BUDGET JUSTIFICATIONS

The United States Department of the Interior

and Performance Information
Fiscal Year 2014

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

NOTICE: These budget justifications are prepared for the Interior, Environment and Related Agencies Appropriations Subcommittees. Approval for release of the justifications prior to their printing in the public record of the Subcommittee hearings may be obtained through the Office of Budget of the Department of the Interior.

Note to Reviewers:

References to the *2013 Full Yr. CR* signify annualized amounts appropriated in P.L. 112-175, the Continuing Appropriations Act. These amounts are the 2012 enacted numbers annualized through the end of FY 2013 with a 0.612 percent across-the-board increase for discretionary programs. Exceptions to this include Wildland Fire Management, which received an anomaly in the 2013 CR to fund annual operations at $726.5 million. The *2013 Full Yr. CR* does not incorporate reductions associated with the Presidential sequestration order issued in accordance with section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (BBEDCA), 2 U.S.C. 109a. This column is provided for reference only.

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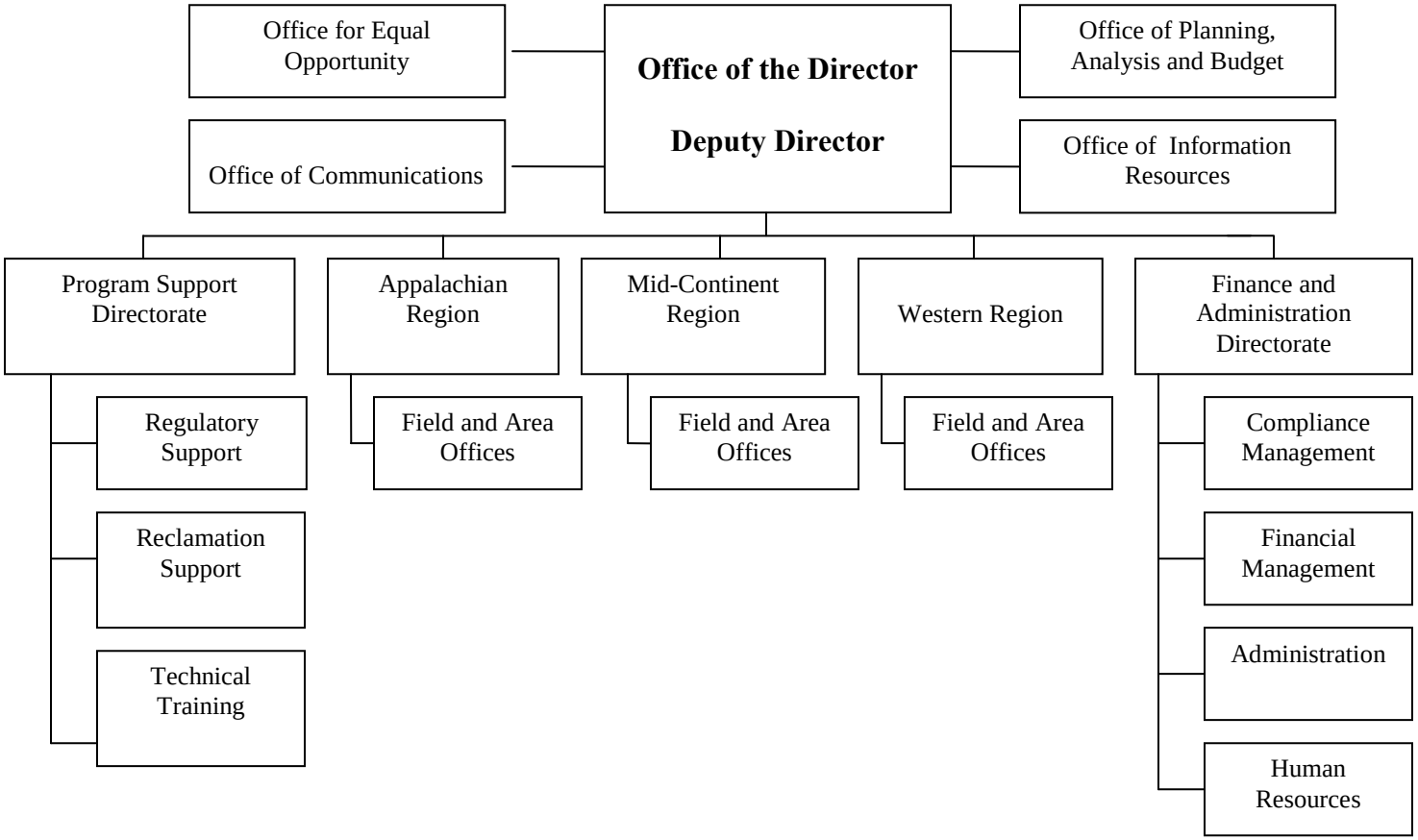
Office of Surface Mining Reclamation and Enforcement



GENERAL STATEMENT

Overview

The mission of the Office of Surface Mining Reclamation and Enforcement (OSM) 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.

OSM'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.

Over a billion tons of coal are produced each year in the United States, providing nearly 42 percent of the Nation's electricity.[1] Each ton of coal must be permitted and regulated under SMCRA.

OSM regulates coal production and reclaims abandoned mines, or authorizes States and Tribes upon approval of their regulatory and reclamation programs to perform these responsibilities subject to OSM oversight. With this authority, States and Tribes regulate about 97 percent of the Nation's coal production and complete over 90 percent of the abandoned mine lands abatement work. Of the almost 2,400 government employees directly involved on a daily basis in implementing the regulatory and restoration programs of the Act, less than 25 percent work for OSM. Therefore, the major task of OSM is to oversee the State and Tribal programs, and provide training and technical assistance, support and tools to help ensure effective, consistent, and high quality regulatory and reclamation programs across the Nation.

OSM's budget supports the Presidential and Secretarial initiatives for responsible production of coal through the protection, preservation, and restoration of mined lands; restoration of lands left unreclaimed; applied science projects; and provision of opportunities for youth. Further details on OSM's contributions are provided below.

Responsible Production of Coal
Title V of SMCRA (State and Tribal Regulatory Grants)

In order to strike the proper balance between environmental protection and the nation's energy needs, OSM strives to maintain a regulatory environment that is both stable and consistent with SMCRA, and is administered through State programs, or by OSM, as the regulatory authority.

