory and reclamation staff, as well as over 400 OSMRE regulatory and reclamation staff. NTTP analyzes the annual survey results to determine if there is sufficient interest to justify a course, and if so, how many sessions of the course are needed. Students are assigned to classes that are closest to their office to minimize travel costs and to provide students with field experience most similar to their geographic working conditions. The number of requests for courses usually exceeds the number that NTTP can offer. Students who are not assigned to classes are put on a waiting list. Those on the waiting list are notified 30 days prior to class if space becomes available. To address changing on-the-ground needs, NTTP staff continues to work with offices to meet subject specific needs that arise subsequent to the Needs Survey. To assure that students are receiving the latest technical and programmatic information, NTTP continually reviews courses based on student, supervisor, and instructor feedback, and revises or add courses accordingly in consultation with the NTTP Steering Committee.

**Course Revisions:** FY 2017 and FY 2018 course revisions are planned for AML Drilling and Grouting, AML Realty, AML Design Workshop: Dangerous Highwalls, Applied Engineering Principles, Evidence Preparation and Technology, Expert Witness, Historical and Archaeological Recourses, SMCRA; Permitting and the Endangered Species Act: Implementation of the 1996 Biological Opinion, Soils and Revegetation, Subsidence, Underground Mining Technology, Wetlands Awareness, Principles of Inspection, and The Basic Inspection Workbook.

**On Line Program Planning:** FY 2017 and FY 2018 planning includes development for on-line components of the Underground Mining Technology and Wetland Awareness courses as

appropriate, and also a Basic Mining Related Chemistry course to serve as a pre-requisite to the Acid-Forming Materials courses. Once revised, the Basic Inspection Workbook and Principles of Inspection/SMACRA will be online also.

### **b. TIPS Software Application Training**

The tools that TIPS provides to State, Tribal, and Federal offices ensure that all agencies with SMCRA responsibilities are using the same advanced software and hardware tools to conduct the business required by the Act. TIPS offers more than just software and hardware; the program also provides specialized training to use these tools in mining and reclamation. The TIPS Training Program is a collaborative effort among OSMRE, states, and tribes. Course developers and instructors are reclamation experts who use TIPS software to solve a wide-range of complex permitting, enforcement and abandoned mine land problems. Although most of TIPS tools are off-the-shelf applications, TIPS training is tailored exclusively to mining and reclamation uses. TIPS courses are delivered on-site at the customer's request, and in training centers located in OSMRE's Regional Offices: Denver, Colorado; Alton, Illinois; and Pittsburgh, Pennsylvania.

In FY 2016, the TIPS training program received a customer satisfaction rating of 99 percent, meeting the annual GPRA goal. Twenty-one instructor-led classes were held in FY 2016 with 236 students completing class sessions. Additionally, seven students attended online training courses sponsored by TIPS, bringing the FY 2016 total to 283 students. Four of the 25 training classes were conducted "on-site" at locations to meet the specific training needs of particular offices or groups of students throughout the SMCRA community. In FY 2017, TIPS plans to hold 25 instructor-led classes (three held on-site in Kentucky and West Virginia), and three on-line training courses. The FY 2018 course schedule will be determined by the results of the joint NTTP-TIPS training needs survey.

While many TIPS courses are facilitated by an instructor in a traditional classroom, the TIPS Training Program continues to actively expand online opportunities and provide "just-in-time" training resources for our customers. Over 100 online courses are available through the TIPS Virtual Campus and ESRI, which is the world leader in GIS modeling and mapping. TIPS utilizes its Virtual Campus and continues to educate our instructors on techniques to teach in an on-line environment.

### **c. Regional/Site Specific Training**

OSMRE regions also conduct courses and workshops at OSMRE, State and Tribal locations to address specific needs. The OSMRE regions provide specific, on-the-job training on topics such as: technical software applications, field equipment, blasting certificate update training, grants management, how to prepare and/or process state program amendments, and conducting AML project design. We provide these classes on short notice (usually 1 to 3 months) and tailor them to the specific needs of the audience.

Site specific classes allow State, Tribal and OSMRE managers to rapidly respond to changing technology and workforce. OSMRE plans to continue providing this region and state specific training in FY 2017 and FY 2018. With rapidly developing technologies in Unmanned Aerial

Systems (UAS), photogrammetry and terrestrial scanning, OSMRE expects the requests for specialized training to increase over the next few fiscal years. As the varying programs acquire their own systems in these fields, training on operation, data collection, processing and using the results in enforcement processes will be essential to the efficient enforcement of SMCRA in coming years.

### **3. Technology Transfer**

Technology Transfer is an integral component of OSMRE's Restoration and Protection business lines providing national support to State and Tribal programs. Technology Transfer is accomplished through a variety of activities. This request includes \$909,000 and 9 FTE for these activities, which is a reduction of \$1,233,000 and two (2) FTE from the 2017 CR levels. State technical representatives meet frequently with OSMRE regional staff to share resources whenever practicable to resolve regional technical issues. OSMRE sponsors or participates in interactive technical forums, computer applications workshops, and technical seminars to address mining and reclamation environmental issues. OSMRE partners with the states, tribes and industry to develop technology transfer priorities.

The OSMRE national and regional technology transfer teams evaluate initiatives to encourage networking and information sharing that will result in program improvement or enhancement. OSMRE's Technology Transfer activities bring a new approach to nationwide cooperation and customer service. They encourage the timely and efficient use of our natural resources while protecting the environment.

In addition to activities between OSMRE and states, tribes and industry, OSMRE has extended Technology Transfer opportunities to other Federal agencies, in particular the Mine Safety and Health Administration (MSHA). When seats are available in OSMRE training classes they have been made available to MSHA. OSMRE also informs MSHA representatives of funded Applied Science projects, and invites their participation in site and laboratory visits; and asks for their comments regarding conduct and results of these studies.

#### **a. Technology Development**

One of OSMRE's most important missions is to advance and transfer technologies that will improve the effectiveness and efficiency of the science of mine land reclamation. Advancement of this technology will result in better mining and reclamation practices, and provide for better science-based decision-making. OSMRE will continue to advance technologies and practices specific to coal mine sites for more comprehensive ecosystem restoration, including reforestation and reclamation using native vegetation and plant habitat.

During FY 2016, OSMRE funded twelve new Applied Science studies related to mining and reclamation practices, providing funding to ten universities (including a Minority Higher Education Program) and one research laboratory. Proposals selected for funding is based on their potential to improve our understanding of how best to conduct mining and reclamation, so as to minimize adverse environmental impacts. A listing of the funded studies that are ongoing or were recently completed is contained in Table 7 at the end of this section.

## **b. Technology Transfer and Publications**

Technology Transfer is accomplished through a variety of activities including: conducting workshops and technical forums; publication of workshop and forum proceedings, handbooks, and other materials; maintenance of the OSMRE technical library and various information websites. Examples of activities include:

Reforestation: OSMRE continues its effort to encourage proper reforestation practices to increase the amount of mined land reclaimed as healthy, productive forests. The reforestation initiative effort has resulted in not only increased use of the Forestry Reclamation Approach (FRA), but also technical and policy symposia and a reforestation website to explain the methods and benefits of reforestation. The Appalachian Regional Reforestation Initiative (ARRI) team members give presentations at professional meetings, and the 33-member Science Team (made up of university researchers from across the country and members of the American Bird Conservancy, The American Chestnut Foundation, the U.S. Geological Survey, and the U.S. Forest Service) publish bulletins on state-of-the-art reforestation practices. In August 2016, ARRI brought together landowners, industry representatives, environmental groups, researchers, regulatory personnel, and citizens groups to the tenth annual Mined Land Reforestation Conference in Knoxville, Tennessee, to learn about advancements regarding the use of the FRA to reclaim coal mine sites. The theme of the conference was “Perspectives on the FRA.” In FY 2016, ARRI partners organized 2,140 volunteers to plant approximately 240,000 trees on post-bond release mine sites across Appalachia. The volunteers learned about planting trees using FRA and the positive environmental and economic impacts of forests in their state.

Workshops and Forums: National and regional workshops and forums facilitate the exchange of information between technical experts in the mining and reclamation fields, and also communicate that knowledge to the wide audience of regulators, citizens and mining company officials. OSMRE plans to hold workshops on issues such as mine pools, bonding, water quality, gas wells in coal mining areas, stream restoration techniques, geomorphic reclamation, protection of endangered species, etc. OSMRE plans to develop more opportunities for distribution of technical information utilizing the internet and other electronic means that will not require travel during FY 2017 and FY 2018.

One example of national and regional events that occurred in FY 2016 is OSMRE’s presentation at the American Society of Mining and Reclamation conference held in Spokane, Washington, in June 2016. The presentation focused on the Tab-Simco passive treatment system for remediation of acid mine drainage using a sulfate-reducing bioreactor. Tab-Simco is an abandoned coal mine located southeast of Carbondale in Jackson County, Illinois. Investigations were conducted for over three years by OSMRE in collaboration with the Illinois Department of Natural Resources, Office of Mines and Minerals.

Reports, Forums and Workshop Proceedings: OSMRE publishes and co-sponsors the publication of proceedings from numerous forums and workshops and various topical reports. These publications and CD/DVDs are distributed to interested parties at technology transfer events, upon request, and at various websites maintained by OSMRE. The agency publishes

proceedings, reports and event notices in paper copy, on CD/DVDs, and over the Internet to reach the widest audience possible.

OSMRE Technical Library: OSMRE maintains a National Technical Library in its Western Region Office in Denver, Colorado. The Library provides access to technical, scientific, and legal information for the bureau, as well as the states, tribes, industry, citizen groups, and the public through a variety of services including: reference assistance, technical research, document delivery, and the dissemination of critical current awareness information.

During FY 2016, the Library fielded over 150 requests for reference and research assistance, interlibrary loan requests, and document requests. In order to provide worldwide access to the specialized information resources in the collection, the Library maintains a web-accessible bibliographic catalog of materials, as well as hosting technical documents and OSMRE Federal Register notices. This allows those materials to be made directly available via the Internet to interested persons. The Library uses a short (5-7 minute) video to acquaint new staff members with resources available to them through the Library. The Library continues its membership in the DOI Council of Libraries, and looks forward to collaboration efforts with other DOI libraries in providing resources and information across the Department in FY 2017 and beyond.

### **c. Educational Outreach and Partnerships**

To make the public and students aware of OSMRE's responsibilities and its environmental stewardship mission, OSMRE staff provides educational outreach to science teachers associations, science classes, educational fairs, Earth Day events, career days, foreign visitors, grassroots organizations, and professional associations and societies. Additional outreach is provided through publications and distribution of forum proceedings. Outreach efforts will continue in FY 2017 with OSMRE's participation in local activities supporting such events as University science seminars, high school career days, and primary grade school presentations that provide age-appropriate information about environmental stewardship and promote careers in science, technology, engineering, and math to thousands of school children.

University Partnerships: Minority Higher Education Program: OSMRE works to build mutually beneficial partnerships with minority serving colleges and universities under the OSMRE Minority Higher Education Program (MHEP). OSMRE provides guidance and direction on these projects to ensure that the intended results are achieved. OSMRE also collaborates with our MHEP partners on training and education programs.

In addition to traditional training within the SMCRA community, OSMRE has been involved in a collaborative partnership with Adams State University (ASU), a Hispanic Serving Institution, in Alamosa, Colorado, since November 2009. OSMRE signed a Memorandum of Understanding (MOU) with the University in August 2012, which provides a framework for cooperative efforts between the parties to develop and implement initiatives that would strive to build educational excellence while contributing positively to both OSMRE and ASU missions. OSMRE is currently working to develop a similar relationship with Tennessee State University. These partnerships will continue to support government and academia as they contribute their joint efforts to engage youth in the outdoors and increase youth opportunities for future employment.

University Educational Fairs: In FY 2016, members of the OSMRE staff served as presenters at the Lindenwood University (Saint Charles, Missouri) GIS Day 2016 event. This event provides a forum for GIS users to demonstrate practical applications of GIS to the university students, as well as providing an opportunity for people to learn about geography and the use of GIS in their own environments. Participation in this event will continue to support a positive relationship between OSMRE and academic institutions.

Student Collaborations: In FY 2016, members of the OSMRE staff presented at the Girls in the Middle 2015 event at Otero Junior College, in La Junta, Colorado. This event promotes careers in the STEM fields (Science, Technology, Engineering, and Math) to girls in the middle school grades (5<sup>th</sup>, 6<sup>th</sup>, and 7<sup>th</sup>). An introduction to careers available in the GIS and Geography field are presented, as well as a geocaching activity in which the students can participate.

TIPS demonstrated the XRF (x-ray fluorescence spectrometer) at Adams State University's Geology Field Course in Buena Vista, Colorado. The students were able to collect rock samples that were analyzed in situ. The data was then used to complete their mapping exercises.

## **TECHNOLOGY DEVELOPMENT AND TRANSFER**

### **2017 Planned Program Performance**

In 2017, in addition to activities previously mentioned, the planned activities in Technology Development and Transfer include:

- OSMRE will develop draft changes to the blasting performance standards to address blasting generated fumes as petitioned by the WildEarth Guardians and will continue to help states address technology issues related to the use of explosives.
- OSMRE will continue to provide technical assistance to states and tribes, making use of emerging technologies for field data collection, and in-house information processing capabilities.
- During FY 2016, ten states were awarded grant money for mine map related efforts: Alabama, Kentucky, Maryland, Ohio, Pennsylvania, Texas, Utah, Virginia, Washington, and West Virginia. These grants will allow these states to work in FY 2017 to: locate mine maps, scan maps, geo-reference maps, and develop new ArcGIS databases.
- OSMRE, states, and tribes will continue to work on development of e-Permitting solutions for their legacy coal permitting systems.
- OSMRE will continue evaluating emerging technologies, including smart-phone and tablet accessories, unmanned aerial systems (drones), and developing workflows to process data obtained. Results of these evaluations and workflows will be disseminated to OSMRE, states, tribes, and industry by reports, and presentations at conferences, workshops, symposia, and meetings.
- NTTP and TIPS will continue to develop course materials and topics that are relevant, useful, and impressive. Course revisions are planned for 14 NTTP courses. NTTP and TIPS will continue to recruit instructors from the states, tribes, and OSMRE who are confident, fluent in the subjects presented, articulate in answering questions, thorough, concise, and accurate in presentation methods.
- OSMRE will continue to cultivate a relationship with MSHA, with goals of reaching consensus on technical issues, and cooperation in areas where jurisdictions may overlap. Significant progress has been made, and this is expected to continue.
- Continue to monitor 6 applied science projects and 7 technical investigation projects, reporting results when available.
- Close out the 3 year Applied Science Cooperative Agreement with Adams State University, which supported government and academia as a joint effort engaging youth in the outdoors and increasing youth opportunities for future employment.

- Conduct technical training and TIPS courses in accordance with revised schedules and available funding levels.
- Continue to look for partnering opportunities to engage youth in the outdoors and increase youth opportunities for future employment.

### **2016 Program Accomplishments**

In 2016, in addition to accomplishments previously mentioned, the major accomplishments in Technology Development and Transfer include:

- OSMRE conducted state specific blasting inspection training, developed Microsoft Excel tools to predict and evaluate the adverse effects of blasting, maintained the OSMRE blasting webpage, hosted monthly “Blasting Technical Chat” conference calls, facilitated State regulatory discussions at state coordinated workshops and responded to numerous state inquiries for technical information and advice.
- OSMRE’s Mid-Continent Region (MCR) obtained equipment and developed procedures to conduct sophisticated underwater (bathymetric) surveys of water features such as final-pit impoundments, waste disposal impoundments, and sediment ponds on active and abandoned mine sites.
- OSMRE provided technical assistance related to water quality of mine discharges at 27 sites in West Virginia, Maryland, Pennsylvania and Tennessee.
- OSMRE provided technical assistance involving analysis of quality control and stability issues at coal mine waste slurry impoundments in West Virginia, Tennessee, and Kentucky. This assistance included support of Field Offices with Ten Day Notices, specific issue investigations, and detailed inspections.
- ARRI partners organized 2,140 volunteers to plant approximately 240,000 trees on post-bond release mine sites across Appalachia.