[1] Source: U.S. Energy Information Administration, Annual Energy Review 2011 (November 2012).

That regulatory stability should enable 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 of controversy.

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

To assist primacy States with their regulatory programs, OSM provides technical assistance and training, and funding in the form of regulatory grants, which are up to 50 percent of a state's operating costs. The budget decreases Federal grants to states in order to encourage states to increase their cost recovery fees for services provided to the coal industry. Though other industries pay fees to cover up to 100 percent of oversight costs, the coal industry pays very little, creating a de facto subsidy for coal production. As part of the Presidential commitment to end subsidies to fossil-fuel industries, the budget encourages States to increase their cost recovery fees from the coal industry, and decreases Federal grants to States and Tribes accordingly.

The budget provides for similar provisions where OSM is the regulatory authority for coal mining operations. For States and on Indian lands where OSM is the regulatory authority, OSM is proposing a new fee structure for the costs to review, administer, and enforce permits for coal mining. Also, appropriation language to offset OSM's budget with these permit fees is proposed in this budget request.

Review of State permitting actions and inspections of mine sites are among the most important ways to determine if the surface mining law is being properly implemented and to protect people and the environment during mining. In FY 2012, States completed 48,005 partial and 27,869 complete inspections for a total of 75,874 inspections. OSM completed 952 partial and 563 complete inspections in Federal Programs and on Indian Lands. Nationwide, about 87 percent of the sites inspected did not have off-site impacts. Off-site impacts are those that occurred off the permitted area that have the potential to harm the environment or the public. Off-site impacts identified on active sites are addressed through the inspection and enforcement processes. Also, it is important that the land is properly 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.

In addition, OSM provides regulatory developmental 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.[2] In FY 2013 and 2014, OSM will continue to work with the Tribes to review applications for primacy as they are received.

Restoration of Lands Left Unreclaimed
Title IV (Abandoned Mine Land Reclamation)

SMCRA authorized an Abandoned Mine Land (AML) Reclamation fee based on coal production in order to hold the entire coal industry responsible for reclaiming coal mine lands left abandoned across the country. OSM collects the AML fee, and then distributes the fee receipts to States and Tribes for reclamation activities based on a statutorily prescribed formula. The current law allows the fees to be used for purposes other than reclamation of abandoned coal mine lands. Therefore, the fees are not always spent on the highest priority AML coal sites.

The Tax Relief and Health Care Act of 2006, which included the 2006 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 had completed their coal reclamation work. The 2006 Amendments dramatically increased funding to States and Tribes, from $145.3 million in FY 2007 to the most recent distribution of $485.5 million in FY 2012.

More recently, in 2012 an amendment to SMCRA was passed in Moving Ahead for Progress in the 21st Century Act (P.L. 112-141) that limited the level of funding available to each certified State and Tribe (those States/Tribes who have completed their coal reclamation work) to $15 million each per year. This limitation was further clarified in the Continuing Appropriations Resolution for 2013 (P.L. 112-175) so that it does not impact funding levels available to noncertified States. The limitation on certified States and Tribes will reduce funding in FY 2014 to an estimated $273.5 million.

The budget proposes to reform three major components of the AML program in an effort to reduce unnecessary spending and ensure that problems stemming from the Nation's most dangerous abandoned coal mines are addressed.

First, the budget proposes to terminate the payments to certified States and Tribes. These States and Tribes have already certified that they have completed their abandoned coal mine reclamation projects and are now permitted to use their AML payments for any purpose. Terminating these payments will save the taxpayer $327.0 million over the next decade.

Second, the budget proposes to return coal reclamation fee rates to their historic (pre-FY 2008) levels. Mine operators currently pay 28¢ per ton for each ton of coal produced by surface mining; 12¢ per ton for each ton of coal produced by underground mining; 8¢ per ton of lignite produced; or ten percent of the value of the coal (two percent of the value of the lignite), whichever is less. The FY 2014 budget proposes to return coal reclamation fees to the 35¢ per ton for coal produced by surface mining; 15¢ per ton for underground mining; 10¢ per ton for lignite produced; or ten percent of the value of the coal (two percent of the value of the lignite),

[2] As authorized by the Energy Policy Act of 1992 and Section 710 (i) of SMCRA.

whichever is less. The proposal to return the fees to their historic levels will generate an additional $53.0 million in 2014 that will be available for distribution in FY 2015 to reclaim high priority abandoned mine sites and reduce some of the estimated $3.9 billion in remaining dangerous coal AML sites nationwide.

Third, the budget proposes to build off of the successes of the coal AML program to create a parallel program for hardrock AML reclamation. Similar to the coal industry, the hardrock industry has left a legacy of abandoned mine sites that create health, safety, and environmental hazards. Currently, no hardrock reclamation fee that provides revenue to a dedicated hardrock reclamation fund exists, which leaves States, Tribes, and Federal land managers to address these sites as part of their general revenue budgets or with funds from the coal AML Fund when possible. (See Permanent Appropriations Section for more details.)

Applied Science Projects

OSM's proposed budget includes investment in scientific studies to address critical challenges in energy production and the management of ecosystems on mined and reclaimed lands. A request of $1.6 million will support studies 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.

One specific study planned is to address mine pools in abandoned mine sites. After cessation of underground mining, mine pools often develop in the voids remaining after mining. Discharges from these pools often have water quality issues that degrade streams and ground water, and are expensive to treat. Studies to improve the reliability of modeling underground mine abandonment is essential to establish requirements for mining operators to responsibly deal with these types of potential problems before mine closures.

With the results of coal-related studies, OSM anticipates improved technical evaluation of issues to maintain program effectiveness, and support advances in coal mining and reclamation.

Youth in America's Great Outdoors

As part of the Secretarial initiative to increase youth employment in DOI programs, OSM set a goal in FY 2011 through 2014 to increase youth engagement by 35 percent over the FY 2009 baseline. In FY 2012, OSM engaged 296 youth and exceeded its goal for the year by 75 percent. Accomplishments included engaging 196 youth from partnership efforts and 100 continuing and new students under other hiring authorities. In FY 2014, OSM will continue to support the program through ongoing activities and partnerships, and seek to meet the target goals established.