**Performance Overview Table - Technology Development and Transfer  
Mission Area 6: Building a Landscape Level Understanding of our Resources.**

Strategic Objective Metrics	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 CR Baseline	2018 Budget Request
<b>Strategic Plan Measures</b>						
Number of tools registered on the Geospatial Platform that can be used to support landscape level decision making. (GeoMine and ESRI)	--	--	2	2	2	2
<b>Comments:</b> There is ongoing work with Environmental Systems Research Institute(ESRI) the prime supplier of Geographic Information System software for enhancing data and information for decision making.						
<b>Contributing Programs:</b> Technical Assistance						
Number of landscape mitigation strategies that provide for the conservation of natural resources occurring before, during, or after development activities. (OSMRE contribution to DOI Measure)	--	1	2	2	2	2
<b>Comments:</b> OSMRE encourages reforestation practices using the Forestry Reclamation Approach as taking actions for addressing the petition for Lands Unsuitable for Mining (LUM) from the State of Tennessee .						
Number of landscape mitigation actions that provide for the conservation of natural resources occurring before, during, or after development activities. (OSMRE contribution to DOI Measure)	--	13	15	18	14	13
<b>Comments:</b> Sustaining the number of watershed cooperative agreements above 13 is desirable for ongoing work on mitigating the effects of acid mine drainage.						
<b>Contributing Programs:</b> Watershed Cooperative Agreements						
<b>Efficiency or other Bureau-Specific Measures</b>						
Percent satisfaction with the scientific and technical products and assistance.	96%	99%	98%	98%	97%	97%
<b>Comments:</b> This measure is a customer service standard for OSMRE's efforts towards the Technology Transfer activity.						
<b>Contributing Programs:</b> Technology Transfer/Technology Development						
Customer effectiveness rate in the quality of technical training - NTTP.	95%	95%	99%	95%	93%	93%
<b>Comments:</b> This measure rates the level of satisfaction that customers have with OSMRE-provided technical training.						
<b>Contributing Programs:</b> Technical Training/National Technical Training Program						
Number of students trained - NTTP.	590	688	667	649	650	650
<b>Comments:</b> Most training course offering are listed at the beginning of each fiscal year. Trained students are the number who attended NTTP training courses during the fiscal year reporting period.						
<b>Contributing Programs:</b> Technical Training/National Technical Training Program						
Customer satisfaction rate for TIPS training.	99%	98%	93%	99%	93%	96%
<b>Comments:</b> The success of the training program continues to draw upon recent input from previous students.						
<b>Contributing Programs:</b> Technical Training/National Technical Training Program						
Customer satisfaction in the quality and timeliness of AVS provided services.	98%	99%	99%	98%	96%	96%
<b>Comments:</b> Applicant Violator System ( AVS) is a national information database OSMRE maintains to support many types of research and program efforts primarily for supporting permit eligibility.						
<b>Contributing Programs:</b> Technical Assistance						
Percent of active Forestry Reclamation Approach (FRA) compliant acreage planted.	48%	48%	49%	49%	49%	49%
<b>Comments:</b> The measure is applied to active mining on reclamation sites in seven Appalachian States for which data is collected.						
<b>Contributing Programs:</b> Technology Transfer/Technology Development						

Strategic Objective Metrics						
Strategic Plan Measure / Efficiency or other Bureau-Specific Measure	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 CR Baseline	2018 Budget Request
<i>Efficiency or other Bureau-Specific Measures</i>						
Percent of taret groups attending outreach training sponsored by ARRI.	12%	16%	13%	14%	14%	14%
<b>Comments:</b> Target groups are comprised of landowners, industry representatives, and environmental groups who are deemed key to the success of expanding the Forestry Reclamation Approach (FRA).						
<b>Contributing Programs:</b> Technology Transfer						
Customer service rate in the quality of technical assistance.	100%	100%	100%	100%	97%	97%
<b>Comments:</b> Customers include state regulatory and reclamation staff and OSMRE staff that monitor State programs and develop rules or policy.						

**Table 7 – Status of Applied Science and Technical Investigation Projects Funded in Prior Fiscal Years**

Applied Sciences	
Project Title/Contractor	Purpose/Funding
A Passive Magnetized Metal Removal System Utilizing Functionalized Nanoparticles for Initial Treatment of Seasonal Acid Rock Drainage: New Technology for Enhancing Passive Treatment Systems; Langman; University of Idaho  Ongoing	The purpose of the study is to construct a magnetized high-throughput screen device combined with high surface area metal nanoparticles for reducing metal concentrations is seasonal fluxes of acid rock drainage. \$199,949
Blasting Effects on Coal Refuse Impoundment Structures; Lusk; University of Kentucky  Ongoing	Analyze the slope stability of coal refuse/slurry impoundments over time under static and dynamic conditions produced as the consequence of the blasting activity at a surface coal mine. \$200,000
Developing an Isotopic Fingerprint of Acid Mine Drainage to Identify Underground Controls on Groundwater Flow Paths; Kuzara; Montana Tech of the University of Montana  Ongoing	The purpose of the study is to demonstrate the potential of using isotropic tracers of sulfur and oxygen of sulfate to inexpensively identify the presence and percent composition of acid mine drainage in down gradient wells, potentially identifying preferential flow paths in limestone aquifers. \$199,954

<b>Applied Sciences</b>	
<b>Project Title/Contractor</b>	<b>Purpose/Funding</b>
Evaluating the Influence of the Forestry Reclamation Approach on Water Quality and Hydrology on Appalachian Coal Mines; Barton; University of Kentucky Research Foundation  Ongoing	The purpose of the study is to evaluate the influence of the forestry reclamation approach on water-quality and hydrology on Appalachian coal mines. \$195,490
Evaluation of Geomorphic Reclamation Performance and Models in the Southwestern United States; Stone; University of New Mexico  Ongoing	Advance the performance of geomorphic reclamation. Specific objectives are: evaluate the effectiveness at producing conditions that mimic natural analog basins and channels; assess effectiveness of watershed models in informing the geomorphic reclamation process; and investigate the long-term stability of reclaimed land including the impacts of extreme events. \$199,675
Field Investigation and Stability Analysis of Coal Slurry Impoundments; Xiao; Penn State University  Ongoing	The purpose of the study is to evaluate the stability of coal slurry impoundments under field impacts. \$200,000
Identifying Effective Strategies for Controlling Annual Bromes on Mine Lands; Rinella; US Department of Agriculture: Agricultural Research Service  Ongoing	Develop a fully parameterized model that forecasts levels of annual brome invasion resulting from specified reclamation plans. Annual brome forecasts will be made available to all relevant parties in an easy-to-use format. \$161,428
Low-cost, Green Technology to Improve Water Quality in Mining-Impacted Ecosystems, Phase I – Model Development and Optimization; Mohanty; Southern Illinois University  Completed 2016	Test and optimize two complementary, novel, “green,” cost-effective chemical and phyto-remediation models for passive treatment of acid mine drainage and erosion control of acid mine soils. \$199,946

<b>Applied Sciences</b>	
<b>Project Title/Contractor</b>	<b>Purpose/Funding</b>
Quantifying the Success and Long-term Ecological and Socioeconomic Benefits of Watershed-scale AMD Remediation Efforts Within West Virginia; Strager; West Virginia University  Ongoing	The purpose of the study is to quantify long-term, watershed-scale benefits of acid mine drainage (AMD) remediation efforts within central Appalachia. \$199,960
Seismograph Geophone Coupling Protocols for Surface Coal Mine Blasting; Aimone; Aimone-Martin Associates  Ongoing	Evaluate different protocols to couple geophones in or on the ground and provide consistent, reproducible ground velocities, and associated displacement, acceleration, and frequency components with a minimum of statistical data scatter. \$48,320
Tools to Predict the Hydrological Response and Mine Pool Formation in Underground Coal Mines; Lopez & Kruse; Ohio University  Ongoing	The purpose of the study is to develop tools that allow applicants and regulators to predict within some certainty the possible formation of mine pools and their consequences. \$196,520

<b>Technical Investigations</b>	
<b>Project Title/Contractor</b>	<b>Purpose/Funding</b>
Batch Method to Measure TDS Generation Potential from Coal Refuse; Burgos; Penn State University  Ongoing	The purpose of the study is to develop and validate a simple, reliable, and rapid extraction method to measure the generation potential of total dissolved solids from coal refuse and overburden materials. \$200,000
Compaction & Seedling Growth & Survival on Reclaimed Mines in the Western Gulf; Stovall; Stephen F. Austin State University  Ongoing	The purposes of the proposed research are to 1) install a demonstration area comparing conventional and FRA treatments in the western Gulf Region, 2) examine the impacts of treatments on compaction, erosion, and surficial hydrology, and 3) determine the effect of compaction on seedling growth and survival. \$149,939

<b>Technical Investigations</b>	
<b>Project Title/Contractor</b>	<b>Purpose/Funding</b>
Effect of Grading Techniques & Forest Thinning on Productivity of High-Value Tree Species in Reforested Surface Mine Lands; Lhotka; University of Kentucky  Ongoing	Evaluate how grading and mulching treatments affect soil properties and tree productivity through 13 growing seasons at the Starfire Mine research site initially established in 1997. Results of the study will provide additional knowledge regarding the efficacy of grading treatments to mine operators, governmental regulators, & scientists. \$174,765
Evaluation of Small Tree & Shrub Plantings on Reclaimed Surface Mines in West Virginia; Skousen; West Virginia University & Williams Forestry  Ongoing	Determine the establishment, survival, and growth of species of small trees and shrubs on reclaimed surface mines. This project supports the Appalachian Regional Reforestation Initiative to further enhance best management practices for reforestation. Data obtained from this project will improve and increase knowledge of what species should be included in reforestation planting projects to promote reclamation goals & ecosystem development. \$116,453
Hydrology Based Design of Geomorphic Evapotranspiration Covers for Reclamation of Mine Land; Zhang; Pacific Northwest National Laboratory  Ongoing	The purpose of the study is to demonstrate that geomorphic reclamation can be improved with the design of mine lands covers that will reduce infiltration of precipitation and, consequently minimize hazardous mine drainage and prevent degradation of water quality in the discharge area. \$200,000
Identification of Potential Chemical Stressors of Freshwater Mussels in the Clinch River, Northeast Tennessee and Southwest Virginia; Lott; Virginia Department of Environmental Quality  Ongoing	The overall goal is to establish a water-monitoring program in cooperation with the TN Dept of Environmental Conservation to study the identification of potential chemical stressors of freshwater mussels in the Clinch River. \$118,944
Implementation of a Small-scale Geomorphic Landform Reclamation Project in Appalachia; Hopkinson; West Virginia University & West Virginia Department of Environmental Protection  Ongoing	The overall goal is to evaluate the use of geomorphic landform design for Appalachia coal field reclamation. A demonstration site must be evaluated to determine if the approach is possible and cost effective for the region. The objective is to design, implement, & monitor a small-scale geomorphic landform reclamation project in West Virginia. \$199,994

<b>Technical Investigations</b>	
<b>Project Title/Contractor</b>	<b>Purpose/Funding</b>
Miscanthus Production on Mine Soil and its Impacts on Soil Water Balances and Transport of Potential Water Pollutants in Ohio; Ussiri; Ohio State University  Ongoing	The purpose of the study is quantifying the potential miscanthus biomass productivity and its environmental benefits as a geomorphic reclamation technique to restore mine soil to satisfactory ecosystem functions. \$200,000
Rheology of Fine Coal Refuse and Observations of In-Situ Characteristics; Drumm; University of Tennessee  Ongoing	Investigate the rheological behavior of fine refuse as a function of water content & grain size distribution; investigate the effect of water chemistry on the rheological behavior of the refuse; obtain data on how these materials consolidate over time. \$200,000
Spoil Type and Forestry Reclamation Approach Effect on Discharge Water Quality at Reclaimed Surface Mine Site in West Virginia; Hass & Skousen; West Virginia State University & West Virginia University  Ongoing	The purpose of the study is to determine the effect of FRA practices on the quality of surface water and subsurface discharge water from a 10-year old reclaimed site. \$82,800
Stream Ecosystem Response to Mining-Induced Salinization in Appalachia; Schoenholtz; Virginia Polytechnic Institute & State University & IL Natural History Survey  Ongoing	Investigate how mineral salts released by mining affect essential aquatic ecosystems in Appalachian headwater streams. \$200,000
Techno-Economic Feasibility Study of a Novel Process for Simultaneous Concentration of TDS and Recovery of Clean Water from Acid Mine Drainage; Guliants; University of Cincinnati  Ongoing	The purpose of the study is to explore the techno-economic feasibility of a new separation process that employs membrane distillation to selectively remove greater than 90 percent of water from acid mine drainage (AMD) and concentrate total dissolved solids in AMD. \$199,999
Using Novel Geophysical Techniques to Relate Surface Coal Mining Fill Characteristics to Effluent Stream Water Quality; Hester; Virginia Polytechnic Institute & State University  Ongoing	The purpose of the study is to show that geophysical techniques (electrical resistivity imaging) can be used to map hydrologic flow paths through valley fills and determine the residence time of the flow paths. \$200,000

TAB

Financial Management



## FINANCIAL MANAGEMENT

### Financial Management Budget Request

(Dollars in Thousands)

	2016 Actual	2017 CR Baseline	2018			Change From 2017 (+/-)
			Fixed Costs (+/-)	Program Changes (+/-)	2018 Request	
<b>Regulation and Technology</b>	<b>505</b>	<b>504</b>	<b>+7</b>	<b>-1</b>	<b>510</b>	<b>+6</b>
Revenue Management	410	409	+5	-1	413	+4
<i>FTE</i>	<i>1</i>	<i>2</i>			<i>2</i>	
Grants Financial Management	95	95	+2		97	+2
<i>FTE</i>	<i>1</i>	<i>1</i>			<i>1</i>	
<b>Abandoned Mine Reclamation Fund</b>	<b>6,396</b>	<b>6,384</b>	<b>+79</b>	<b>-1,281</b>	<b>5,182</b>	<b>-1,202</b>
Fee Compliance	6,302	6,290	+72	-1,281	5,081	-1,209
<i>FTE</i>	<i>39</i>	<i>38</i>		<i>-8</i>	<i>30</i>	<i>-8</i>
Grants Financial Management	94	94	+7		101	+7
<i>FTE</i>	<i>3</i>	<i>3</i>			<i>3</i>	
<b>Total, Financial Management</b>	<b>6,901</b>	<b>6,888</b>	<b>+86</b>	<b>-1,282</b>	<b>5,692</b>	<b>-1,196</b>
<b>Total FTE</b>	<b>44</b>	<b>44</b>		<b>-8</b>	<b>36</b>	<b>-8</b>

NOTE: 2016 FTE figures reflect actual usage.

Fixed Costs result in an increase of \$86,000 and cover pay related items.

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### Summary of 2018 Program Changes for Financial Management

<b>Request Component</b>	<b>(\$000)</b>	<b>FTE</b>
Operational Travel	-20	
Staffing Costs	-1,262	-8
<b>TOTAL Program Changes</b>	<b>-1,282</b>	<b>-8</b>

#### **Justification of 2018 Program Change**

The 2018 budget for Financial Management is \$5,692,000 and 36 FTE, a program decrease of \$1,282,000 and eight (8) FTE from the 2017 CR Baseline level.

**Operational Travel (-\$20,000):** OSMRE will maximize the use of available technologies to enable a 10 percent reduction in operational travel from the 2017 CR levels in all program activities. Fee Compliance travel will be reduced by \$19,000 and Revenue Management travel will be reduced by \$1,000. OSMRE leadership and management will closely monitor all official travel requirements during FY 2018 and may shift funding between business activities in order to ensure that the available funding is applied to the most critical operational travel requirements.

**Staffing Costs (-\$1,262,000/-8 FTE):** To support the President's initiatives to improve the efficiency, effectiveness, and accountability of the Executive Branch and to reduce the overall size of the Federal workforce, OSMRE is proposing reductions in the number of funded Full Time Equivalent (FTE) positions in all of its program activities. The costs and FTE savings are expected to be achieved by limiting the filling of current vacancies to only the most critical operational positions and by further reducing the number of FTE through attrition. OSMRE proposes reducing the Fee Compliance activity by \$1,262,000 and eight (8) FTE. The Grants Management and Revenue Management activities are already staffed at the minimal level required to accomplish the mission. The reduced staffing levels proposed for FY 2018 in the Financial Management business line will minimally enable OSMRE to meet its statutory requirements under the Surface Mining Control and Reclamation Act (SMCRA).

## OVERVIEW

This Financial Management business line provides resources for OSMRE to carry out its financial management program responsibilities through three activities: fee compliance, revenue management, and grants management.

- Fee compliance covers the collection, accounting, audit and investment of abandoned mine reclamation fees, assistance to operators on compliance matters, and regulatory and policy development on fee compliance issues.
- Grants management includes accounting for and reporting on grants awarded to state and tribes for Abandoned Mine Land (AML) and regulatory purposes.
- Revenue management involves the accounting and collection of revenue other than reclamation fees, such as civil penalties assessed under Federal citations for mining violations and Federal performance bonds forfeited by coal mine permittees.

Financial Management operations are an integral part of OSMRE's Environmental Restoration and Environmental Protection mission goal areas. State and Tribal grant funding (reclamation and regulatory) disbursement for the administration of regulatory activities and reclamation cleanup projects is managed through this program activity. OSMRE, states, and tribes fund reclamation project work through the fees collected from current mine operators through mandatory grants provided annually to states and tribes. These projects clean up environmental hazards resulting from past mining operations that degrade land and water resources. The regulatory grants, which are appropriated annually, fund the administration of State regulatory programs that protect people and the environment from adverse effects associated with current mining and ensure the land is restored at the conclusion of mining.

**FINANCIAL MANAGEMENT  
ENCOMPASSES:**

Fee Compliance  
Grants Management  
Revenue Management

**Operational Processes (Program Activities):**

As previously discussed, OSMRE carries out its program financial management responsibilities through three program activities: fee compliance; revenue management; and grants management. This business line does not include administrative accounting or reporting for appropriated funds.

The outcome of OSMRE's Financial Management program performance is mostly measured by the success of the Surface Mining Program in carrying out the two major missions of the organization -- Environmental Restoration and Environmental Protection. The Financial Management business line is an integral part and supports accomplishment of both missions. Workload indicators identified for this business line include the quarterly fee collection reports and fee collection rate for operators reporting coal tonnage, internal audits for fee collection and compliance, and accounting and reporting requirements.