OSM has several opportunities for youth involvement in natural resources. OSM partners with AmeriCorps Volunteers in Service to America (VISTA) program to bring environmental and economic improvement to communities affected by coal-polluted watersheds, and the Southwest Conservation Corps to provide trainees to OSM and regulatory authorities for on-the-ground work. Many volunteers work with OSM, non-profit sponsors and individual watershed groups

directly with monitoring and sampling in the watershed. Volunteers help develop and coordinate efforts within the community and local monitoring teams to ensure continued maintenance of the watersheds' water quality after the VISTA position is gone. The primary focus of sampling the water is to inventory acid mine drainage issues and other adverse water quality effects within the watershed caused by point and non-point source pollution. Other youth supported reforestation projects and regulatory projects with States such as inspector trainees and technical support.

In addition, OSM welcomes youth through Federal hiring authorities. Federal programs offer part-time paid positions to students in high school, college, vocational school or graduate school in order to gain experience in new fields. Examples of work performed by students include:

- Working with OSM's mine map repositories in Pittsburgh and Wilkes-Barre, PA. They provided support to individual staff and program activities to assist reducing the backlog of cataloging and archiving abandoned underground mine maps collected throughout the Nation.

- Providing technical assistance, including data entry or GIS work, and assistance with Federal permitting.

- Processing payments, testing internal controls and analyzing financial data, and re-allocating travel charge card postings in OSM's Denver Finance Office.

- Assisting human resource staff with implementation of Electronic Official Personnel Folder by scanning and reviewing documents.

Budget Highlights

The FY 2014 Budget Request for OSM is $143 million in current appropriations[3], a decrease of $7.1 million from the FY 2012 enacted level. Changes are due to proposed program changes, and fixed costs.

Program Changes include (net change of -$8.069 million):

- + $3,734,000 to Improve Implementation and Support the States and Tribes;
- + $1,599 ,000 for Applied Science Projects;
- +209,000 to Support Project Monitoring of Federal Reclamation Projects.
- - $10,916,000 in State and Tribal Regulatory Funding.
- -$2,360,000 in Federal Programs and Indian Lands to Implement Federal Cost Recovery of Fees for Services; and
- -$335,000 for Watershed Cooperative Agreements.

Fixed Costs include (net change of +$925,000):

- +$674,000 for Pay Raises
- +$247,000 for a Change in Pay Days;
- +$329,000 for Federal Health Benefit Plans;
- +$2,000 for Unemployment Compensation;
- +$4,000 for Workers Compensation;
- -$473,000 for Rental Payments; and
- +$142,000 for a Working Capital Fund Adjustments, including IT Transformation.

The requested programmatic increase of $3.734 million and 19 FTE would be used to improve implementation of existing laws and for technical support to the States and Tribes. The requested programmatic increase of $1.599 million for applied science projects will support the advancement of technologies and practices specific to coal mined sites for more comprehensive ecosystem restoration, including reforestation and reclamation using native vegetation and plant habitat.

In addition to discretionary appropriations, the budget includes $537.2 million in mandatory funding for reclamation grants to States and Tribes, and for United Mine Workers of America (UMWA) health benefits. 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.

[3] This amount does not include $100,000 in civil penalty authority.

Total FY 2014 Budget Request

(Dollars in thousands)

Budget Authority	**2012 Enacted**	**2014 Request**	**Change from 2012**
Regulation & Technology	122,713	114,955	-7,758
Abandoned Mine Reclamation Fund*	27,399	28,013	+614
Total, Discretionary	**150,112**	**142,968**	**-7,144**
	FY 2013 Estimates		**Change from 2013**
Payments (or Grants) to States in Lieu of Coal Fee Receipts (Treasury Funds)	129,301	85,300**	-44,001
Mandatory Grants to Non-Certified States (AML Funds)	210,145	188,200	-21,945
Funds Transferred to UMWA Health Benefit Plans (both AML and Treasury funds)	195,452	195,000	-452
Total, Mandatory	**534,898**	**468,500**	**-66,398**
Total, OSM		**677,827**	

* Estimated civil penalty collections of $100,000 are not included.
** Does not include funding for certified States and Tribes. A total of $273.5 million is estimated for distribution to States/Tribes.

The FY 2014 budget provides $57.7 million (41 percent) for OSM's discretionary grants to the States and Tribes for regulatory programs. OSM will use the balance of the budget to provide technical assistance to the States, conduct oversight responsibilities, and carry out its fiscal responsibilities for collecting revenues and awarding grants. OSM implements these programs through three regional and 19 field and area offices.

Promote Efficient Spending

Enterprise Reforms

The Department of the Interior supports the President's Management Agenda to cut waste and implement a government that is more responsive and open. OSM's budget supports the Department's plan to build upon the Accountable Government Initiative through a set of integrated enterprise reforms designed to support collaborative, evidence-based resource management decisions; efficient Information Technology (IT) Transformation; optimized programs, business processes, and facilities; and a network of innovative cost controlling measures that leverage strategic workforce alignment to realize an effective 21st Century Interior organization.

Information Technology Transformation

The FY 2014 request includes $81,000 for OSM's participation in the Department's IT Transformation efforts through the Department's Working Capital Fund. These funds will support IT Transformation project-level planning and coordination and the implementation of enterprise IT services.

Data Center Consolidation

As part of the Administration's Management Priorities, the Department has initiated a plan for Information Technology (IT) Transformation designed to reduce spending by the consolidation of IT infrastructure and services under a single Chief Information Officer (CIO). The new IT shared services organization will transform the way that IT is delivered to over 70,000 DOI employees, using advances in technology to provide better services for less. OSM supports the Department's initiative to reduce 95 data centers by FY 2015 without disruption to mission and will continue to review its data centers for consolidation.

Campaign to Cut Waste

Over the last three years, the Administration has implemented a series of management reforms to curb uncontrolled growth in contract spending, terminate poorly performing information technology projects, deploy state of the art fraud detection tools, focus agency leaders on achieving ambitious improvements in high-priority areas, and open government up to the public to increase accountability and accelerate innovation.

In November 2011, President Obama issued an Executive Order reinforcing these performance and management reforms and the achievement of efficiencies and cost-cutting across the government. This Executive Order identifies specific savings as part of the Administration's Campaign to Cut Waste to achieve a 20 percent reduction in administrative spending from 2010 to 2013 and sustain these savings in 2014. Each agency is directed to establish a plan to reduce the combined costs associated with travel, employee information technology devices, printing, executive fleet services, and extraneous promotional items and other areas.

The Department of the Interior is on target to reduce administrative spending by $217 million from 2010 levels by the end of 2013, and to sustain these savings in 2014. To meet this goal, the Department is leading efforts to reduce waste and create efficiencies by reviewing projected and actual administrative spending to allocate efficiency targets for Bureaus and Departmental Offices to achieve the 20 percent target. Additional details on the Campaign to Cut Waste can be found at http://www.whitehouse.gov/the-press-office/2011/11/09/executive-order-promoting-efficient-spending."

Real Property

In support of the Administration's real property cost savings efforts, the Department issued a policy restricting the maximum amount of Bureau/Office-leased and GSA-provided space to FY 2010 levels and reducing the target utilization rate (sq. ft. per person) for office space by 10%. Through actions such as consolidations, collocations, and disposals, OSM plans to achieve a utilization rate of 294 usable sq. ft. per person by the end of FY 2014.

Performance Summary

OSM serves as a policy leader and coordinator with its partners in carrying out the responsibilities of SMCRA. OSM is an innovator in promoting the effective administration of the Surface Mining Program and maximizing land and water restoration with available funds.

OSM strives to improve planning, eliminate duplicative processes, and involve stakeholders. OSM works with State and federal agencies, and Tribal governments; is responsible for federal, tribal, and private lands, reclaiming and protecting diverse sites, and enhancing technology transfer among many constituents. Although a small bureau, OSM is well positioned to lead such efforts, particularly those related to implementing that part of a comprehensive energy strategy involving coal mining in an economically and environmentally viable manner.

DOI Strategic Plan: The FY 2011-2016 DOI Strategic Plan, in compliance with the principles of the GPRA Modernization Act of 2010, provides a collection of mission objectives, goals, strategies and corresponding metrics that provide an integrated and focused approach for tracking performance across a wide range of DOI programs. While the DOI Strategic Plan for FY 2011 – FY 2016 is the foundational structure for the description of program performance measurement and planning for the FY 2014 President's Budget, further details for achieving the Strategic Plan's goals are presented in the DOI Annual Performance Plan and Report (APP&R). Bureau and program specific plans for FY 2014 are fully consistent with the goals, outcomes, and measures described in the FY 2011-2016 version of the DOI Strategic Plan and related implementation information in the Annual Performance Plan and Report (APP&R).

DOI Strategic Plan Mission Areas: OSM directly contributes to three of the five Mission Areas under the Department's Strategic Plan. A brief summary of pertinent program activities for each Area follows. Please see the APP&R for a complete list of the Mission Areas.

Mission Area 1 *Provide Natural and Cultural Resource Protection and Experiences*

Goal #1 *Protect America's Landscapes*

OSM provides mandatory grants, and technical assistance and training to States and Tribes for the reclamation of lands mined and abandoned prior to the passage of the Surface Mining Control and Reclamation Act of 1977. OSM is responsible for the reclamation of high priority sites on lands in States without Abandoned Mined Land Reclamation Programs. OSM also collects the AML reclamation fee from industry.

Mission Area 2 *Sustainably Manage Energy, Water, and Natural Resources*

Goal #1 *Secure America's Energy Resources*

Strategy #1 *Ensure environmental compliance and the safety of energy development*

OSM implements SMCRA in Federal Programs and on Indian Lands, and provides financial support through grants, and technical assistance and training, to States and Tribes with approved State regulatory programs. OSM also conducts oversight and evaluation of State programs.

Mission Area 5, *Building a 21st Century Department of the Interior*

OSM has several opportunities for youth involvement in natural resources. Partnering activities involving youth in watershed, reforestation, and regulatory and reclamation activities will continue in FY 2013-14 to the extent funding allows. OSM partners with organizations, such as the AmeriCorps Volunteers in Service to America program, to bring environmental and economic improvement to communities affected by coal-polluted watersheds. OSM also partners with its States and Tribes where activities involve youth in watershed, reforestation, and regulatory and reclamation activities. In addition, OSM welcomes youth through direct hire programs such as the Student Temporary Employment Program. This is a Federal program that offers part-time paid positions to students in high school, college, vocational school or graduate school in order to gain experience in new fields.

The above programs also contribute to Secretary Salazar's *Youth in the Great Outdoors* initiative. In addition, OSM supports reforestation with over 225 individuals from nearly 120 different organizations to plant trees on reclaimed mined lands. Many of these programs involve youth in tree-planting activities throughout the year.

Further details on accomplishments under the Departmental Strategic Plan goals and Bureau performance goals are contained in the "Goal Performance Tables" section of this document and the APP&R.

Additionally, this budget request describes its needs through strategic goals and associated performance measures through the traditional budget structure. OSM's Business Lines are:

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

This budget has integrated OSM's performance goals and measures in support of these Business Lines.

Implementing the Surface Mining Control and Reclamation Act (SMCRA) – Effective Partnerships

In implementing its mission responsibilities, OSM works closely with the States and Tribes in administering their regulatory and reclamation programs. OSM 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.

OSM continues to emphasize the importance of protecting the environment during and after coal mining operations. OSM oversees SMCRA's implementation in 24 primacy States through a process where OSM assists the States in the administration, implementation and maintenance of their approved regulatory programs. This process is undergoing evaluation and change as previously mentioned and detailed further in the Environmental Protection section of this document.

OSM, 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. Additionally, OSM has developed funding and operational mechanisms, such as Watershed Cooperative Agreements, to achieve additional reclamation at less cost in a cooperative manner.

OSM 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 OSM in forging a bond and partnership with its stakeholders that will endure.

To better serve its partners and the public, OSM continues to improve its abandoned mine site databases to include all eligible abandoned mine sites. OSM expanded its electronic permitting program to reduce paperwork and save time and money for both the States and industry. OSM's website contains comprehensive information on regulatory and reclamation matters.