**Actions Required to Achieve Annual Goals:** OSMRE will use technology and customer service initiatives to increase compliance and improve processing of collections. This includes using the Internet to ease the coal companies' reporting burden, receive quarterly coal production reports, provide information to companies, and allow companies to make payments on-line. OSMRE will continue to use new and streamlined collection services as they become available and will work with customers and stakeholders to ensure fair and consistent policies.

In FY 2017 and FY 2018, OSMRE will continue to improve its Coal Fee Collection Management System (CFCMS), which OSMRE uses to process and manage coal reclamation fees, compliance audit findings, and civil penalties. CFCMS supports the continued success of the fee compliance program. OSMRE will also continue to look for opportunities to automate processes and streamline coal operating company reporting through the consolidated coal data reporting system (Single Source Coal Reporting System). OSMRE has over 206 grants and cooperative agreements with the states and tribes, accounting for over \$987 million.

**Resources, Skills, and Technology Needed:** To support program activities and to ensure that operators continue to support the surface mining program by paying appropriate fees, OSMRE plans to maintain a highly trained cadre of fee compliance auditors, program accountants, and financial systems personnel. Training will continue so that financial management personnel maintain a high level of skill and technical expertise. OSMRE will also continue to use contractors to handle billing, data entry, and appropriate collection functions.

The following section details, by program activity, the funding and FTE resources required to meet the performance measures.

## **2018 PROGRAM PERFORMANCE**

### **1. Fee Compliance**

The fees collected from active coal operators provide the funding used by OSMRE, states and tribes to restore land and water degraded by past mining practices to beneficial uses. The fee is collected by OSMRE from active coal operators based upon tons of coal produced. These funds contribute to accomplishment of the Department's Resource Protection goal to protect America's landscapes.

OSMRE's Fee Compliance Program carries out the Surface Mining Control and Reclamation Act (SMCRA)'s requirements to ensure coal operators accurately report coal tonnage produced and pay appropriate reclamation fees. The program goal is to maximize compliance by fairly and consistently applying policy and collection procedures at a reasonable cost. This request includes \$5,081,000 and 30 FTE for the Fee Compliance activity. This is a reduction of \$1,209,000 and eight (8) FTE from the 2017 CR levels.

In FY 2016, OSMRE's Fee Compliance Program achieved a 99.9 percent collection rate resulting in \$158.8 million in total collections. Collections decreased from FY 2015 due to reduced coal production. As a result of working closely with the industry, the program achieved a 99.93 percent compliance rate for operators filing their tonnage reports. OSMRE maintained a high percentage of permits that filed OSM-1 Reports electronically, at 88.7 percent in FY 2016. During FY 2016, OSMRE also processed 87.6 percent of the coal reclamation fee reports automatically, and 82.8 percent of payments automatically. Further automation of payment processing is constrained by the inability of some companies to use the Treasury Department's Pay.Gov system. By successfully leveraging technology, the audit division has been nationally recognized for its efficient and effective utilization of resources.

The Fee Compliance Program is comprised of two highly integrated components -- collections and audits -- that work hand-in-hand to maximize compliance, minimize the burden on industry, and ensure the efficient use of resources. For example, key initiatives that these components will pursue in FY 2017 include:

- Maintaining and improving the Coal Fee Collection Management System (CFCMS). Improvements to the system will help OSMRE further automate and streamline processes.
- Continuing the improvement of the consolidated coal data reporting system (Single Source Coal Reporting System).
- Increasing the use of automation in conducting fee compliance audits to further improve efficiency.

Details of these and other services the collection and audit components provide are described in the following sections.

**a. AML Fee Collection**

The collection component assures that the AML Fee payment requirements of SMCRA are consistently and fairly applied across the country. In FY 2016, OSMRE collected 99.9 percent of the AML Fees due during the year. Total FY 2016 AML Fee collections were \$158.8 million.

To assist in managing AML Fee collections, OSMRE utilizes CFCMS. This computerized system provides subsidiary accounts receivable and management information needed to manage the fee compliance program. CFCMS is integrated with the Applicant Violator System to track new permits from initial permitting through fee reporting. AML fee payments are tracked by permit number of producing coal companies each quarter. In addition, the system issues quarterly OSM-1 coal reclamation fee reports for industry coal sale reporting and fee computation. The reports are available on-line through OSMRE's E-filing website. Permit information is pre-filled and the system automatically calculates the coal reclamation fees due, based on the data entered by the company. For the approximately ten percent of the permits that are not filed on-line, OSMRE mails a paper reporting package.

On average, over 1,724 permits are reported on OSM-1 reports and processed each quarter. OSMRE uses an internet-based system to allow coal companies to file their quarterly coal production reports electronically. Companies report that the on-line reporting system saves them time and money. The efficiency is evidenced by the fact that 467 companies voluntarily use the E-filing system to report on approximately 1,529 permits and over 98 percent of the coal tonnage produced nationwide. The system significantly streamlines the reporting process, makes it easier for companies to report on time, reduces errors, and makes it easier for OSMRE to follow-up with companies that have not reported. The system also allows companies to make payment online, using the Treasury Department's Pay.Gov payment method. This feature saves companies time and wire transfer costs, while providing OSMRE with faster information about collections for investment purposes.

OSMRE uses CFCMS to provide the ongoing support for the Fee Compliance Program. The system enables OSMRE to manage the fee compliance process, from permit issuance to mining completion. CFCMS also supports the related tonnage reporting and financial processes, including fee calculation, payment processing, billing, and debt collection. During FY 2016, OSMRE continued to streamline the process for inactivating permits once the permits have completed coal production. OSMRE has simplified the process, providing companies with the ability to inactivate permits on-line through the Single Source Coal Reporting System. The enhanced CFCMS system automatically updates the permit information for the companies that have reported mining completion.

**b. AML Fee Audit**

SMCRA requires OSMRE to conduct audits to ensure full compliance with the law's reclamation fee requirements, so funds are available for State, Tribal, and Federal reclamation efforts. To meet that mandate, the compliance program is designed to promote timely and accurate reporting of coal tonnage and to ensure correct fee payments. In addition to conducting

a comprehensive audit program, this includes providing the information and assistance operators need to comply, and taking appropriate enforcement action when non-compliance occurs.

The audit staff is strategically stationed in locations which minimize travel costs to coal company's recordkeeping locations. Over 70 percent of the audit staff are full time teleworkers, with no bricks and mortar office – significantly reducing general services costs. To ensure quality, audits are performed in accordance with Government Auditing Standards issued by the Comptroller General of the United States, and the continuing professional education and training of OSMRE's audit staff is emphasized in accordance with those standards.

By structuring the audit program to ensure all companies are appropriately audited, an effective deterrent to noncompliance exists. To support the program goal of maximizing compliance, OSMRE auditors will conduct more than 160 audits and compliance checks in FY 2018. In addition to deterrence, this provides an opportunity to promote compliance by providing direct assistance to the industry on accounting and reporting matters. For example, when instances of non-compliance are identified, the auditors explain each issue and how similar occurrences can be avoided in the future.

Auditors also provide several other services necessary to achieve a high level of compliance. The following are a few examples of the work planned for FY 2018.

- *Increasing audit automation:* By applying computer techniques to the data gathering, analysis, and reporting function, the audit staff has been able to maintain a high compliance level despite limited resources. To further improve efficiency, OSMRE will continue to work with coal companies to increase the use of electronic transaction files in the audit process.
- *Examining all permit transactions recorded by regulatory authorities:* The audit staff will need to review more than 1,900 newly issued coal mining permits and transactions (transfers and amendments), which can affect the parties responsible for paying fees. In FY 2016, the staff handled 1,927 permit transactions. By continuing these efforts, the program provides significant assurance that all producing permits are identified in a timely manner, and operators are informed of their reporting and payment responsibilities.
- *Developing necessary revisions to the fee requirements and process:* The auditors have the most direct contact with operators and the subject-matter expertise to identify, develop, test, and implement any needed changes. This is part of an ongoing effort to ensure fairness and a level playing field among all operators in fee payment.
- *Promoting E-government:* OSMRE's audit staff has been instrumental in the successful implementation of various E-government efforts. During FY 2018, the audit staff will continue to promote electronic tonnage reporting and fee payment by demonstrating the systems for companies during audits and notifying OSMRE's collection staff of those interested in enrolling in E-filing and Pay.Gov.

- *Coordinating work with the Internal Revenue Service:* OSMRE will continue working with the IRS to ensure the fee compliance and coal excise tax compliance programs function together more efficiently. SMCRA requires OSMRE to forward audit results to the IRS and both agencies coordinate issues affecting the industry.

Overall, there also will be a continued emphasis on improving compliance and customer service in FY 2018 and beyond.

Table 8 shows annual production in tons and fees collected. Table 9 provides a summary of the Abandoned Mine Reclamation fund from 1978.

**Table 8 – Deposits to the AML Fund and AML Production Fees**

*(Production in Millions of Tons)  
(Dollars in Millions)*

	2016 Actuals	2016 Projections <i>(as submitted in FY 2015)</i>		2017 Projections		2018 Projections		2019 Projections	
		DOE	OSM	DOE	OSM	DOE	OSM	DOE	OSM
Production *		DOE	OSM	DOE	OSM	DOE	OSM	DOE	OSM
Underground	263	302	340	248	252	257	261	261	265
Surface	433	602	522	503	441	518	455	518	455
Lignite	72	74	73	92	80	92	80	92	80
AML Fees **	\$158.8	\$193.5		\$160.8		\$165.8		\$166.2	

*\*DOE projections are based on calendar year (CY) projections made by the Department of Energy's (DOE) Energy Information Administration Annual Energy Outlook (AEO)2016, Reference Case Forecast, Table 67. OSMRE tonnage uses the last reported production (Fiscal Year 2016) and then increases or decreases based on the percentage increase or decrease in DOE production for each coal type. The OSMRE projections are usually lower because AML fees are assessed on the tonnage sold, used, or transferred while the DOE figures are based on the tonnage produced.*

*\*\*AML Fees are calculated based on the OSMRE tonnage estimates multiplied by the applicable current fee rate: \$0.12, \$0.28, and \$0.8 for underground, surface, and lignite, respectively. The calculations are adjusted for moisture content, reduced coal prices and fees, administrative fees and uncollectible fee estimates.*

**Table 9 – Summary Status of Abandoned Mine Reclamation Fund***(Dollars in Thousands)*

Fiscal Year	Receipts and Interest Income			Appropriations			Transfer To UMWA Health & Retirement Funds	Cumulative Appropriated Balance	Cumulative Unappropriated AML Fund Balance
	Amount	Interest Earned	Cumulative	Amount Appropriated from AML Fund	Footnote	Appropriations from Other Sources			
1978-99	4,984,249	472,032	5,456,281	3,819,485	/1,/2,/3	17,363	192,886	4,012,371	1,443,910
2000	274,297	94,370	5,824,948	195,873	/4		108,959	4,317,203	1,507,745
2001	284,044	103,496	6,212,488	215,038	/5		182,018	4,714,259	1,498,229
2002	287,066	43,278	6,542,832	203,455	/6		90,179	5,007,893	1,534,939
2003	282,555	23,620	6,849,007	190,499	/7		89,858	5,288,250	1,560,757
2004	287,023	45,694	7,181,724	190,591			14,966	5,493,807	1,687,917
2005	293,604	75,017	7,550,345	188,205			66,533	5,748,545	1,801,800
2006	302,992	95,687	7,949,024	185,248			59,004	5,992,797	1,956,227
2007	304,880	105,818	8,359,722	185,393			114,329	6,292,519	2,067,203
2008	286,272	83,764	8,729,758	139,334	/8		100,394	6,532,247	2,197,511
2009	272,764	55,465	9,057,987	142,977	/9		61,224	6,736,448	2,321,539
2010	251,784	55,193	9,364,964	177,502	/10		63,926	6,977,876	2,387,088
2011	259,935	54,881	9,679,780	185,649	/11		57,246	7,220,771	2,459,009
2012	249,725	54,789	9,984,294	247,595	/12		48,430	7,516,796	2,467,498
2013	213,675	36,634	10,234,603	225,393	/13		54,789	7,796,978	2,437,625
2014	202,872	34,928	10,472,403	193,814	/14		12,359	8,003,151	2,469,252
2015	197,973	29,426	10,699,802	195,190	/15		31,803	8,230,144	2,469,658
2016	158,807	32,175	10,890,784	190,453			29,109	8,449,706	2,441,072
2017	160,789	32,140	11,083,713	161,893			32,140	8,643,739	2,439,974
2018	165,802	47,285	11,296,800	234,400			47,285	8,925,424	2,371,376
2019	166,153	56,224	11,519,177	239,700			56,224	9,221,348	2,297,829
/1 FY 1988 total does not include \$7M transferred into the fund by supplemental authority, which does not affect the Unappropriated Balance.									
/2 FY 1994 total includes \$7.2M transferred into the fund by supplemental authority, which does not affect the Unappropriated Balance.									
/3 FY 1998 total does not include 3.2M transferred into the fund by supplemental authority, which does not affect the Unappropriated Balance.									
/4 FY 2000 total includes one-time \$68M emergency appropriation, as well as the annual appropriation of \$41M.									
/5 FY 2001 total includes annual amount of \$102.9M, as well as \$81.6M of the one-time \$96.7M mandated under PL 106-291.									
/6 FY 2002 total includes annual amount of \$113.6M, less \$23.4M returned by UMWACBF trustees mandated under PL 106-291.									
/7 FY 2003 total includes annual amount of \$56M as well as \$33.8M mandated under PL108-7.									
/8 FY 2008 total includes annual amount of \$52M as well as \$87.4M mandated under PL 109-432.									
/9 FY 2009 total includes annual amount of \$52M as well as \$90M mandated under PL 109-432.									
/10 FY 2010 total includes annual amount of \$35.5M as well as \$141.9M mandated under PL 109-432.									
/11 FY 2011 total includes annual amount of \$35.5M as well as \$150.1M mandated under PL 109-432.									
/12 FY 2012 total includes annual amount of \$27.4M as well as \$220.2M mandated under PL 109-432.									
/13 FY 2013 total includes annual amount of \$25.9M as well as \$199.4M mandated under PL 109-432 (after sequestration withheld).									
/14 FY 2014 total includes annual amount of \$27.4M as well as \$166.4M mandated under PL 109-432 (after sequestration withheld).									
/15 FY 2015 total includes annual amount of \$27.4M as well as \$167.8M mandated under PL 109-432 (after sequestration withheld).									
/16 FY 2016 total includes annual amount of \$27.3M as well as \$163.1M mandated under PL 109-432 (after sequestration withheld).									
Notes: FY 2017 figures are estimates except for the UMWA transfer. FY 2018 and FY 2019 figures are estimates.									
Annual figures for FY 1978-1999 are displayed in the FY 2015 Budget Justification, Table 9.									

## **2. Grant Financial Management**

This activity accounts for and disburses reclamation and regulatory grants to states and tribes under OSMRE's Environmental Restoration and Environmental Protection business lines. The grants financial management activity includes the disbursement, accounting, reporting, and recovery of grant funds. It also includes the computer systems used to support these functions. This request includes \$198,000 which represents a \$9,000 increase from the 2017 CR Baseline level to cover salary-related fixed costs.

As a result of amendments to SMCRA enacted at the beginning of FY 2007, most AML grant activity is now mandatory and no longer part of OSMRE's discretionary budget. Starting in FY 2008, the grant distribution was calculated based on the new amendments to SMCRA as a result of Public Law 109-432.

Along with the mandatory AML distributions given to the states, mandatory treasury funds are also distributed to the states as part of the grant distribution. More information is provided in the Permanent Appropriations section of this document.

Table 10 on the following page details the AML Unappropriated Balance as of September 30, 2016, by a description of its allocation.

**Table 10 – AML Unappropriated Balance**

**Office Of Surface Mining  
AML Unappropriated Balance  
September 30, 2016  
Prepared by the Division of Financial Management**

**Total Funds to be Allocated: \$2,441,071,942.11**

Description of Allocation	Balance as of 10/01/15 1/	LESS: 2016 Appropriation	Plus: 2016 Sequester	LESS: 2016 Treasury Funds	LESS: 2016 5/ UMWBF Transfer	Post Appr. & Trans. Balance	Investment Int. 10/01/15-9/30/2016	Collections for 10/01/15-9/30/2016	Balance As Of 9/30/16
RAMP Allocation 6/	\$0.00					\$0.00			\$0.00
Federal Expense 2/ 6/	\$414,881,668.91	(\$46,975,375.00)	\$1,337,652.00			\$369,243,945.91		\$31,786,267.65	\$401,030,213.56
Historical Coal 3/	\$1,486,697,155.04	(\$121,386,135.00)	\$8,254,258.00	\$228,517,921.00		\$1,602,083,199.04		\$47,679,401.48	\$1,649,762,600.52
Investment Interest	\$145,771,951.59				(\$29,108,553.35)	\$116,663,398.24	\$32,175,334.70	\$0.00	\$148,838,732.94
<b>Total Fed Share 1/ and 4/</b>	<b>\$2,047,350,775.54</b>	<b>(\$168,361,510.00)</b>	<b>\$9,591,910.00</b>	<b>\$228,517,921.00</b>	<b>(\$29,108,553.35)</b>	<b>\$2,087,990,543.19</b>	<b>\$32,175,334.70</b>	<b>\$79,465,669.13</b>	<b>\$2,199,631,547.02</b>
<b>Total State Share</b>	<b>\$422,300,278.38</b>	<b>(\$33,995,769.00)</b>	<b>\$2,311,713.00</b>	<b>(\$228,517,921.00)</b>	<b>\$0.00</b>	<b>\$162,098,301.38</b>	<b>\$0.00</b>	<b>\$79,342,093.71</b>	<b>\$241,440,395.09</b>
<b>Total</b>	<b>\$2,469,651,053.92</b>	<b>(\$202,357,279.00)</b>	<b>\$11,903,623.00</b>	<b>\$0.00</b>	<b>(\$29,108,553.35)</b>	<b>\$2,250,088,844.57</b>	<b>\$32,175,334.70</b>	<b>\$158,807,762.84</b>	<b>\$2,441,071,942.11</b>

- 1/ With Public Law 106-291, Congress authorized a transfer to the United Mine Workers Combined Benefit Fund using interest earned in FY 1992-1995. \$78,976,478.05 (net of \$173,996.17, a Congressionally reduced appropriation, subsequently restored) was transferred under this law, \$23,427,452.36 (net) was returned to OSM in 2002, leaving a remaining balance in this pool of \$41,133,755.64. Due to a downturn in interest rates, this pool is now depleted
- 2/ The Federal Expense Distribution was calculated using 2005 distribution levels
- 3/ The Historical Coal Distribution was calculated using 2005 distribution levels
- 4/ This amount includes interest income received of \$39,328,466.11 prior to 10/01/92. Per Congressional appropriation language, OSM used \$7,000,000 of that leaving remaining interest earned of \$32,328,486.11.
- 5/ \$59,003,832.73 is the amount transferred at the beginning of FY 2006 to the United Mine Workers Benefit Fund for estimated expenses in FY 2006 and for adjustments to actual expenditures in FY 1996 through FY 2005, inclusive
- 6/ Public Law 109-54 provided for a one time transfer of the RAMP balance g(2) as of September 30 to the Federal Expense account g(3). The balance at September 30, 2005 was \$361,118,412.64.