As mining and engineering information technology continues to improve, OSM 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.

Data Validation and Verification

OSM is confident that the data presented in this justification are reliable for use as a decision-making tool and showing program performance over time. Data validation and verification is accomplished through a three prong approach using: 1) audits by external staff from the Office of the Inspector General or the Government Accounting Office; 2) periodic reviews coordinated

by OSM's Office of Planning, Analysis, and Budget; and 3) an annual self-assessment by program managers.

The annual self-assessment by program managers complies with the Department of the Interior's Data Validation and Verification Guidance. The assessment covers the major area of data validation and five areas within data verification. The five areas dealing with data verification are: standards and procedures; data entry and transfer; data security and integrity; data quality and limitations; and oversight and certification. This assessment will be valuable in testing for potential weaknesses or gaps, and will elevate data validation and verification systems to ensure an acceptable functional level.

OSM collects information through various systems from multiple internal operations and from 26 States and 4 Indian Tribes participating in OSM programs. Abandoned Mine Land Program information is collected through the Abandoned Mine Land Inventory System (AMLIS), an online inventory used by the State Reclamation Programs and maintained by OSM. In accordance with the requirements of SMCRA, AMLIS contains data for known Priority 1 and 2 AML problems as defined by SMCRA. OSM recognizes that data must serve their intended purposes and stand up to independent, objective external inspection, as well as to internal control reviews and audits. Data collection methods are conducted in accordance with an agency policy directive developed in cooperation with the States.

Regulatory Program data collection methods are also conducted in accordance with an agency policy directive, which was developed in cooperation with the States. OSM automated the data collection forms contained in the directive to cut down on errors in the transfer of data from hard copy to electronic form. Certification of the data is also required at the field level where the data is collected. The data is now collected from OSM field offices through an internet-based system.

Customer service information for the Technology Development and Transfer programs are based on customer survey forms and class training records.

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, as amended, $114,955,000, to remain available until September 30, 2015: 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 Bureau pursuant to section 507 of Public Law 95-87 (30 U.S.C. 1257), $2,400,000, to remain available until expended: Provided, That fees assessed and collected by the Bureau 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 2014 appropriation estimated at not more than $114,955,000.

Note.--A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112-175). The amounts included for 2013 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, as amended, $28,013,000, 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 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112-175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Interior Administrative Provisions

With funds available for the Technical Innovation and Professional Services program in this Act, the Secretary may transfer title for computer hardware, software and other technical equipment to the State and tribal regulatory and reclamation programs.

Justification of Proposed Language Changes

Regulation and Technology

Change: *In addition, for costs to review, administer, and enforce permits issued by the Bureau pursuant to section 507 of Public Law 95-87 (30 U.S.C. 1257), $2,400,000, to remain available until expended: Provided, That fees assessed and collected by the Bureau 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 2014 appropriation estimated at not more than $114,955,000.*

This change provides for $2.4 million in budget resources to be offset with anticipated collections for fees for services to review, administer and enforce permits in Federal and Indian Lands Programs where OSM is the regulatory authority. In the event the fees collected are less than $2.4 million, the difference will be provided in appropriated budget from the U.S. Treasury.

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, as amended, $114,955,000, to remain available until September 30, 2015: 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 Bureau pursuant to section 507 of Public Law 95-87 (30 U.S.C. 1257), $2,400,000, to remain available until expended: Provided, That fees assessed and collected by the Bureau 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 2014 appropriation estimated at not more than $114,955,000.

●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

OSM 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, as amended, $28,013,000, 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.

●30 U.S.C. 1231, 1232, 1233 and 1239 – 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 and facilities, safety, general welfare, and property from extreme danger and adverse effects of coal mining practices; restoration of land and water resources and the environment previously degraded by adverse effects of coal mining operations. 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.

● 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) extended the authority to collect the mine reclamation fee and revised the distribution of the fee.

● Moving Ahead for Progress in the 21st Century Act (MAP-21), which included an amendment to SMCRA (Public Law 112-141) that limits the funding to each certified State and Tribe to $15 million annually. (Mandatory Appropriation)

●Continuing Appropriations Resolution for 2013 included an amendment to SMCRA (Public Law 112-175) to clarify that funding limits on certified States and Tribes imposed by MAP-21 would not impact the amount of funds available to the noncertified States. (Mandatory Appropriation)

DEPARTMENT OF THE INTERIOR **SUMMARY OF REQUIREMENTS** **(in thousands of dollars)**

APPROPRIATION:	REGULATION AND TECHNOLOGY				ABANDONED MINE RECLAMATION FUND			
	FTE	$$	FTE	$$	FTE	$$	FTE	$$
FY 2012 ENACTED			345	122,713			159	27,399
FIXED COSTS & RELATED CHANGES:								
Adjustments for Pay Raises		469				205		
Adjustment for Change in Number of Paid Days		172				75		
Adjustment for Employer Share of Federal Health Benefit Plans		229				100		
Adjustment for Worker's Compensation		3				1		
Adjustment for Unemployment Compensation		1				1		
Adjustment for GSA Rental Payments		-384				-89		
Adjustment for Working Capital Fund		41				20		
Adjustment for IT Transformation		54				27		
TOTAL Adjustment for Fixed Costs		**585**		**585**		**340**		**340**
PROGRAM CHANGES	19		19	-8,343				+274
TOTAL REQUIREMENTS (2014 President's Budget)			**363**	**114,955**			**141**	**28,013**

Comparison by Business Lines		REGULATION AND TECHNOLOGY					ABANDONED MINE RECLAMATION FUND					TOTAL		
		2013 Full-Yr CR	2012 Enacted	Fixed Costs & Related Changes	Program Changes	2014 President's Budget	*2013 Full-Yr CR*	2012 Enacted	Fixed Costs & Related Changes	Program Changes	2014 President's Budget	2012 Enacted	2014 President's Budget	Inc / Dec (-/+) From 2012 Enacted
Environmental Restoration*	$$	*0*	0	0	0	0	*9,538*	9,480	156	-126	9,510	9,480	9,510	30
	FTE	*0*	0	0	0	0	*65*	53	0		65	53	65	+12
Environmental Protection**	$$	*92,394*	91,832	505	-9,542	82,795	*0*	0	0	0	0	91,832	82,795	-9,037
	FTE	*191*	193	0	+19	210	*0*	0	0	0	0	193	210	+17
Technology Dev. & Transfer	$$	*14,543*	14,455	218	+1,199	15,872	*3,566*	3,544	50	+400	3,9941	17,999	19,866	+1,867
	FTE	*91*	99	0	0	91	*20*	19	0	0	20	118	111	-7
Financial Management	$$	*508*	505	8	0	513	*6,435*	6,396	94	0	6,490	6,901	7,003	+102
	FTE	*2*	2	0	0	2	*41*	43	0	0	41	45	43	-2
Executive Dir. & Admin.	$$	*16,0199*	15,921	-146	0	15,775	*8,028*	7,979	40	0	8,019	23,900	23,794	-106
	FTE	*60*	51	0	0	60	*33*	26	0	0	33	77	93	+16
TOTAL	**$$**	***123,464***	**122,713**	**+585**	**-8,343**	**114,955**	***27,567***	**27,399**	**+340**	**+274**	**28,013**	**150,112**	**142,968**	**-9,511**
	FTE	***344***	**345**	**0**	**+19**	**363**	***159***	**141**	**0**	**0**	**159**	**486**	**522**	**+36**

NOTE: 2012 FTE figures reflect actual usage and not 2012 enacted formulation.
* Actual 2012 Civil Penalty collections of $203,677 and estimated Civil Penalty authority of $100,000 are not included in 2012 – 2014 figures.
**Appropriation language provides for $2,400,000 in offsetting collections which will increase Environmental Protection to $85,195,000 in 2014.

Justification of Fixed Costs

(Dollars In Thousands)

Regulation and Technology Account (Net +585)

Fixed Cost Changes and Projections	2012 to 2014 Change
Change in Number of Paid Days	+172
The combined fixed cost estimate includes an adjustment for one additional paid day between FY2012 and FY2013. The number of paid days do not change between FY2013 and FY2014.	
Pay Raise	+469
Reflects the total pay raise changes between FY2012-FY2014.	
Employer Share of Federal Health Benefit Plans	+229
The change reflects expected increases in employer's share of Federal Health Benefit Plans.	
Departmental Working Capital Fund	+95
The change reflects expected changes in the charges for centrally billed Department services and other services through the Working Capital Fund. These charges are displayed in the Budget Justification for Department Management.	
Worker's Compensation Payments	+3
The adjustment is for 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.	
Unemployment Compensation Payments	+1
The adjustment is for 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.	
Rental Payments	-384
The adjustment is for changes in the costs payable to General Services Administration (GSA) and others resulting from changes in rates 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 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.	

Justification of Fixed Costs

(Dollars In Thousands)

Abandoned Mine Reclamation Fund (Net +340)

Fixed Cost Changes and Projections	2012 to 2014 Change
Change in Number of Paid Days	+75
The combined fixed cost estimate includes an adjustment for one additional paid day between FY2012 and FY2013. The number of paid days do not change between FY2013 and FY2014.	
Pay Raise	+205
Reflects the total pay raise changes between FY2012-FY2014.	
Employer Share of Federal Health Benefit Plans	+100
The change reflects expected increases in employer's share of Federal Health Benefit Plans.	
Departmental Working Capital Fund	+47
The change reflects expected changes in the charges for centrally billed Department services and other services through the Working Capital Fund. These charges are displayed in the Budget Justification for Department Management.	
Worker's Compensation Payments	+1
The adjustment is for 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.	
Unemployment Compensation Payments	+1
The adjustment is for 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.	
Rental Payments	-89
The adjustment is for changes in the costs payable to General Services Administration (GSA) and others resulting from changes in rates 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 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.	

Goal Performance Table

Mission Area 1: Provide Natural and Cultural Resource Protection and Experiences
Goal # 1: Protect America's Landscapes

Supporting Performance Measures	Type	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Plan	2012 Actual	2013 Plan	2014 Plan	Change from 2013 Plan to 2014	Long-Term Target 2016
Strategy #1: Improve land and water health by managing the wetlands, uplands, and riparian areas that comprise our national parks, wildlife refuges, and BLM lands.											
Number of Federal, private and tribal land and surface water acres reclaimed or mitigated from the effects of natural resource degradation from past mining. (Calculated equivalent acres) (SP)	A	9,909	5,838	16,565	10,836	11,000	17,821	13,000	14,000	+1,000	14,000
Total Actual/Projected Costs ($000)		$223,950	$219,717	$262,742	$270,889	$332,899	$332,899	$334,148	$301,513	-----	-----
Actual/Projected Cost per GPRA Acre (in dollars)		$22,601	$37,636	$15,861	$24,999	$30,264	$18,680	$25,704	$21,536	-----	-----
Contributing Programs	Environmental Restoration and Permanent Appropriations: Projected costs are based on anticipated budget with long-term targets held constant for discretionary funding. For FY 2014 the projected costs include all discretionary funding under the AML appropriation ($28.013 million), and estimated mandatory funding ($273.5 million). The dollar figures were adjusted for prior and future years based on budget authority instead of actual expenditures. This is consistent with the DOI Annual Performance Plan and Report.										
Comments	In FY 2012 a significant increase in the relative size of Polluted Water Human Consumption (PWHC) problems addressed occurred, which resulted in in the number of acres reclaimed or mitigated (17,821) to far exceed the planned target (11,000). The number of reclaimed and mitigated acres from addressing PWHC problems that contributed to the FY 2012 actual was 12,503, compared to 6,927 acres in FY 2011. The 2014 plan was increased to 14,000 acres due to the estimated completion of projects funded in prior years.										
Number of new active partnering and leveraging agreements and amendments to prior agreements. (BUR)	C	18	9	15	18	13	16	13	13	0	13
Contributing Programs	Environmental Restoration										
Comments	An increase in the number of applications pending in FY 2012 and completed in FY 2013 resulted in the target being exceeded in FY 2012.										