### **3. Revenue Management**

The 2018 budget request includes \$413,000 and two (2) FTE for the Revenue Management program activity, which reflects an increase of \$4,000 over the 2017 CR Baseline levels. The Revenue Management activity involves managing a variety of non-fee revenues and receivables that come from the agency's operations. These include the following:

- Federal civil penalties issued for mining violations. The total outstanding balance of open civil penalty cases was \$537,361 at the end of FY 2016, including interest and late charges. New civil penalties recorded in FY 2016 totaled \$188,616, and OSMRE collected \$132,704 during the year, including late charges.
- Bond forfeitures by federally permitted mining companies.
- Fees for mine permit reviews and administration.
- Blaster certification training.

The bonds and penalties assessed ensure responsible management practices in the extraction of coal resources. Levy of penalties and fees help to ensure operators' compliance with coal mining regulations and ensure the land is restored to beneficial use at the conclusion of mining operations.

Civil penalty collections are used to reclaim post-SMCRA mine sites. To maximize the collection rate on civil penalties, OSMRE uses all of the debt collection tools available. These tools include demand letters, personal contact with the debtor, use of payment plans, referral to private collection agencies through the Department of Treasury, litigation through the Solicitor's Office, and referral to the Department of Treasury for payment offset. Additionally, delinquent civil penalties are reported to the Applicant Violator System so that violators and debtors do not obtain permits to mine coal until the outstanding debt and violations have been resolved. These are the same tools used in the AML Fee collection program. However, because the majority of the companies that incur AML Fees are viable, the collection rate for AML Fees is higher than the collection rate for civil penalties.

During FY 2017 and FY 2018, OSMRE will refer civil penalty debt that is more than 120 days delinquent to the Department of Treasury for collection, in accordance with the Digital Accountability and Transparency Act of 2014. OSMRE has a memorandum of understanding with the Department of Treasury whereby they will provide collection services on debts over 120 days delinquent. During FY 2016, OSMRE referred 100 percent of qualifying civil penalty debts to the Department of Treasury.

## **FINANCIAL MANAGEMENT**

### **2017 Planned Program Performance**

In FY 2017, OSMRE will maintain a high rate of fee compliance. To help ensure that results continue to be achieved efficiently, OSMRE will:

- Continue to create efficiencies in the fee accounting and collection processes.
- Continue to promote electronic payments and E-filing.
- Continue to support the financing and accounting of AML and Regulation and Technology Grants to states and tribes.
- Continue to participate in the DOI's blue-printing initiative to evaluate the potential to use additional shared services.
- Support OSMRE's cost recovery efforts.

### **2016 Program Accomplishments**

In 2016, the major accomplishments in the Financial Management program activity include:

- Collected \$158.8 million in coal reclamation fees resulting in a collection rate of 99.9 percent on quarterly coal reclamation fees.
- Maintained an E-filing enrollment rate of 88.7 percent of the active reporting permits, which are reported electronically through OSMRE's internet-based reporting system.
- Processed automatically 82.8 percent of quarterly fee payments, or 2,616 fee payments.
- Processed automatically 87.6 percent of tonnage reports during the fourth quarter.
- Continued to support the planning and development of cost recovery efforts for services provided to industry for the administration, review and maintenance of permits issued under the OSMRE Federal and Indian Lands Program.
- Continued to analyze investment earnings on the Abandoned Mine Reclamation Fund.

**Performance Overview Table - Financial Management**  
**Mission Area 1 Protect America's Landscapes**

Strategic Objective Metrics	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 CR Baseline	2018 Budget Request
<i>Efficiency or other Bureau-Specific Measures</i>						
AML fee collection rate.	99.90%	99.70%	99.94%	99.90%	99%	99%
<b>Comments:</b> The AML Fee Collection Rate captures the amount of coal fees received versus the amount of coal fees owed, calculated based upon the tons of coal produced and sold.						
<b>Contributing Programs:</b> Fee Compliance						
Percent of payments processed automatically.	76.00%	79.00%	78.00%	83.00%	83%	85%
<b>Comments:</b> The measure, percentage of payments processed automatically, shows the percentage of operators who report coal tonnage in the form of an automatic payment from October 1 to September 30 of the fiscal year.						

TAB  
Executive Direction and  
Administration



**EXECUTIVE DIRECTION AND ADMINISTRATION****Executive Direction and Administration Budget Request***(Dollars in Thousands)*

	2016 Actual	2017 CR Baseline	2018			Change From 2017 (+/-)
			Fixed Costs (+/-)	Program Changes (+/-)	2018 Request	
<b>Regulation and Technology</b>	<b>15,711</b>	<b>15,682</b>	<b>+72</b>	<b>-1,818</b>	<b>13,936</b>	<b>-1,746</b>
Executive Direction	2,654	2,649	+32	-627	2,054	-595
<i>FTE</i>	<i>19</i>	<i>15</i>		<i>-1</i>	<i>14</i>	<i>-1</i>
Administrative Support	4,414	4,406	+48	-879	3,575	-831
<i>FTE</i>	<i>28</i>	<i>23</i>		<i>-2</i>	<i>21</i>	<i>-2</i>
General Services	8,643	8,627	-8	-312	8,307	-320
<i>FTE</i>						
<b>Abandoned Mine Reclamation Fund</b>	<b>7,883</b>	<b>7,868</b>	<b>+34</b>	<b>-1,436</b>	<b>6,466</b>	<b>-1,402</b>
Executive Direction	1,413	1,410	+14	-514	910	-500
<i>FTE</i>	<i>10</i>	<i>8</i>		<i>-2</i>	<i>6</i>	<i>-2</i>
Administrative Support	2,323	2,319	+24	-497	1,846	-473
<i>FTE</i>	<i>14</i>	<i>12</i>		<i>-2</i>	<i>10</i>	<i>-2</i>
General Services	4,147	4,139	-4	-425	3,710	-429
<i>FTE</i>						
<b>Total, Executive Direction</b>	<b>23,594</b>	<b>23,550</b>	<b>+106</b>	<b>-3,254</b>	<b>20,402</b>	<b>-3,148</b>
<b>Total FTE</b>	<b>71</b>	<b>58</b>		<b>-7</b>	<b>51</b>	

Note: 2016 FTE amounts reflect actual usage.

Fixed Costs result in a net increase of \$106,000. Fixed Costs of \$118,000 cover pay related items including a pay raise and health plans. Additional fixed costs include decreases in worker's compensation (-\$23,000), an overall decrease in working capital fund adjustments overall (-\$99,000), and increases GSA rental rates (+\$110,000).

### Summary of 2018 Program Changes for Executive Direction and Administration

<b>Request Component</b>	<b>(\$000)</b>	<b>FTE</b>
Operational Travel	-26	
Staffing Costs	-2,491	-7
Office Closures	-176	
Contract Efficiencies	-561	
<b>TOTAL Program Changes</b>	<b>-3,254</b>	<b>-7</b>

#### **Justification of 2018 Program Change**

The 2018 budget for Executive Direction and Administration is \$20,402,000 and 51 FTE, a program decrease of \$3,254,000 and seven (7) from the 2017 CR Baseline level.

**Operational Travel (-\$26,000):** OSMRE will maximize the use of available technologies to enable a 10 percent reduction in operational travel from the 2017 CR levels in all program activities. Executive Direction travel will be reduced by \$9,000 and Administrative Support travel will be reduced by \$17,000. OSMRE leadership and management will closely monitor all official travel requirements during FY 2018 and may shift funding between business activities in order to ensure that the available funding is applied to the most critical operational travel requirements.

**Staffing Costs (-\$2,491,000/-7 FTE):** To support the President's initiatives to improve the efficiency, effectiveness, and accountability of the Executive Branch and to reduce the overall size of the Federal workforce, OSMRE is proposing reductions in the number of funded Full Time Equivalent (FTE) positions in all of its program activities. The costs and FTE savings are expected to be achieved by limiting the filling of current vacancies to only the most critical operational positions and by further reducing the number of FTE through attrition. OSMRE proposes reducing the Executive Direction activity by \$1,132,000 and three (3) FTE and the Administrative Support activity by \$1,359,000 and four (4) FTE. The Grants Management and Revenue Management activities are already staffed at the minimal level required to accomplish the mission. The reduced staffing levels proposed for FY 2018 in the Executive Direction and Administration business line will minimally enable OSMRE to support its core mission requirements and meet its statutory requirements under the Surface Mining Control and Reclamation Act (SMCRA).

**Field Offices (-\$176,000):** OSMRE will not renew leases and will close some smaller offices to reflect the reduced size of the agency. Employees affected by the closures will take advantage of efficiencies associated with telework and co-location with state offices or other Federal facilities. OSMRE proposes closing offices in Columbus, Ohio (-\$70,000); Albuquerque, New Mexico (-\$32,000); Olympia, Washington (-\$16,000); and Big Stone Gap, Virginia (-\$58,000).

**Contract Efficiencies (-\$561,000):** OSMRE expects to achieve savings through targeted efficiencies in operational support and services contracts as a result of a smaller workforce, and through economies of scale associated with consolidation of services under Bureau-wide acquisition initiatives.

## OVERVIEW

The Executive Direction and Administration business line provides administrative support to the other four business lines. The business line's program performance is an integral part of the Environmental Restoration, Environmental Protection, Technology Development and Transfer, and Financial Management business lines. The business line functions are carried out at OSMRE's headquarters location in Washington, D.C. This business line includes the Director's Office and staff offices, information technology, administration, human resources, and internal financial management for the organization. Executive Direction and Administration provides internal executive direction and administrative support to programs, regions, and field offices through the development and coordination of agency policy, budget, plans, and other guidance documents. Additionally, Executive Direction and Administration coordinates the implementation of Departmental and Administration initiatives in the Bureau.

The responsibilities for Executive Direction and Administration are accomplished through the efficient and effective operations of the two mission critical bureau business lines (i.e., Environmental Restoration and Environmental Protection) and the two business lines providing support functions (i.e., Technology Development and Transfer and Financial Management). Though providing administrative support functions for these programs, the Executive Direction and Administration business line supports the DOI's strategic plan goals and measures.

<p style="text-align: center;"><b>EXECUTIVE DIRECTION AND ADMINISTRATION ENCOMPASSES:</b></p> <p>Executive Direction</p> <ul style="list-style-type: none"><li>• Director's Office</li><li>• Staff Offices under the Director</li></ul> <p>Administrative Support</p> <ul style="list-style-type: none"><li>• Human Resources</li><li>• Administration</li><li>• Finance and Accounting</li><li>• Information Technology</li></ul> <p>General Services</p>
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**Operational Processes (Program Activities):** The funding request for this business line is to support the activities of Executive Direction, Administrative Support, and General Services. Executive Direction provides executive leadership and policy direction for the Bureau, which includes the immediate office of the Director. Administrative Support provides all of the support services for day-to-day operations, including human resources information technology, procurement, and finance and accounting. General Services funds bureau-wide fixed costs such as office space, telephones, postage, unemployment compensation, and other Department-wide fixed costs assessed to OSMRE.

The performance of the Executive Direction and Administration business line's activities is an integral component of OSMRE's Environmental Restoration and Environmental Protection mission goal areas; and the Technology Development and Transfer and Financial Management support functions. OSMRE supports the Department's current Strategic Plan Mission Goals of Celebrating and Enhancing America's Great Outdoors, Powering Our Future and Responsible Use of the Nation's Resources, Engaging the Next Generation, and Building a Landscape-Level

Understanding of Our Resources. This business line also supports the cross-cutting efforts under the DOI's vision for Building a 21<sup>st</sup> Century Department of the Interior.

The outcome of program performance will be measured by the success of OSMRE in carrying out the environmental restoration and protection missions. Also, performance will be measured through OSMRE's contribution to the accomplishment of the Departmental initiatives and high priority goals.

**Actions Required to Achieve Annual Goals:** OSMRE will continue to review its programs for management efficiencies and savings.

**Resources, Skills, and Technology Needed:** OSMRE and the states and tribes will continue to need a diverse and multi-disciplinary cadre of personnel to accomplish the mission and goals of the Surface Mining Control and Reclamation Act (SMCRA). In addition, these personnel will guide OSMRE through technical and policy decisions to ensure that coal-mining activities, including post-mining reclamation, are carried out in such a manner that the safety and health of coalfield citizens is protected and the environment is not degraded.

**FY 2018 Budget Request:** The request is for \$20.4 million for Executive Direction and Administration activities. Of this total, \$3.0 million will be used to provide executive direction and effective policy guidance for the overall program and liaison efforts with states, tribes, coalfield citizens, Congress, and other Federal agencies. Administrative support and services for OSMRE will require \$5.4 million, and basic bureau-wide fixed overhead costs in general services will cost \$12.0 million.

## **2018 PROGRAM PERFORMANCE**

### **1. Executive Direction**

This activity provides executive direction and leadership, and policy and program management guidance for all areas of responsibility for OSMRE. The Executive Direction activity includes the salaries and operating expenses for the Office of the Director and four immediate staff offices, which include Equal Opportunity; Communications; Planning, Analysis, and Budget; and the Information Resources Office. The request includes \$2,964,000 and 20 FTE for Executive Direction. This is a reduction of \$1,095,000 and three (3) FTE from the 2017 CR levels.

#### **a. Office of the Director**

The Director is OSMRE's Chief Executive. The Director provides the leadership and direction of OSMRE activities as required under SMCRA. The Director's primary objectives are to aggressively pursue the reclamation of abandoned mine lands (AML) and to prevent environmental problems in the coalfields during active mining by working collaboratively with the State regulatory agencies and other agencies with a role to play in the process. OSMRE makes every effort to ensure full public participation in the development and implementation of its regulatory responsibilities. An extensive outreach approach stimulates not only a more cooperative partnership with its regulatory partners, but with other stakeholders, as well, resulting in better and more effective implementation of the objectives of SMCRA.

In FY 2017 and FY 2018, OSMRE will continue outreach efforts which promote public participation in policy making. The arena for such participation includes public meetings on proposed rulemakings and conferences, which promote discussion and exchange of information on the current state of the coal industry and OSMRE's evolving role. OSMRE will continue to take positive steps to collaborate with states, tribes, citizens, and industry and encourage their participation.

The Deputy Director in the Office of the Director is the Chief Operating Executive for the bureau, and provides direct supervision for the business operations of the office to the staff offices, as well as, executive leadership to the other programs and offices

#### **b. Office for Equal Opportunity (OEO)**

OEO is responsible for promoting equal employment opportunities for all OSMRE employees. The staff advises and assists the OSMRE Director in carrying out the Bureau's responsibilities relative to Titles VI and VII of the Civil Rights Act of 1964, as amended; the Age Discrimination in Employment Act of 1967; the Rehabilitation Act of 1973; as well as Executive Orders, regulatory guidelines, and other nondiscrimination laws within the Federal Government. The Office:

- Provides leadership, direction, and policy guidance for Equal Employment Opportunity (EEO) Program development;

- Provides for the prompt, fair, and impartial processing of complaints of discrimination;
- Provides technical assistance and advice to employees and managers on all equal opportunity issues;
- Communicates the Bureau's equal employment opportunity policy and program and its employment needs to all sources of job candidates without regard to race, color, religion, sex, national origin, age or handicap;
- Ensures that a reasonable accommodation program is in place and is implemented in a fair and timely manner;
- Ensures that an alternative dispute resolution program is available for both the pre-complaint process and the formal complaint process;
- Develops, monitors, and evaluates EEOC MD-715 Affirmative Employment Program Plans to promote equal employment opportunities;
- Conducts studies on systemic employment problems, assesses the effect of policies and practices on equal employment, identifies employment barriers, recommends solutions, and develops written guidance for management; and
- Maintains a Civil Rights Compliance program for federally assisted and conducted programs.