Goal Performance Table

Mission Area 1: Provide Natural and Cultural Resource Protection and Experiences
Goal # 1: Protect America's Landscapes

Supporting Performance Measures	Type	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Plan	2012 Actual	2013 Plan	2014 Plan	Change from 2013 Plan to 2014	Long-Term Target 2016
Comments (continued)	Due to OSM no longer providing separate current year funding for clean stream projects related to the SMCRA Amendments of 2006 (P.L. 109-432), only watershed cooperative agreements have been counted since FY 2008. The measure description was modified to reflect reporting of current year agreements and related funding for this measure and the one below.										
The amount of increased funds derived from new active partnering and leveraging agreements and amendments. (BUR)	A	$5,548,452	$4,784,459	$4,203,656	$8,366,331	$3,125,000	$4,253,334	$3,125,000	$3,125,000	$0	$3,125,000
Contributing Programs	Environmental Restoration										
Comment	As noted above the number of projects exceeded the targets and thus, the funds leveraged did as well.										
Customer service rate in the quality of technical assistance. (Applies to both Mission Areas.) (BUR)	A	96%	100%	100%	100%	97%	100%	97%	97%	0%	97%
Contributing Programs	Technology Development and Transfer										
Percent satisfaction with the scientific and technical products and assistance. (Applies to both Mission Areas.) (BUR)	A	92%	99%	99%	100%	96%	99%	97%	97%	0%	97%
Contributing Programs	Technology Development and Transfer										
Comment	Customer service performance measures will be reviewed, for methodology in FY 2014.										
Customer effectiveness rate in the quality of technical training – NTTP. (Applies to both Mission Areas.) (BUR)	A	96%	95%	97%	95%	93%	95%	93%	93%	0%	93%
Contributing Programs	Technology Development and Transfer										
Number of students trained – NTTP. (Applies to both Mission Areas.) (BUR)	A	1,426	1,053	1,027	768	850	973	850	850	0	850

Goal Performance Table

Mission Area 1: Provide Natural and Cultural Resource Protection and Experiences
Goal # 1: Protect America's Landscapes

Supporting Performance Measures	Type	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Plan	2012 Actual	2013 Plan	2014 Plan	Change from 2013 Plan to 2014	Long-Term Target 2016
Contributing Programs	Technology Development and Transfer										
Comment	FY 2012 Plan was exceeded as several special sessions classes were held for in-State classes.										
Customer satisfaction rate for TIPS training. Applies to both Mission Areas.) (BUR)	A	97%	96%	98%	96%	93%	96%	93%	93%	0%	93%
Contributing Programs	Technology Development and Transfer										
Percent of Payments Processed Automatically. (BUR)	A	N/A	N/A	36%	65%	65%	75%	72%	86%	+14%	86%
Contributing Programs	Financial Management										
Comments	In FY 2012, of the 6,033 payments received 4,511 were processed automatically. OSM projects an increase of 14% in FY 2014 as various enhancements made to the CFMS system will continue to increase electronic payments, including electronic payment options for customers required to pay Audit debt, Citation debt, or non-eFiled AML debt.										
AML Fee Collection rate. (BUR)	A	99.9%	99.8%	99.9	100%	99%	99.9%	99%	99%	0%	99%
Contributing Programs	Financial Management										
Provide appropriate grant funding within 60 days of a complete grant application for abandoned mine lands grants (BUR)	A	100%	100%	100%	100%	96%	100%	96%	96%	0%	96%
Contributing Programs	Environmental Restoration										
Comment	Performance measure will be reviewed to better reflect program accomplishments.										

Goal Performance Table

Mission Area 1: Provide Natural and Cultural Resource Protection and Experiences
Goal # 1: Protect America's Landscapes

Supporting Performance Measures	Type	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Plan	2012 Actual	2013 Plan	2014 Plan	Change from 2013 Plan to 2014	Long-Term Target 2016
Strategy #1: Improve land and water health by managing the wetlands, uplands, and riparian areas that comprise our national parks, wildlife refuges, and BLM lands.											
Number of people with reduced exposure potential to safety risks from abandoned mine lands. (BUR)	A	255,640	272,143	191,250	630,282	160,000	228,120	160,000	160,000	0	160,000
Contributing Programs	Environmental Restoration										
Comment	The FY 2012 accomplishments far exceeded the plan. States are provided the option of using data other than the calculated census data for populations in the area of the reclaimed sites. Of the 228,120 people with reduced exposures, 133,091 (58 percent of total) were for sites in Wyoming. The increase in population was due to the reclamation of sites in proximity to recreational areas and highways.										
Number of people directly affected (Emergencies abated). (BUR)	A	68,764	82,339	49,946	69,543	16,700	60,071	16,700	16,700	0	16,700
Contributing Programs	Environmental Restoration										
Percentage of declared emergencies abated within six months. (BUR)	A	99.7%	99%	98%	96%	95%	98%	95%	95%	0%	See comment
Contributing Programs	Environmental Restoration										
Comments	This measure will be revised in the future to reflect program changes.										

Goal Performance Table

Mission Area 2: Sustainably Manage Energy, Water, and Natural Resources
Goal #1: Secure America's Energy Resources