In addition, OEO is responsible for Special Emphasis programs and assists the Bureau in creating a model equal employment program which ensures that all OSMRE employees and applicants for employment have equal access. It is responsible for implementing initiatives in response to Presidential Executive Orders, which provides for agencies to work more closely with Historically Black Colleges and Universities, Hispanic Serving Institutions and Tribal Colleges and Universities in an effort to enhance opportunities for minority serving institutions to participate and benefit from programs related to surface coal mining and reclamation activities.

**c. Office of Communications (OC)**

OC is the principal point of contact for sharing information about OSMRE programs, policies, and Congressional activities with the public, Congress, State regulatory agencies, the coal industry, citizen groups, and the media. OC facilitates requests for information from the news media, Congress and the public, maintains a tracking system to manage official correspondence and handles Freedom of Information Act requests. OC also coordinates OSMRE's annual reclamation awards that recognize excellence in reclaiming active and abandoned mines.

OC plans, coordinates, produces, and distributes, among other things:

- OSMRE’s Annual Report
- Publications
- News Releases
- Videos
- Stakeholder Outreach
- Website
- Reports
- Exhibits
- Photos
- Congressional Testimony
- Periodic reports

**d. Office of Planning, Analysis and Budget (OPAB)**

OPAB is responsible for nationwide planning and analysis, and budgetary functions for OSMRE, including the integration of organizational performance measures into the budget process. The major functions of OPAB include:

- Develops and coordinates OSMRE’s bureau planning and goals with Departmental strategic plans;
- Performs trend analyses and modeling to identify changing national and regional needs; and analyzes policy proposals for new initiatives and modifications to existing programs; and
- Carries out budget formulation and execution, and analysis and presentation of OSMRE’s budget; providing policy, central coordination, uniform budget procedures and controls; and manages OSMRE’s interface with OMB and Congressional committees on appropriations and other budget-related matters.

In addition, OPAB coordinates internal control and other program assessment reviews, in accordance with Executive Orders and Departmental initiatives; and monitors implementation of Government Accountability Office (GAO) recommendations from evaluations and reports conducted internally and externally.

**e. Information Resources Office (IRO)**

The IRO provides Information Management and Technology (IMT) services to OSMRE. The IRO provides advice and assistance to the Director, Deputy Director, and other senior OSMRE managers to ensure that information technology is acquired, utilized and managed in a manner that is consistent with applicable policies, regulations, and industry best practices. The major functions include:

- Providing advice and assistance to management and employees on IT policy, applicable laws, regulations, and directives;
- Maintaining a management framework for and coordinating OSMRE’s nationwide IT capital planning and investment control activities, including approval of IT expenditures within OSMRE;

- Developing and implementing IT strategic planning to ensure that all of OSMRE's information systems are administered and developed in accordance with policies, long-range systems, and strategic planning;
- Managing OSMRE's General Support System (GSS) and Information Security program in support of OSMRE's SMCRA mission; and
- Providing IRM-related support to OSMRE's system owners to include information system security support.

In addition, the IRO manages all aspects of OSMRE's information management flow to ensure government transparency, accuracy, and responsiveness to information requests. OSMRE continues to evolve a comprehensive information management capability which includes meeting the requirements for a responsive and compliant Privacy Act Program awareness and loss-mitigation strategy, and a Federal Records Act (FRA) compliant Records Management Program.

## **2. Administrative Support**

This program includes the administrative functions necessary to support the program activities of OSMRE. The specific functions are included in four areas: Administration, Human Resources, Administrative Financial Management, and Information Technology. This request includes \$5,421,000 and 31 FTE to support these support activities. This represents a reduction of \$1,304,000 and four (4) FTE from the 2017 CR levels.

This function is responsible for managing OSMRE's financial and administrative activities. It has primary responsibility for implementing the requirements covering the following three Presidential Management Agenda scorecards: improved financial management, competitive sourcing, and strategic management of human capital.

### **a. Administration**

The Division of Administration is responsible for development of bureau-wide administrative policy and procedures. The Division also implements the following support activities:

- Acquisition
- Property Management
- Vehicle Fleet Management
- Space Management
- Emergency Coordination
- Employee Safety
- Employee Occupational Health
- Physical Security
- Directives Management
- Printing and Publications

The Division of Administration also provides administrative support to headquarters offices. These support activities include office moves, provision of general supplies and services, and mailroom functions. The Division also manages bureau-wide fixed cost accounts covered under General Services (GS).

The Division of Administration is responsible for providing guidance to ensure OSMRE meets its competitive sourcing goals. The Division of Administration provides guidance in the completion of the annual FAIR Act Inventory to identify all functions throughout OSMRE and their designation as either inherently governmental or commercial in nature. OSMRE coordinates its competitive sourcing and strategic human capital planning to ensure, where possible, they support achievement of OSMRE goals. OSMRE developed and completed a competitive sourcing plan that identified the functions and activities to be studied throughout OSMRE. Studies were completed where appropriate. OSMRE does not plan to conduct any future competitive sourcing studies due to the small number of FTE identified as being commercial in nature and appropriate for study. The Division of Administration also maintains a presence on the Departmental Acquisition Special Interest Group (SIG) as an active member to ensure OSMRE acquisition needs and requirements are met.

The Division of Administration provides direction, coordination, and implementation of all aspects of the emergency management program, including, but not limited to: internal policy development; program guidance and direction as it relates to emergency response/continuity of operations/recovery planning, readiness, and, security; and coordination of OSMRE's response/recovery role to declared emergencies and/or disasters on a government-wide basis.

**b. Human Resources (HR)**

The Division of Human Resources (HR) develops and implements policies, standards and systems for the effective use of human resources to accomplish the overall mission of OSMRE. Specifically, the human resources program provides managers and employees advice and technical assistance on the full range of human resources programs in accordance with OSMRE, DOI, OPM, and other Federal policies and guidelines. HR provides processing and record keeping on recruitment, staffing and hiring; conducts position classification and organizational analysis; administers pay and compensation programs for general schedule and senior executive service positions; advises and processes employee and retirement benefits; oversees performance management, awards and recognition programs; implements Human Capital initiatives; manages ethics and financial disclosure holdings programs; implements the personnel security (HSPD-12) process for both Federal and contractor staff; provides mandatory employee development and training assistance; and provides guidance on employee relations and workplace issues including disciplinary actions. The staff has continued to use automated systems such as Monster Government Solutions (MGS) Hiring Enterprise, the Federal Personnel and Payroll System (FPPS), Employee Express, DOI Learning Management System (LMS), Personnel Investigative Processing System (PIPS), and the e-QIP web site linking employees to security forms needed for background investigations. These automated systems provide direct online personnel history files, human resources information and services directly to the manager, employee, and applicant.

Special ongoing initiatives this office is working on are highlighted below:

- *Electronic Tool Kit:* Human Resources will improve efficiency and hiring time by saving all staffing action documents (vacancy announcements, job analysis, crediting plans, and position descriptions) in electronic format to an easily

accessible database. New recruitment documentation will be added to the electronic library on a continuous basis, keeping the information up to date.

- *Strategic Recruitment:* Human Resources, in conjunction and cooperation with OSMRE's Office for Equal Opportunity, continues to expand recruitment of the number of women, minorities, and persons with disabilities identified in under-represented occupations. Efforts to hire veterans are an integral part of this expanded recruitment effort as authorized under recent Executive Orders as well. OSMRE promotes workforce diversity and to continue to improve and strengthen human capital process and tools to attract highly skilled applicants in support of building a 21st Century workforce.
- *Strategic Management of Human Capital:* OSMRE continues to implement its workforce plan and executes an annual evaluation that links individual hiring decisions made during the course of the year, thus empowering managers to focus on developing competencies and skills needed to accomplish OSMRE mission goals. To promote retention in positions where skill gaps have been identified, OSMRE can utilize several programs including student loan repayments, relocation allowances, and retention incentives. In addition, OSMRE uses honorary, non-monetary, and monetary awards to reward employees based on their contributions to the work of the organization. Annual and tri-annual accountability audits are conducted to ensure compliance and identify deficiencies for improvement.
- *Hiring Reform:* OSMRE evaluated its current performance against Office of Personnel Management's 80-day model and will implement a service quality metric to gauge and monitor progress toward improving its hiring process.

#### **c. Administrative Financial Management**

The Financial Management activity funded in this business line provides OSMRE's program offices with accounting and financial services for operational funds to implement SMCRA. Additionally, such services include improved access and presentation of financial data to improve the management of operations and allow for more informed decision making. These services include timely bill pay, recording of receipts and expenditures, issuing financial guidance and management reports, collecting administrative debts, development of financial management operating procedures and tutorials, ensure compliance of Federal travel regulations, and maintaining financial systems and tools that support these functions.

#### **d. Information Technology (IT)**

OSMRE is dependent upon information technology to provide efficient and accurate management information to assist OSMRE's program managers in accomplishing the agency's mission. Activities span all business lines and are funded under other business lines in the budget as well as Executive Direction.

As of FY 2016, OSMRE operates a centralized Information Management Technology (IMT) program under the direct authority of the Bureau's Associate Chief Information Officer (ACIO). OSMRE leverages IMT shared services and services provided under reimbursable agreements to supplement its IMT service offerings. OSMRE will continue to evaluate shared service opportunities and technology to meet OSMRE mission needs in order to increase operational efficiencies and harden its cyber security posture.

Through its cyber security program, OSMRE ensures the integrity of its systems and data assets. The ACIO and the Information Resources Office (IRO) staff provides the Bureau with system assessment and accreditation services as well as performing continuous monitoring security controls to ensure security compliance. The IRO provides, as a component of its security program, virus filtering and continuous traffic monitoring systems which significantly enhance efforts to manage security for its information systems. To ensure cyber security hygiene, the IRO also maintains vulnerability, configuration management, and incident responses processes to ensure timely installation of software patches and fixes while strengthening incident handling responses.

Additionally, employee awareness and compliance are assured through a comprehensive training program. In response to the Federal Information Systems Security Awareness (FISSA) training requirements, employee mandatory training was expanded to include Privacy, Records Management and Rules of Behavior training on an annual basis. OSMRE also provides specialized and role-based security training (RBST) to its employees that have significant IT security responsibilities.

The IRO continues to manage OSMRE's Capital Planning and Investment Control (CPIC) process to ensure the Bureau's IMT investment portfolio represents the optimal mix of technology and services sufficient to support the OSMRE mission. OSMRE works closely with Departmental counterparts to ensure the CPIC program is maintaining the desired results of the program.

### **3. General Services**

This is a funding activity that includes essential fixed costs to support OSMRE's program missions. No personnel or operational activities are funded by this component. The costs below are estimates for FY 2018 and reflect estimated Departmental fixed cost changes from FY 2017 levels and known future plans, including field office closures and anticipated contracting efficiencies.

Table 11 shows projected the General Services costs by category for FY 2017 and FY 2018.

**Table 11 – Estimated General Services Costs**  
(in Round Dollars)

<i>Line Item</i>	<i>2017 CR Baseline</i>	<i>2018 Estimate</i>	<i>Estimated Change 2017 – 2018</i>
Rent and Utilities	6,038,000	5,972,000	-66,000
Telecommunications	300,000	300,000	
Postage	30,000	30,000	
DOI Working Capital Fund	2,492,000	2,395,000	-97,000
DOI Program Requirements	150,000	150,000	
Unemployment Compensation	6,000	6,000	
Worker's Compensation	216,000	193,000	-23,000
Bureau-wide Printing/Supplies	272,000	272,000	
Service Contracts	604,000	495,000	-109,000
GSA Work Authorizations	125,000	125,000	
Operational Support Contracts (Quickhire, Quicktime, software licenses, etc.)	2,533,000	2,079,000	-454,000
<b>Total</b>	<b>12,766,000</b>	<b>12,017,000</b>	<b>-749,000</b>

## **EXECUTIVE DIRECTION AND ADMINISTRATION**

### **2017 Planned Program Performance**

In 2017, planned activities in the Executive Direction and Administration program activity include:

- Training - Continue to utilize training as a strategy to increase cultural competencies, reduce the number of EEO complaints filed, and conduct civil rights reviews on Federal assisted and federally conducted programs.
- Space – Continue to review opportunities to reduce OSMRE’s leased space footprint and expenditures.
- Acquisition – Continue to review opportunities to improve oversight of OSMRE’s acquisition functions.
- Budget and Performance Integration – Continue to review options for budget formulation and performance in conjunction with DOI’s automated efforts to develop a budget justification process that includes performance measures.
- Support DOI’s Financial Audit Statements for FY 2016 and FY 2017.
- Continue to improve the delivery and accessibility of financial information.
- Capital Planning and Investment Capital (CPIC) – Conduct required evaluations for all IT programs and major investments.
- Information Resource Management – Continue to manage enterprise information resources consistent with applicable rules and regulations, and support DOI IT Transformation activities.
- Continue to provide administrative support to the other four business lines (Environmental Restoration, Environmental Protection, Technology Development and Transfer, and Financial Management) to achieve the goals for performance identified in the Goal Performance Tables.

## **2016 Program Accomplishments**

In 2016, the major accomplishments in the Executive Direction and Administration program activities include:

- Processed EEO and Title VI program complaints, conducted civil rights compliance reviews, and provided EEO and diversity training opportunities to all OSMRE managers, supervisors and employees.
- Reduced OSMRE's leased space footprint by continuing to consolidate space with other bureaus.
- Improved the efficiency and effectiveness of OSMRE's communication capabilities by awarding a bureau-wide wireless contract.
- Facilitated OSMRE's use of small business in meeting the Bureau's acquisition needs. As a result, OSMRE achieved the highest small business obligation rate within the DOI.
- Budget/Performance – Managed challenges of budget uncertainty and provided funding to the highest priority needs.
- Supported the DOI's Financial Statement Audits for FY 2015 and FY 2016 to ensure submission of timely and complete deliverables.
- Supported DOI Financial Management improvements for financial reporting. Scored green in all areas of DOI's Financial Performance Metrics.
- Strengthened partnerships to improve communication, understanding and delivery of financial information.
- Achieved 99 percent prompt pay on vendor payments.
- Capital Planning and Investment Capital (CPIC) – Completed required evaluations for all IT programs and major investments.
- Provided administrative support to the other four business lines—Environmental Restoration, Environmental Protection, Technology Development and Transfer, and Financial Management—to achieve the accomplishments shown in the Goal Performance Table.
- Provided educational and employment opportunities to youth in the areas of communications, budget, information technology, auditing, and general administration.

TAB

Permanent Appropriations



**PERMANENT APPROPRIATIONS**

**ALLOCATIONS TO STATES AND TRIBES  
TRANSFERS TO UNITED MINE WORKERS OF AMERICA HEALTH BENEFIT  
FUNDS  
INVESTMENTS TO ADDRESS IMPORTANT LEGACY COSTS IN COAL COUNTRY**

OSMRE receives mandatory funding to distribute grants to states and tribes and transfers to three health benefit plans that are part of the United Mine Workers of America Health and Retirement Funds. The three health benefit plans that receive funding under the Surface Mining Control and Reclamation Act (SMCRA) are collectively referred to as the “UMWA Health Benefit Plans.” These payments are derived from the Abandoned Mine Reclamation Fund (AML Fund) and the General Treasury.

**Table 12 – Permanent Appropriation Estimates**  
(Dollars in Millions)

<b>Permanent Appropriation</b>	<b>2016 Actuals*</b>	<b>2017 CR Baseline*</b>	<b>2018 Estimates</b>	<b>Change from 2017 to 2018 Proposed</b>
<b>Payment (or Grants) to States in Lieu of Coal Fee Receipts (U.S. Treasury Funds)**</b>	<b>303.4</b>	<b>46.2</b>	<b>114.2</b>	<b>+68.0</b>
• In Lieu Payments to Certified States and Tribes	303.4	46.2	114.2	
<b>Mandatory Grants to Noncertified States (AML Fund)</b>	<b>163.1</b>	<b>134.7</b>	<b>207.3</b>	<b>+72.6</b>
• State and Tribal Share	31.7	24.4	27.6	
• Historic Coal Share	113.1	88.6	162.4	
• Min Program Make Up	18.3	21.7	17.3	
<b>Subtotal- Payments to States and Tribes</b>	<b>466.5</b>	<b>180.9</b>	<b>321.5</b>	<b>+140.6</b>
Payments to UMWA Health Benefit Plans (AML Fund Interest)	29.1	32.1	47.3	+15.2
Supplemental Payments to UMWA Health Benefit Plans (Treasury Funds)	150.4	179.8	134.7	-45.1
<b>Subtotal- Payments to UMWA Health Benefit Plans</b>	<b>179.5</b>	<b>211.9</b>	<b>182.0</b>	<b>-29.9</b>
<b>Total Mandatory Funding</b>	<b>646.0</b>	<b>392.8</b>	<b>503.5</b>	<b>+110.7</b>
<i>Subtotal from AML Fund</i>	<i>192.2</i>	<i>166.8</i>	<i>254.6</i>	<i>+87.8</i>
<i>Subtotal from Treasury</i>	<i>453.8</i>	<i>226.0</i>	<i>248.9</i>	<i>+22.9</i>

\*Includes reductions due to sequestration.

\*\*FY 2016 Actuals includes an additional \$241.9 million provided under Public Law 114-94.

## OVERVIEW

One of the basic concepts of SMCRA is to charge a fee on coal production to finance the reclamation of abandoned mine lands (AML) across the country. Reclamation fees are deposited into the Abandoned Mine Reclamation Fund (AML Fund) and distributed through the annual appropriations process to states and tribes for AML reclamation and to OSMRE for administrative expenses. In 2006, amendments to SMCRA extended the authority to collect the reclamation fee and altered the distribution of payments beginning in 2008.<sup>5</sup>

### Collection of Reclamation Fees

Reclamation fees collected are placed in the AML Fund. The current reclamation fee authorized by SMCRA is: 28 cents/ton of surface mined coal; 12 cents/ton of coal mined underground; and 8 cents/ton of lignite; or ten percent of the value of the coal (two percent of the value of the lignite), whichever is less. Total fee receipts for FY 2016 are \$151.8 million. Reclamation fee collections form the basis for mandatory grants to the certified and noncertified states and tribes. The remaining funds collected are available for discretionary appropriations.

Interest accrued on the AML Fund becomes part of the AML Fund is available for transfer to the United Mine Workers of America Health and Retirement Funds in order to help finance three health care plans (collectively referred to as the “UMWA Health Benefit Plans”).

### Allocation and Distribution of Reclamation Funds to States and Tribes

Generally, states must have an approved SMCRA regulatory (Title V) program and an approved reclamation (Title IV) program to be eligible to receive mandatory AML funding. Three Tribes (Crow, Hopi, and Navajo) are eligible for funding through the AML program, and each has an approved reclamation program. As part of the 2006 amendments to SMCRA, Tennessee also became eligible for AML program funding although it does not have an approved regulatory program. A total of 25 states and three tribes received reclamation funding in FY 2017; of these, five states and all three tribes have certified completion of coal abandoned mine land problems.

Amendments to SMCRA since 2006 have included section 100125 of *Moving Ahead for Progress in the 21<sup>st</sup> Century Act* (Public Law No. 112-141), and section 10(d) of the *Helium Stewardship Act* of 2013 (Public Law 113-40). These two amendments, enacted in 2012 and 2013, provided limitations on the amount of funds available for distribution to the certified states and tribes from FY 2013 to FY 2015<sup>6</sup>. On December 4, 2015, the *Fixing America’s Surface Transportation Act, or FAST Act*, (Public Law 114-94) was enacted, which lifted the limitations to payments to certified states and tribes that were contained in the prior amendments, and provided for \$241.9 million in additional payments to certain eligible certified states and tribes.

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<sup>5</sup> OSMRE published regulations implementing the Act (November 14, 2008, 73 FR 67576), which became effective on January 13, 2009.

<sup>6</sup> Public Law No. 112-175 (section 142 of the Continuing Appropriations Resolution for 2013) enacted language so that the uncertified states were not impacted by the limitations put in place on certified State and Tribe funding by the 2012 and 2013 referenced amendments.

- **AML Fund**

Noncertified states are allocated mandatory grants from the AML Fund based on the reclamation fees collected the previous fiscal year. The amount of the grant for each noncertified state is determined through a formula that adds the following allocations:

1. Half of reclamation fees collected in that state (known as the State Share);
2. A state's portion of 30 percent of all reclamation fees collected nationwide and the amount of the State/Tribal Share forgone by certified states and tribes; each state's portion is determined proportionally based on the amount of coal production in that state prior to 1977 (known as Historic Coal Share); and
3. Any amount needed to ensure that each noncertified state receives at least \$3 million annually (known as the Minimum Program Make Up Funds).

SMCRA specifies the eligible uses of each of specific allocation. All funding provided to noncertified states can be used to address hazards and problems on abandoned coal mine lands, such as underground fires, subsidence, landslides, open shafts, unstable or burning refuse piles, acid mine drainage, and dangerous, unstable highwalls. Some of the allocations are restricted to use on the highest priority coal mine sites, i.e., minimum program make up funds, while other allocations may be used to address problems such as water supplies adversely affected by coal mining, i.e., State Share. In certain circumstances, State Share and Historic Coal Share funds may also be used to reclaim certain non-coal sites, such as abandoned hardrock mine lands. Western states, in particular, often use their reclamation funds to address high priority hardrock AML sites, for which there is no other source of Federal funding.

In FY 2017, noncertified states will receive \$134.7 million after sequestration (\$24.4 million in State Share, \$88.6 million in Historic Coal Share, and \$21.7 million in Minimum Program Make Up Funds).

For FY 2018, OSMRE estimates that noncertified states will receive \$207.3 million in grants from the AML Fund (\$27.6 million in State Share; \$162.4 million in Historic Coal Share; and \$17.3 million in Minimum Program Make Up Funds).

- **Treasury Funds**

Mandatory payments from the Treasury to certified states and tribes are also allocated by formula. In lieu payments to certified states and tribes are equal to half of the reclamation fees collected in that state or tribe in the previous fiscal year. Certified states and tribes will receive \$46.2 million, after sequestration, in FY 2017. These payments can be used for any purpose.

Under current law, total mandatory payments to states and tribes from Treasury funds in FY 2018 are estimated to be \$114.2 million. This includes an estimated \$52.8 million from

anticipated FY 2017 coal fee collections and \$61.4 million in funding withheld from payment during the three year phase-in period.<sup>7</sup>

Treasury funds paid to the states and tribes and transfers to the UMWA Health Benefit Plans are subject to an overall \$490 million cap on all annual transfers from the Treasury under the 2006 amendments to SMCRA.

### **Transfers (or Payments) to the UMWA Health Benefit Plans**

Sections 402(h) and (i) of SMCRA require OSMRE to transfer funds to three United Mine Workers of America (UMWA) health care plans that are part of the UMWA Health and Retirement Funds: the United Mine Workers of America (UMWA) Combined Benefit Fund (CBF), the UMWA 1992 Benefit Plan, and the Multiemployer Health Benefit Plan (aka, the 1993 Benefit Plan). The three plans are collectively referred to as the “UMWA Health Benefit Plans.” These transfers are as follows:

- Annual transfers of all estimated AML Fund interest earnings for each fiscal year to the UMWA Health Benefit Plans, to the extent payments from premiums paid by operators and other sources (i.e., payments from other Federal agencies for benefit purposes) do not meet those plans’ expenditure needs, subject to certain limitations. Transfers under the current law began in 2007 to the CBF and in 2008 to both the 1992 and 1993 Plans.
- The UMWA Health Benefit Plans are also entitled to payments from the Treasury, which are subject to the same overall \$490 million cap on all annual transfers from the Treasury under the 2006 amendments to SMCRA.
- In general, the amount of the transfers to the UMWA Health Benefit Plans is dependent on the extent that their revenues do not meet their expenditures. When that occurs, OSMRE will transfer available funds in the following order as needed:
  - Estimated interest to be earned by the AML Fund during the fiscal year in question.
  - Unappropriated balance of the RAMP allocation. (Note: Funds were exhausted as of the FY 2010 distribution.)
  - Transfers from the U.S. Treasury, subject to the \$490 million cap on annual transfers from Treasury to both the UMWA Health Benefit Plans and the states and tribes.
  - Reserve fund created from existing stranded interest earned by the AML Fund.

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<sup>7</sup> In accordance with the provisions of section 411(h)(3) of SMCRA, the payments to certified states and tribes were reduced during the 3 year phase-in period from FY 2009 to FY 2011. The statute stipulates that the amounts withheld during this phase-in period are to be paid in two equal annual installments beginning in FY 2018.

In FY 2017, the UMWA Health Benefit Plans received \$32.1 million in interest payment from the AML fund and \$179.8 million, which includes \$35.1 million for the additional beneficiaries authorized for the period from January 1 to April 30, 2017, by the Continued Health Benefits for Miners Act<sup>8</sup>

For FY 2018, under current law, OSMRE estimates that \$47.3 million in interest payments from the AML Fund and \$134.7 million from the Treasury will be transferred to the UMWA Health Benefit Plans.

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<sup>8</sup> Section 167 of the Continuing Appropriations Act, 2017 (division C of Public Law 114-223), as amended by the Further Continuing Appropriations Act, 2017 (division A of Public Law 114-254).

**Table 13 – Mandatory Funding for States and Tribes, FY 2016-2018**

(Dollars Rounded in Millions)

State/Tribe	2016 Actual	2017 CR Baseline	Hypothetical Distribution for FY 2018
Alabama	4.4	3.3	5.5
Alaska	2.8	2.8	3.0
Arkansas	2.8	2.8	3.0
Colorado	3.1	2.8	3.5
Illinois	15.7	12.3	20.6
Indiana	7.4	5.9	8.8
Iowa	2.8	2.8	3.0
Kansas	2.8	2.8	3.0
Kentucky	17.1	12.6	21.2
Maryland	2.8	2.8	3.0
Missouri	2.8	2.8	3.0
New Mexico	2.8	2.8	3.0
North Dakota	2.8	2.8	3.0
Ohio	8.8	6.8	12.0
Oklahoma	2.8	2.8	3.0
Pennsylvania	43.0	33.5	59.9
Tennessee	2.7	2.8	3.0
Utah	1.4	2.5	.8
Virginia	4.6	3.8	6.3
West Virginia	29.7	23.3	38.7
<b>Sub-total for noncertified States</b>	<b>163.1</b>	<b>134.8</b>	<b>207.3</b>
Louisiana	.1	.1	.3
Mississippi	.1	.1	.1
Montana	4.4	3.3	8.0
Texas	1.5	1.5	3.2
Wyoming	53.0	39.4	97.6
Crow	.8	.5	1.4
Hopi	.3	.3	.6
Navajo Nation	1.3	1.0	3.0
<b>Sub-total for certified States and Tribes</b>	<b>61.5</b>	<b>46.2</b>	<b>114.2</b>
AML Site Reclamation/Redevelopment			
<b>Total for All States/Tribes</b>	<b>224.6</b>	<b>181.0</b>	<b>321.5</b>
<b>Source of Mandatory Funding:</b>			
• AML Fund	163.1	134.8	207.3
• Treasury	61.5	46.2	114.2
Notes: Noncertified States are those that have remaining coal AML problems to address. Certified States and Tribes have certified that there are no remaining coal AML problems. FY 2016 figures reflect a reduction of 6.8 percent due to sequestration. FY 2017 figures reflect a 6.9 percent reduction due to sequestration. The FY 2016 figures do not include an additional \$241.9 million provided to Wyoming under P.L. 114-94 References: P.L. 109-432, SMCRA Amendments Act of 2006; P.L. 112-141, MAP-21; P.L. 112-175, the Continuing Appropriations Resolution for 2013; and P.L. 113-40, The Helium Stewardship Act of 2013.			



TAB

Budget Exhibits



**BUDGET EXHIBITS**  
**Exhibit A: Section 403 Compliance<sup>9</sup>**

**Program/Project Support of Bureau, Department, and Government-wide Costs**

	<b>2018 Request</b>
External Administrative Costs	
WCF Centralized Billings	\$2,393,900
WCF Direct Billing/Fee for Service	\$1,139,600

**External Administrative Costs**

OSMRE funds external administrative costs, to include amounts paid to the Department of the Interior (DOI) to support Departmental or government-wide costs, in the General Services activity within the Executive Direction and Administration business line. Itemized lists of the budget for activities included in the DOI Working Capital Fund that are centrally billed and directly billed/fee for service are included at the end of this exhibit.

**Bureau Administrative Costs**

OSMRE does not assess a charge for overhead, deductions, reserves, or holdbacks against the amounts requested in each of its business lines; rather, Bureau level administrative costs are identified in the Executive Direction and Administration business line in the budget justification. The Executive Direction activity provides executive direction in overall leadership and bureau-wide policy and program performance management guidance. The Administrative Support activity includes all the administrative functions necessary to support program activities including: Administration, Human Resources, Administrative Financial Management, and Information Technology. In addition to the DOI Working Capital Fund, the General Services activity includes essential fixed costs to support OSMRE's program missions such as rent, telecommunications, and service contracts. Further information on specific elements of each activity can be found in the Executive Direction and Administration section.

Support functions at the regional and field offices ensure various activities are integrated so the mission is accomplished. The majority of these costs are comprised of the salary and benefits for field office directors, regional directors and their administrative staff. These costs are not identified under Executive Direction and Administration, but rather included in the program funding requested in the respective business lines.

Activity Based Costing allows OSMRE to internally track the indirect costs associated with its various organizational units and program activities. This is important in determining the full cost of program activities for evaluation purposes. By having employees report and track costs at the lowest work breakdown structure level, managers are able to assess both the direct and indirect costs of the Bureau's programs and activities.

<sup>9</sup> Consolidated Appropriations Act, 2016 (Public Law 114-113)

**WORKING CAPITAL FUND REVENUE - Centralized Billing**  
**FY 2018 President's Budget**  
**OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT**  
(\$ in thousands)

Activity/Office	2016 Revised	2017 Pres Budget	2017 Revised	2018 Estimate
FBMS Infrastructure Hosting & Support	192.9	197.6	197.6	192.9
FBMS Business Integration Office	192.9	197.6	197.6	192.9
Aviation Management	13.0	11.0	11.0	2.0
Office of Aviation Services	13.0	11.0	11.0	2.0
Mail and Messenger Services	115.4	114.7	114.7	83.9
Safety, Environmental, and Health Services	61.3	60.9	60.9	44.6
Shipping/Receiving & Moving Services	38.2	37.9	37.9	27.7
Vehicle Fleet	2.6	2.6	2.6	2.6
Personal Property Accountability Services	47.2	46.9	46.9	34.3
Interior Complex Management & Svcs	43.1	42.9	42.9	31.3
Departmental Library	0.3	5.8	5.8	4.2
Mail Policy	1.9	1.8	1.8	1.8
Conference and Special Events Services	87.8	87.2	87.2	63.8
Space Management Services	27.3	27.2	27.2	19.9
Office of Facilities & Admin Services	425.1	427.9	427.9	314.1
Office of Valuation Services				
<b>Subtotal OS Shared Services</b>	<b>631.0</b>	<b>636.5</b>	<b>636.5</b>	<b>509.0</b>
Secretary's Immediate Office				
Document Management Unit	0.0	0.5	0.5	167.1
FOIA Tracking & Reporting System	16.8	22.5	22.5	31.8
Office of the Executive Secretariat	16.8	23.0	23.0	198.9
Secretary's Immediate Office				
Departmental News and Information	8.6	8.4	8.4	8.3
Office of Communications	8.6	8.4	8.4	8.3
Departmental Museum	8.1	8.0	8.0	7.9
Secretary's Immediate Office	8.1	8.0	8.0	7.9
FedCenter	1.9	1.9	1.9	1.9
Compliance Support ESF-11/ESF-11 Website	2.3	2.3	2.3	2.3
Office of Environmental Policy and Compliance	4.2	4.2	4.2	4.2
Invasive Species Council	24.0	24.0	24.0	24.0
Invasive Species Coordinator	4.4	4.4	4.4	4.4

**WORKING CAPITAL FUND REVENUE - Centralized Billing**  
**FY 2018 President's Budget**  
**OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT**  
(\$ in thousands)

Activity/Office	2016 Revised	2017 Pres Budget	2017 Revised	2018 Estimate
Office of Policy Analysis	28.4	28.4	28.4	28.4
International Affairs Office				
CPIC	1.4	1.4	1.4	1.3
Office of Budget	1.4	1.4	1.4	1.3
Financial Statement, Internal Controls & Performance Report	4.6	4.6	4.6	4.5
Travel Management Center	1.5	2.3	2.3	2.3
e-Travel	8.1	12.4	12.4	12.0
Partnerships	2.1	2.1	2.1	2.0
Office of Financial Management	16.3	21.4	21.4	20.8
Space Management Initiative	2.5	2.5	2.5	2.8
Interior Asset Disposal System O&M	2.5	2.5	2.5	2.5
Office of Property and Acquisition Management	5.0	5.0	5.0	5.3
Planning and Performance Management	8.3	8.2	8.2	8.1
Office of Planning and Performance Management	8.3	8.2	8.2	8.1
Department-wide Worker's Compensation Program Coordination	2.7	2.7	2.7	2.7
OPM Federal Employment Services	2.6	2.6	2.6	2.5
Accessibility and Special Hiring Programs	4.3	4.2	4.2	4.2
Human Resources Accountability Team	4.6	4.5	4.5	4.5
Employee and Labor Relations Tracking System	0.2	0.2	0.2	0.2
Consolidated Employee Assistance Program	5.1	5.0	5.0	5.0
Office of Human Resources	19.5	19.2	19.2	19.1
EEO Complaints Tracking System	0.4	0.4	0.4	0.4
Special Emphasis Program	0.3	0.3	0.3	0.3
Office of Civil Rights	0.6	0.6	0.7	0.7
Occupational Safety and Health	10.5	10.4	10.3	10.3
Safety Management Information System	8.4	8.4	8.4	8.2
Office of Occupational Health and Safety	18.9	18.8	18.7	18.5
Leadership Development Programs	6.6	6.6	6.6	6.5
Dept-Wide Training Programs (Excludes Online Learning)	5.9	7.1	5.9	5.0
Learning & Performance Center Management	10.0	9.5	9.5	8.7
DOIU Management	4.6	4.6	4.6	4.5
Online Learning (DOI Learn)	9.7	8.5	9.7	8.3

**WORKING CAPITAL FUND REVENUE - Centralized Billing**  
**FY 2018 President's Budget**  
**OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT**  
(\$ in thousands)

Activity/Office	2016 Revised	2017 Pres Budget	2017 Revised	2018 Estimate
DOI University	36.8	36.3	36.3	33.0
Security (Classified Information Facility)	3.6	3.6	3.6	3.5
Law Enforcement Coordination	4.8	4.8	4.8	6.1
Security (MIB/SIB Complex)	469.6	466.5	466.5	346.9
Victim Witness Coordinator	1.3	1.3	1.3	1.3
OLEs Detailees - Training and Compliance	0.0	5.8	0.0	0.0
Office of Law Enforcement and Security	479.3	482.0	476.2	357.8
Interior Operations Center	15.3	15.1	15.1	14.8
Emergency Preparedness (COOP)	6.5	6.5	6.5	6.4
Emergency Response	8.3	9.5	9.5	9.4
MIB Emergency Health and Safety	11.0	11.0	11.0	8.2
Federal Executive Board	1.9	1.9	1.9	1.9
Send Word Now Emergency Notification System	0.0		0.1	0.1
Office of Emergency Management	43.0	44.0	44.1	40.8
Alternative Dispute Resolution Training	0.3	0.3	0.3	0.3
Collaborative Action and Dispute Resolution	0.3	0.3	0.3	0.3
CFO Financial Statement Audit	230.3	174.5	174.5	174.5
Department-wide Activities	230.3	174.5	174.5	174.5
Ethics	3.7	3.6	3.6	4.1
FOIA Appeals	3.0	0.6	0.6	0.0
Office of the Solicitor	6.7	4.2	4.2	4.1
<b>Subtotal OS Activities</b>	<b>932.5</b>	<b>887.9</b>	<b>882.2</b>	<b>932.0</b>
IT Transformation Planning (ITT)	50.0	55.5	55.5	0.0
Office of the Chief Information Officer	50.0	55.5	55.5	0.0
Enterprise Directory Services	26.4	29.5	29.5	26.9
IT Desktop Software Administration	6.1	7.3	7.3	5.9
IOS Collaboration	6.8	6.9	6.9	6.3
Unified Messaging	7.6	11.1	11.1	9.6
Office of Information Assurance	46.9	54.8	54.8	48.7
Privacy and Civil Liberties	5.4	6.8	6.8	8.9

**WORKING CAPITAL FUND REVENUE - Centralized Billing**  
**FY 2018 President's Budget**  
**OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT**  
(\$ in thousands)

Activity/Office	2016 Revised	2017 Pres Budget	2017 Revised	2018 Estimate
Identity Credential Access Management (ICAM)	7.2	6.2	6.2	5.8
Threat Management	50.2	60.3	60.3	65.9
Information Systems Security Operations (ISSO)	1.5	2.2	2.2	0.5
Office of Information Assurance (OIA) Operations	4.6	8.8	8.8	12.4
Assessment & Authorization Services	1.7	2.0	2.0	2.4
IT Security	1.7	7.8	7.8	8.5
Enterprise Continuous Diagnostics and Monitoring	6.2	6.3	6.3	5.8
Enterprise Security Information & Event Mgmt Solution (SIEM)	13.4	13.5	13.5	12.4
Office of Information Assurance	91.9	113.9	113.9	122.6
Hosting Services	6.8	3.8	3.8	4.0
Office of IT Service Delivery - Hosting Services	6.8	3.8	3.8	4.0
Electronic Records Management	23.4	25.5	25.5	24.5
Solutions, Design and Innovation (SDI)	7.8	7.4	7.4	7.4
Geospatial Services	1.7	1.7	1.7	1.7
E-Forms	0.0	12.9	12.9	12.7
Office of Information and Technology Management	32.9	47.5	47.5	46.3
Enterprise Services Network	60.9	33.9	33.9	36.7
Federal Relay Service	1.7	1.7	1.7	1.7
MIB Data Networking	37.3	37.5	37.5	28.6
Telecommunication Services	95.1	96.0	96.0	73.1
Integrated Digital Voice Communications System	79.1	78.6	78.6	60.2
Enterprise Services Network - Central Bill Pass Throughs	118.4	144.0	144.0	156.0
Office of IT Service Delivery - Telecommunications Services	392.5	391.7	391.7	356.3
Enterprise Service Desk	5.8	0.0	0.0	0.0
Office of IT Service Delivery - Customer Support Services	5.8	0.0	0.0	0.0
Architecture & IT Portfolio Performance Management	29.1	28.7	28.7	36.0
Compliance and Audit Management	14.2	15.5	15.5	16.7
IT Budget Formulation & Portfolio Development	18.1	23.1	23.1	26.8
Office of Planning and Performance Management	61.4	67.3	67.3	79.5
Sustain Data Center Consolidation and Cloud Hosting Capabilities	0.0	0.0	0.0	22.1
Gateway/Bandwidth Expansion	0.0	0.0	0.0	23.7
Office of IT Service Delivery - Telecommunication Services	0.0	0.0	0.0	45.8

**WORKING CAPITAL FUND REVENUE - Centralized Billing**  
**FY 2018 President's Budget**  
**OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT**  
(\$ in thousands)

Activity/Office	2016 Revised	2017 Pres Budget	2017 Revised	2018 Estimate
e-Government Initiatives	116.2	117.5	117.5	0.0
e-Gov Program Manager	0.0	0.0	0.0	0.5
e-Gov e-rulemaking	0.0	0.0	0.0	6.8
e-Gov - GovBenefits - Disaster Assistance Improvement Plan DHS	0.0	0.0	0.0	0.4
e-Gov - Integrated Acquisition Environment (IAE) Loans and	0.0	0.0	0.0	2.5
e-Gov - Human Resources Line of Business (HRLoB) OPM	0.0	0.0	0.0	0.9
e-Gov - Financial Management Line of Business (FMLoB)	0.0	0.0	0.0	0.9
e-Gov - GovBenefits.Gov Dept of Labor	0.0	0.0	0.0	0.7
e-Gov - Grants.gov HHS	0.0	0.0	0.0	122.5
e-Gov - Performance Management Line of Business (PMLoB)	0.0	0.0	0.0	0.4
e-Gov - Budget Formulation and Execution LoB	0.0	0.0	0.0	0.8
Office of Planning and Performance Management	116.2	117.5	117.5	136.4
Office of Planning and Performance Management				
<b>Subtotal IT Shared Services</b>	804.4	852.0	852.0	839.6
Federal Personnel and Payroll System (FPPS)	102.0	81.3	78.7	79.0
OPM Employee Express	3.4	4.6	4.5	4.4
HR Systems Integration Framework (HRSIF)	4.6	3.5	3.4	3.4
HRLOB - HRSIF Central Bill	0.0	1.4	1.4	1.4
HR LOB - FPPS	0.0	20.2	19.5	20.2
IBC Human Resources Directorate	110.0	111.0	107.5	108.4
Transportation Services (Household Goods)	5.0	5.1	5.1	4.9
IBC Financial Management Directorate	5.0	5.1	5.1	4.9
IBC Acquisitions Services Directorate				
<b>Subtotal Interior Business Center</b>	115.0	116.1	112.6	113.3
<b>TOTAL</b>	2,482.9	2,492.5	2,483.3	2,393.9

**WORKING CAPITAL FUND REVENUE - Direct Billing**  
**FY 2018 President's Budget**  
**OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT**  
(\$ in thousands)

Activity/Office	2016 Actual	2017 Pres Budget	2017 Estimate	2018 Estimate
<b>OS Shared Services</b>				
Financial and Business Mgmt System - FBMS				
Creative Communications	2.6	4.9	2.6	2.6
Office of Facilities & Admin Services	2.6	4.9	2.6	2.6
<b>Subtotal OS Shared Services</b>	<b>2.6</b>	<b>4.9</b>	<b>2.6</b>	<b>2.6</b>
<b>OS Activities</b>				
Single Audit Clearinghouse	0.1	0.1	0.2	0.2
Office of Financial Management	0.1	0.1	0.2	0.2
e-OPF	8.1	8.1	8.5	8.5
Office of Human Resources	8.1	8.1	8.5	8.5
Equal Employment Opportunity (EEO) Investigations	1.7	3.9	1.7	1.7
Equal Employment Opportunity (EEO) Training	2.5	2.5	2.5	2.5
Office of Civil Rights	4.2	6.4	4.2	4.2
Online Learning	2.5	0.7	2.6	2.6
Consolidated Direct Billed Leadership & Perf Centers	20.1	20.3	20.3	20.3
Senior Executive Service Candidate Development Program	9.1	0.0	5.1	5.1
DOI University (DOIU)	31.7	21.0	28.0	28.0
Federal Flexible Savings Account (FSA) Program	1.4	2.6	1.7	1.7
Department-wide Programs	1.4	2.6	1.7	1.7
<b>Subtotal OS Activities</b>	<b>45.5</b>	<b>38.2</b>	<b>42.6</b>	<b>42.6</b>

**WORKING CAPITAL FUND REVENUE - Direct Billing**  
**FY 2018 President's Budget**  
**OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT**  
(\$ in thousands)

Activity/Office	2016 Actual	2017 Pres Budget	2017 Estimate	2018 Estimate
<b>IT Shared Services</b>				
Unified Messaging	59.0	70.1	55.2	57.2
IOS Collaboration	5.6	5.6	5.6	5.8
Office of IT Service Delivery - End User Services	64.6	75.7	60.8	63.0
Anti-Virus Software Licenses		15.5	0.0	
Identity, Credential Access Management (ICAM)	56.0	56.0	56.0	57.7
Data at Rest Initiative	1.7	1.8	1.8	2.0
End Point Manager Licenses	0.0	86.8	86.8	100.0
CDM Licenses	0.0		0.0	12.7
Office of Information Assurance	57.7	160.1	144.6	172.4
Data Center Consolidation and Cloud Planning, Analysis and	5.8	5.8	0.0	0.0
Office of IT Service Delivery - Hosting Services	5.8	5.8	0.0	0.0
ESRI Enterprise Licenses	112.7	115.8	115.8	115.8
Electronic Records Management	28.2	33.5	33.9	33.5
Office of Information and Technology Management	140.9	149.3	149.7	149.3
Information Systems Security Operations (ISSO)			263.7	263.7
PPCD Security Compliance		0.0		0.0
Office of Information Assurance/Security	0.0	0.0	263.7	263.7
Enterprise Services Network	101.9	101.9	181.0	181.0
EID Rack Space	21.4	22.5	22.5	23.6
ISSO Telecommunications	8.0	8.0	2.1	2.1
Office of IT Service Delivery - Telecommunications Services	131.3	132.4	205.6	206.7
Customer Support Ctr Division (CSCD) - Customer Support Center	98.8	101.6	121.2	168.8
Office of IT Service Delivery - Customer Support Services	98.8	101.6	121.2	168.8
<b>Subtotal IT Shared Services</b>	499.1	624.9	945.6	1023.9

**WORKING CAPITAL FUND REVENUE - Direct Billing**  
**FY 2018 President's Budget**  
**OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT**  
(\$ in thousands)

Activity/Office	2016 Actual	2017 Pres Budget	2017 Estimate	2018 Estimate
<b>Interior Business Center</b>				
Payroll & HR Systems	31.1	28.8	29.7	30.8
Payroll & HR Systems (Passthrough)	15.1	15.1	12.7	13.1
HRLOB - Direct Bill	3.2	3.2	2.9	3.0
IBC Human Resources Systems	49.4	47.1	45.3	46.9
Indirect Cost Negotiations - DOI Support	8.0	23.3	23.3	23.6
IBC Financial Management Directorate	8.0	23.3	23.3	23.6
<b>Subtotal IT Shared Services</b>	57.4	70.4	68.6	70.5
<b>TOTAL</b>	604.6	738.4	1,059.4	1,139.6

**Exhibit B: MAX Tables/Budget Schedules**

**Budget Schedule P**  
**Regulation and Technology**  
 Program and Financing  
*(Dollars in Millions)*

<b>14-1801-0</b>	<b>2016 Actual</b>	<b>2017 Estimate</b>	<b>2018 Estimate</b>
<b>Obligations by program activity</b>			
00.02 Environmental Protection	94	92	82
00.03 Technology Development & Transfer	15	15	12
00.04 Financial Management	1	1	1
00.05 Executive Direction & Administration	15	15	14
09.00 Total new obligations, unexpired accounts	125	123	109
<b>Budgetary resources</b>			
10.00 Unobligated balance brought forward, Oct 1	31	31	31
10.21 Recoveries of prior year unpaid obligations	2		
10.50 Unobligated balance (total)	33	31	31
<b>Budget Authority</b>			
Appropriations, discretionary			
11.00 Appropriation	123	123	109
11.01 Appropriation (special or trust fund)	0	0	0
11.60 Appropriation, discretionary (total)	123	123	109
<b>Spending authority from offsetting collections, discretionary</b>			
17.00 Collected	0	0	0
Spending authority from offsetting collections, disc			
17.50 (total)	0	0	0
19.00 Budget authority (total)	123	123	109
19.30 Total budgetary resources available	156	154	140
<b>Memorandum (non-add) entries</b>			
19.40 Unobligated balance expiring	0	0	0
19.41 Unexpired unobligated balance, end of year	31	31	31
<b>Change in obligated balance</b>			
30.00 Unpaid obligations brought forward, Oct 1	54	57	55
30.10 New obligations, unexpired accounts	125	123	109
30.20 Outlays (gross)	-117	-125	-117
30.40 Recoveries of prior year unpaid obligations, unexpired	-2	0	0
30.41 Recoveries of prior year unpaid obligations, expired	-3	0	0
30.50 Unpaid obligations, end of year	57	55	47
<b>Memorandum (non-add) entries</b>			
31.00 Obligated balance, start of year	54	57	55
32.00 Obligated balance, end of year	57	55	47

<b>14-1801-0</b>	<b>2016 Actual</b>	<b>2017 Estimate</b>	<b>2018 Estimate</b>
<b>Budget authority and outlays, net</b>			
Discretionary:			
40.00 Budget authority, gross	123	123	109
40.10 Outlays from new discretionary authority	54	62	54
40.11 Outlays from discretionary balances	63	63	63
40.20 Outlays, gross (total)	117	125	117
<b>Offsets against gross budget authority</b>			
Offsetting collections (collected from):			
40.34 Offsetting governmental collections	0	0	0
40.70 Budget authority, net (discretionary)	123	123	109
40.80 Outlays, net (discretionary)	117	125	117
41.80 Budget authority, net (total)	123	123	109
41.90 Outlays, net (total)	117	125	117

**Budget Schedule P**  
**Abandoned Mine Reclamation Fund**  
Program and Financing  
(Dollars in Millions)

<b>14-5015-0</b>	<b>2016 Actual</b>	<b>2017 Estimate</b>	<b>2018 Estimate</b>
<b>Obligations by program activity</b>			
00.01 Environmental Restoration	99	99	6
00.02 Technology Development & Transfer	5	4	2
00.03 Financial Management	6	6	5
00.04 Executive Direction & Administration	7	8	7
00.05 AML funded Grants to States	197	135	207
00.06 UMWA and other benefits	29	32	47
09.00 Total new obligations, unexpired accounts	343	284	274
<b>Budgetary resources</b>			
10.00 Unobligated balance brought forward, Oct 1	37	70	75
10.01 Discretionary unobligated balance brought forward, Oct 1	37	39	
10.21 Recoveries of prior year unpaid obligations	67	5	5
10.50 Unobligated balance (total)	104	75	80
<b>Budget Authority</b>			
<b>Appropriations, discretionary</b>			
11.00 Appropriation (Economic Development)	90	90	
11.01 Appropriation (special or trust fund)	27	27	20
11.60 Appropriation, discretionary (total)	117	117	20
<b>Appropriations, mandatory</b>			
12.01 Appropriation (AML & RAMP transfers to UMWA)	29	32	47
12.01 Appropriation (AML grants to States)	175	145	207
12.32 Appropriations and/or unobligated balance of appropriations temporarily reduced	-12	-10	
12.60 Appropriations, mandatory (total)	192	167	254
19.00 Budget authority (total)	309	284	274
19.30 Total budgetary resources available	413	359	354
19.41 Unexpired unobligated balance, end of year	70	75	80
<b>Change in obligated balance</b>			
30.00 Unpaid obligations brought forward, Oct 1	303	358	379
30.10 New obligations, unexpired accounts	343	284	274
30.20 Outlays (gross)	-221	-258	-258
30.40 Recoveries of prior year unpaid obligations, unexpired	-67	-5	-5
30.50 Unpaid obligations, end of year	358	379	390
<b>Memorandum (non-add) entries</b>			
31.00 Obligated balance, start of year	303	358	379
32.00 Obligated balance, end of year	358	379	390
<b>Budget authority and outlays, net</b>			

<b>14-5015-0</b>	<b>2016 Actual</b>	<b>2017 Estimate</b>	<b>2018 Estimate</b>
<b>Discretionary</b>			
40.00 Budget authority, gross	117	117	20
40.10 Outlays from new discretionary authority	19	88	15
40.11 Outlays from discretionary balances	6	1	12
40.20 Outlays, gross (total)	25	89	27
40.70 Budget authority, net (discretionary)	117	117	20
40.80 Outlays, net (discretionary)	25	89	27
<b>Mandatory</b>			
40.90 Budget authority, gross	192	167	254
41.00 Outlays from new mandatory authority	27	69	104
41.01 Outlays from mandatory balances	169	100	127
41.10 Outlays, gross (total)	196	169	231
41.60 Budget authority, net (mandatory)	192	167	254
41.70 Outlays, net (mandatory)	196	169	231
41.80 Budget authority, net (total)	309	284	274
41.90 Outlays, net (total)	221	258	258
<b>Memorandum (non-add) entries</b>			
50.00 Total investments, SOY: Federal securities: par value	2,806	2,777	2,745
50.01 Total investments, EOY: Federal securities: par value	2,777	2,745	2,702

**Budget Schedule P**  
**Payments to States in Lieu of Coal Fee Receipts**  
Program and Financing  
(Dollars in Millions)

<b>14-1803-0</b>	<b>2016 Actual</b>	<b>2017 Estimate</b>	<b>2018 Estimate</b>
<b>Obligations by program activity</b>			
00.01 Prior balance payments to non-certified States	25		
00.03 In lieu payments to certified States and Tribes	303	46	114
09.00 Total new obligations (object class 41.0)	328	46	114
<b>Budgetary resources</b>			
10.00 Unobligated balance brought forward, Oct 1	0	1	25
10.21 Recoveries of prior year unpaid obligations	26	24	2
10.50 Unobligated balance (total)	26	25	27
<b>Budget Authority</b>			
Appropriations, mandatory			
12.00 Appropriation	305	50	114
Appropriations and/or unobligated balance of			
12.30 appropriations permanently reduced	-2	-4	0
12.60 Appropriation, mandatory (total)	303	46	114
19.30 Total budgetary resources available	329	71	141
<b>Memorandum (non-add) entries</b>			
19.41 Unexpired unobligated balance, end of year	1	25	27
<b>Change in obligated balance</b>			
30.00 Unpaid obligations brought forward, Oct 1	438	579	461
30.10 New obligations, unexpired accounts	328	46	114
30.20 Outlays (gross)	-161	-140	-156
Recoveries of prior year unpaid obligations,			
30.40 unexpired	-26	-24	-2
30.50 Unpaid obligations, end of year	579	461	417
<b>Memorandum (non-add) entries</b>			
31.00 Obligated balance, start of year	438	579	461
32.00 Obligated balance, end of year	579	461	417
<b>Budget authority and outlays, net</b>			
Mandatory:			
40.90 Budget authority, gross	303	46	114
<b>Outlays, gross</b>			
41.00 Outlays from new mandatory authority	25	5	11
41.01 Outlays from mandatory balances	136	135	145
41.10 Outlays, gross (total)	161	140	156
41.60 Budget authority, net (mandatory)	303	46	114
41.70 Outlays, net (mandatory)	161	140	156
41.80 Budget authority, net (total)	303	46	114
41.90 Outlays, net (total)	161	140	156

**Budget Schedule P**  
**Supplemental Payments to UWMA Plans**  
Program and Financing  
*(Dollars in Millions)*

<b>14-1804-0</b>	<b>2016 Actual</b>	<b>2017 Estimate</b>	<b>2018 Estimate</b>
<b>Obligations by program activity</b>			
Supplemental payments to UMWA health plans			
00.01 (direct)	150	180	135
09.00 Total new obligations (object class 25.2)	150	180	135
<b>Budget Authority</b>			
Appropriations, mandatory			
12.00 Appropriation	150	180	135
12.60 Appropriation, mandatory (total)	150	180	135
19.30 Total budgetary resources available	150	180	135
<b>Change in obligated balance</b>			
30.00 Unpaid obligations brought forward, Oct 1	0	0	0
30.10 New obligations, unexpired accounts	150	180	135
30.20 Outlays (gross)	-150	-180	-135
<b>Budget authority and outlays, net</b>			
Mandatory:			
40.90 Budget authority, gross	150	180	135
<b>Outlays, gross</b>			
41.00 Outlays from new mandatory authority	0	180	135
41.01 Outlays from mandatory balances	150	0	0
41.10 Outlays, gross (total)	150	180	135
41.60 Budget authority, net (mandatory)	150	180	135
41.70 Outlays, net (mandatory)	150	180	135
41.80 Budget authority, net (total)	150	180	135
41.90 Outlays, net (total)	150	180	135

**Summary of Requirements by Object Class**

**Regulation and Technology**

Program and Financing

(Dollars in Millions)

Object Class	FY 2017 Estimate		DOI-wide Changes		Program Changes		FY 2018 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>11 Personnel compensation</b>								
11.1 Full-time permanent	298	30			-15	-3	283	27
11.X All other salaries							0	0
Total Personnel Compensation	298	30	0	0	-15	-3	283	27
<b>Other Object Classes</b>								
12.1 Personnel benefits		9				-1	0	8
21.0 Travel and transportation of persons		1					0	1
23.1 Rental payments to GSA		2					0	2
23.2 Rental payments to others		1					0	1
25.2 Other services		8					0	8
26.0 Supplies and materials		1					0	1
31.0 Equipment		1					0	1
41.0 Grants, subsidies and contributions		70				-10	0	60
99.0 Subtotal - obligations, direct obligations	298	123	0	0	-15	-14	283	109
<b>Reimbursable obligations</b>								
11.1 Personnel compensation: Full-time permanent							0	0
99.0 Subtotal - obligations, reimbursable							0	0
99.5 Below reporting threshold							0	0
<b>99.9 Total requirements</b>	<b>298</b>	<b>123</b>	<b>0</b>	<b>0</b>	<b>-15</b>	<b>-14</b>	<b>283</b>	<b>109</b>

## Summary of Requirements by Object Class

### Abandoned Mine Reclamation Fund

Program and Financing

*(Dollars in Millions)*

Object Class	FY 2017 Estimate		DOI-wide Changes		Program Changes		FY 2018 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>11 Personnel compensation</b>								
11.1 Full-time permanent	123	12			-23	-3	100	9
11.X All other salaries							0	0
Total Personnel Compensation	123	12	0	0	-23	-3	100	9
<b>Other Object Classes</b>								
12.1 Personnel benefits		3				-1	0	2
21.0 Travel and transportation of persons		1					0	1
23.1 Rental payments to GSA		2					0	2
23.2 Rental payments to others							0	0
25.2 Other services		41				+12	0	53
26.0 Supplies and materials							0	0
31.0 Equipment							0	0
41.0 Grants, subsidies and contributions		225				-18	0	207
99.0 Subtotal - obligations, direct obligations	123	284	0	0	-23	-10	100	274
<b>Reimbursable obligations</b>								
11.1 Personnel compensation: Full-time permanent							0	0
99.0 Subtotal - obligations, reimbursable							0	0
99.5 Below reporting threshold							0	0
<b>99.9 Total requirements</b>	<b>123</b>	<b>284</b>	<b>0</b>	<b>0</b>	<b>-23</b>	<b>-10</b>	<b>100</b>	<b>274</b>

**Budget Schedule O**  
**Regulation and Technology**  
**Object Classification**  
*(Dollars in Millions)*

14-1801-0	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
<b>Direct Obligations</b>			
11.11 Full-time permanent	28	30	27
11.21 Personnel benefits	9	9	8
12.10 Travel & transportation of persons	1	1	1
12.31 Rental payments to GSA	2	2	2
12.32 Rental payments to others	1	1	1
12.52 Other services from non-Federal sources	8	8	8
12.60 Supplies and materials	1	1	1
13.10 Equipment	1	1	1
14.10 Grants, subsidies and contributions	74	70	60
99.99 <i>Subtotal, direct obligations</i>	<i>125</i>	<i>123</i>	<i>109</i>
<b>Reimbursable Obligations</b>			
21.11 Full-time permanent (reimbursable)			
22.52 Other services			
99.95 Below reporting threshold			
<b>99.99 Total Obligations</b>	<b>125</b>	<b>123</b>	<b>109</b>

**Budget Schedule O**

**Abandoned Mine Reclamation Fund**

Object Classification  
(Dollars in Millions)

14-5105-0	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
<b>Direct Obligations</b>			
11.11 Full-time permanent	12	12	9
11.21 Personnel benefits	3	3	2
12.10 Travel & transportation of persons	1	1	1
12.31 Rental payments to GSA	2	2	2
12.52 Other services from non-Federal sources	34	41	53
14.10 Grants, subsidies and contributions	291	225	207
99.99 <i>Subtotal, direct obligations</i>	<i>343</i>	<i>284</i>	<i>274</i>
<b>Reimbursable Obligations</b>			
21.11 Full-time permanent (reimbursable)			
22.52 Other services			
99.95 Below reporting threshold			
<b>99.99 Total Obligations</b>	<b>343</b>	<b>284</b>	<b>274</b>

**Budget Schedule O**

**Payments to States in Lieu of Coal Fee Receipts**

Object Classification  
*(Dollars in Millions)*

14-1803-0	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
<b>Direct Obligations</b>			
14.10 Grants, subsidies and contributions	328	46	114
<b>99.99 Total Obligations</b>	<b>328</b>	<b>46</b>	<b>114</b>

**Budget Schedule O**

**Supplemental Payments to UWMA Plans**

Object Classification

*(Dollars in Millions)*

14-1804-0	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
<b>Direct Obligations</b>			
12.52 Other services from non-Federal sources	150	180	135
<b>99.99 Total Obligations</b>	<b>150</b>	<b>180</b>	<b>135</b>

**Exhibit C: Employee Count by Grade (PER-4)**

**Office of Surface Mining Reclamation and Enforcement**

**Employee Count by Grade**

*(Total Employment)*

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
Executive Level V .....	1	1	1
SES.....	5	6	6
<b>Subtotal.....</b>	<b>6</b>	<b>7</b>	<b>7</b>
GS/GM-15.....	26	26	25
GS/GM-14.....	53	52	51
GS/GM-13.....	108	106	105
GS-12.....	136	134	132
GS-11.....	32	31	31
GS-10.....	0	0	0
GS-9.....	29	28	28
GS-8.....	7	7	7
GS-7.....	34	33	33
GS-6.....	7	7	7
GS-5.....	1	1	1
GS-4.....	2	2	2
GS-3.....	1	1	1
GS-2.....	0	0	0
<b>Subtotal.....</b>	<b>436</b>	<b>428</b>	<b>423</b>
<b>Total employment (actuals &amp; estimate).....</b>	<b>442</b>	<b>435</b>	<b>430</b>

Note: This is employee count projected at the end of each fiscal year and not FTE levels.

# TAB

## Appendixes



**AML Reclamation Accomplishments  
Historical Data through September 30, 2016  
Priority 1, 2, and 3 Problems**

<b>Problem Type</b>	<b>Units</b>	<b>Number of Units</b>	<b>GPRA Acres</b>	<b>Cost of Completed Reclamation</b>	<b>Remaining Reclamation Costs</b>
Bench **	Acres	695	695	2,966,523	14,676,003
Clogged Streams	Miles	731	3,596	59,891,117	63,565,270
Clogged Stream Lands	Acres	19,717	25,323	210,682,036	207,753,728
Dangerous Highwalls	Feet	3,545,349	51,322	491,243,284	1,060,320,945
Dangerous Impoundments	Count	1,850	9,991	55,861,069	29,075,099
Industrial/Residential Waste (Priority 1 & 2)	Acres	1,287	1,285	5,445,146	11,790,297
Dangerous Piles & Embankments	Acres	13,177	13,126	261,034,366	306,829,025
Dangerous Slides	Acres	3,954	3,973	222,975,015	96,769,970
Equipment/Facilities **	Count	767	82	7,537,192	5,708,001
Gases: Hazardous Explosives	Count	47	47	607,857	2,369,001
Gobs (Coal waste piles) **	Acres	7,071	7,066	94,120,724	82,287,632
Highwall **	Feet	256,940	3,672	19,463,893	1,289,173,465
Hazardous Equipment & Facilities	Count	5,092	1,217	30,114,862	28,189,166
Haul Road **	Acres	713	713	9,423,628	4,489,564
Hazardous Water Body	Count	851	4,461	49,543,544	78,326,419
Industrial/Residential Waste **	Acres	270	269	1,962,745	921,121
Mine Opening **	Count	1,013	102	4,397,632	15,154,827
Other (*)(**)	----	2,825	N/A	10,140,728	23,911,032
Polluted Water: Agricultural & Industrial	Count	420	2,074	41,873,720	80,750,946
Polluted Water: Human Consumption	Count	51,685	240,519	379,100,465	3,015,783,157
Portals	Count	12,167	1,239	66,065,100	41,993,055
Pits **	Acres	2,969	2,970	21,826,069	45,546,957
Subsidence	Acres	8,359	8,341	398,326,798	580,538,254

<b>Problem Type</b>	<b>Units</b>	<b>Number of Units</b>	<b>GPRA Acres</b>	<b>Cost of Completed Reclamation</b>	<b>Remaining Reclamation Costs</b>
Spoil Area **	Acres	87,969	85,634	83,948,443	830,550,160
Surface Burning	Acres	1,581	1,580	58,339,990	20,244,634
Slurry **	Acres	2,835	2,835	33,060,717	8,247,966
Slump **	Acres	735	730	6,831,823	101,287,302
Underground Mine Fire	Acres	1,774	1,973	101,860,490	839,246,866
Vertical Opening	Count	7,000	752	47,577,530	37,902,121
Water Problems (*)(**)	Gal/Min	41,813	N/A	47,531,541	965,797,165
<b>Total</b>			<b>475,586</b>	<b>\$ 2,823,754,047</b>	<b>\$ 9,889,199,147</b>

\* Not converted to GPRA Acres

\*\* Adjacent Priority 3 Problems

**Source: enhanced Abandoned Mine Land Inventory System (e-AMLIS)**

**Notes:**

1. GPRA Acres are non-acre measures (feet of highwalls or number of portals that are converted by formula to acres). GPRA acres are used to measure program performance.
2. The e-AMLIS inventory is not a fixed target that declines each year by the amount of reclamation accomplished each year. Instead, the inventory is dynamic due to the following: (1) New health and safety AML problems arise; (2) Environmental problems may need to be elevated if they become serious health and safety problems; and (3) The estimated costs of reclamation of projects in the inventory are fixed at the time of entry into e-AMLIS and are not automatically adjusted for inflation. Given the increased accessibility in remote areas using enhanced mapping technologies, equipment and demographic expansion into areas once considered remote, new AML problems are being added to the inventory and data on existing AML problems are being updated on an ongoing basis. Similarly, some states and tribes have previously entered "\$0" for their Unfunded Costs attached to many problem areas. As the states and tribes inspect their inventory they update these figures to reflect current reclamation costs. Lastly, urban sprawl is putting more people in harm's way (of AMLs) and thus states and tribes re-evaluate their P1s, P2s, and P3s and periodically update their inventory to reflect contemporary pricing structures for these projects.
3. Reproducibility of the e-AMLIS table is an issue. The public-facing e-AMLIS webpage has limits on the type and amount of query capabilities which impacts the ability of the public to reproduce OSMRE published e-AMLIS tables. For example, an approved e-AMLIS account holder has more query functions than what is available to the general public through the public e-AMLIS portal. Moreover, when the OSMRE e-AMLIS Coordinator runs a query and/or extracts figures from the e-AMLIS inventory, a rigorous quality control and quality assurance process is performed on the data. This is due to complexities in the coding system of the e-AMLIS program and retrieving information that was historically entered differently (e.g. not georeferenced) and placed on a different system platform within the e-AMLIS program, including Acid Mine Drainage, Coal Interim Site Funding, Coal Insolvent Surety Site Funding, and Pre-SMCRA Coal State/Tribe Programs, Water Supply Restoration Program, and Certified Program Coal Reclamation.
4. Some cumulative totals for 2016 are lower than cumulative totals for 2015. This is the result of a review of e-AMLIS data that identified the accomplishment for Wyoming being misidentified and corrected to reflect the appropriate problem type, which is not included in this 2016 Table. In addition, West Virginia also deleted some of their accomplishments in e-AMLIS in 2016.

## By State and Tribe Funding Data

FY 2016 Obligations for Grants, Cooperative Agreements and Federal Project Spending (DOLLARS IN THOUSANDS)						
STATE/TRIBE	Environmental Restoration			Environmental Protection (Regulatory)		
	AML Funding	Federal Reclamation		Grants/Agreements		TOTAL
	Emergency Projects	High Priority Projects	Emergency Projects	Non- Federal Lands	Federal Lands	
						0
Alabama				1,310	20	1,330
Alaska				396		396
Arkansas				148		148
California						0
Colorado				653	1,804	2,457
Georgia						0
Illinois				3,833	172	4,005
Indiana				1,931		1,931
Iowa				42		42
Kansas				102		102
Kentucky				10,190	1,442	11,632
Louisiana				155		155
Maryland				869		869
Michigan		967				967
Mississippi				198		198
Missouri				69		69
Montana				388	1,698	2,086
New Mexico				309	528	837
North Dakota				545	423	968
Ohio				2,412		2,412
Oklahoma				739	478	1,217
Oregon						0
Pennsylvania				11,884		11,884
Rhode Island						0
South Dakota						0
Tennessee						0
Texas				2,364		2,364
Utah				138	2,167	2,305
Virginia				3,800		3,800
Washington			81			81
West Virginia				12,141		12,141
Wyoming				253	1,822	2,075
Cherokee Nation		20				20
Crow				545		545
Hopi				393		393
Navajo				1,533		1,533
N. Cheyenne						0
<b>Total</b>	<b>0</b>	<b>987</b>	<b>81</b>	<b>57,340</b>	<b>10,554</b>	<b>68,962</b>

**Office of Surface Mining Reclamation and Enforcement**

**Organizational Chart**