Supporting Performance Measures	Type	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Plan	2012 Actual	2013 Plan	2014 Plan	Change from 2013 Plan to 2014	Long-Term Target 2016
Strategy #1: Ensure environmental compliance and the safety of energy development.											
Percent of active coal mining sites that are free of off-site impacts. (SP)	C	88% (6,864 of 7,784 sites)	88% (6,879 of 7,845 sites)	86% (6,548 of 7,571 sites)	86% (6,588 of 7,675 sites)	88% (6,705 of 7,620 sites)	87% (6,749 of 7,731 sites)	88% (6,706 of 7,621 sites)	88% (6,695 of 7,608 sites)	0%	88% (6,705 of 7,615 sites)
Total Actual/Projected Costs ($000)		$118,371	$120,156	$127,180	$126,926	$122,713	$122,713	$133,053	$114,955	-----	-----
Actual/Projected Cost per Inspectable Unit (in dollars)		$15,207	$15,316	$16,798	$16,538	$16,104	$15,873	$17,459	$15,110	-----	-----
Contributing Programs	Environmental Protection										
Comments	The target remains stable through 2016. OSM evaluation of data collection, analysis, and reporting requirements is part of the ongoing effort to improve oversight of State regulatory programs. The dollar figures were adjusted for prior and future years based on budget authority instead of actual expenditures. This is consistent with the DOI Annual Performance Plan and Report. For FY 2014, projected costs relate to requested budget authority and do not include the anticipated cost recovery for services to the coal industry.										
Percent of mined acreage reclaimed). (SP)	A	83% (2,044,886 of 2,467,139 acres)	89% (2,165,011 of 2,435,110 acres)	98% (2,305,795 of 2,359,120 acres)	104% (2,418,963 of 2,327,333 acres)	75% (1,578,233 of 2,105,752 acres)	75.1% (4,989,588 of 6,603,770 acres)	75% (2,075,216 of 2,241,164 acres)	75% (5,225,888 of 6,967,451 acres	0%	
Total Actual/Projected Costs ($000)		$118,371	$120,156	$127,180	$126,926	$122,713	$122,713	$133,053	$114,955	-----	-----
Actual/Projected Cost per Acres Reclaimed (in dollars)		$58	$55	$55	$52	$78	$25	$64	$22	-----	-----
Contributing Programs	Environmental Protection										
Comments	After a review of the data collected for this measure, an adjusted acreage baseline was developed to capture all past released acres. A baseline target of 75% was calculated using revised data and will be the goal for the future. This adjustment will also affect the Actual/Projected Cost per Acres Reclaimed. For FY 2014, projected costs relate to requested budget authority and do not include anticipated cost recovery for services to the coal industry.										

Goal Performance Table

Mission Area 2: Sustainably Manage Energy, Water, and Natural Resources
Goal #1: Secure America's Energy Resources

Supporting Performance Measures	Type	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Plan	2012 Actual	2013 Plan	2014 Plan	Change from 2013 Plan to 2014	Long-Term Target 2016
Number of acres where reclamation goals are achieved as evidenced by release from Phase III Performance Bonds. (BUR)	C	48,828	38,312	50,231	35,334	41,000	43,843	41,000	37,000	-4,000	37,000
Contributing Programs	Environmental Protection										
Comment	Future targets for acreage released from Phase III were adjusted to reflect updated data provided by OSM's field staff.										
Number of acres released from Phase I & II Performance Bonds. (BUR)	C	89,047	93,875	111,136	76,720	80,000	55,727	77,000	69,000	-8,000	69,000
Contributing Programs	Environmental Protection										
Comment	A continuing reduction in acreage released from Phases I and II is indicated from field data. Therefore, the plan was reduced to reflect the most recent estimates.										
Customer service rate in the quality of technical assistance. Applies to both Mission Areas.) (BUR)	A	96%	100%	100%	100%	97%	100%	97%	97%	0%	97%
Contributing Programs	Technology Development and Transfer										
Percent satisfaction with the scientific and technical products and assistance. Applies to both Mission Areas.) (BUR)	A	92%	99%	99%	100%	97%	99%	97%	97%	0%	100%
Contributing Programs	Technology Development and Transfer										
Customer effectiveness rate in the quality of technical training – NTTP. Applies to both Mission Areas.) (BUR)	A	96%	95%	97%	95%	93%	95%	93%	93%	0%	93%
Contributing Programs	Technology Development and Transfer										
Number of students trained – NTTP. Applies to both Mission Areas.) (BUR)	A	1,426	1,053	1,027	768	850	973	850	850	0	850
Contributing Programs	Technology Development and Transfer										
Comment	FY 2012 Actuals are higher due to holding several special sessions in-State.										

Goal Performance Table											
Mission Area 2: Sustainably Manage Energy, Water, and Natural Resources **Goal #1: Secure America's Energy Resources**											
Supporting Performance Measures	**Type**	**2008 Actual**	**2009 Actual**	**2010 Actual**	**2011 Actual**	**2012 Plan**	**2012 Actual**	**2013 Plan**	**2014 Plan**	**Change from 2013 Plan to 2014**	**Long-Term Target 2016**
Customer satisfaction rate for TIPS training. Applies to both Mission Areas.) (BUR)	A	97%	96%	98%	96%	93%	96%	93%	93%	0%	93%
Contributing Programs	Technology Development and Transfer										
Customer satisfaction in the quality and timeliness of AVS provided services. (BUR)	A	98%	98%	98%	99%	96%	98%	96%	96%	0%	96%
Contributing Programs	Technology Development and Transfer										
Provide appropriate grant funding within 60 days of a complete grant application for regulatory grants (BUR)	A	100%	100%	100%	100%	96%	100%	96%	96%	0)	96%
Contributing Programs	Environmental Protection										
Completion of the technical review of Federal/Indian Land permit actions within 90 days (BUR)	A	90%	87%	93%	82%	70%	88%	70%	-----	-----	-----
Contributing Programs	Environmental Protection										

Goal Performance Table											
Mission Area 5: Building a 21st Century Department of the Interior Youth Stewardship and Engagement											
Supporting Performance Measures	**Type**	**2008 Actual**	**2009 Actual**	**2010 Actual**	**2011 Actual**	**2012 Plan**	**2012 Actual**	**2013 Plan**	**2014 Plan**	**Change from 2013 Plan to 2014**	**Long-Term Target 2016**
Increase DOI and affiliated partnership employment in youth focused programs by 35 percent over the base year of FY 2009. (HPG)	C	N/A	124	254	193	167	296	167	167	0	-----
Contributing Programs	All Programs										
Comments	The FY 2012 actual of 296 youth employed greatly exceeds the 2012 plan of 167, as the method of counting employed youth was revised and updated. Youth hires that were employed last year and remained employed into this year for over 80 hours are included. In FY 2012 196 youth were hired under partnerships and 100 were employed under direct hire authorities.										

Target Codes:
SP = Strategic Plan Measure
HPG = High Performance Goal
BUR = Bureau Specific Measures
NA = Prior year data unavailable
Type Codes:
C = Cumulative
A = Annual

Key to Measure Types
The Goal Performance Table in this section includes a column called Type. Each measure in the Goal Performance Table has measure Type: A or C. Each classification reflects a different timeframe between when a result is realized, in terms of a changing target value, relative to when funds are budgeted.

A - Annual-result performance measures ("Annual" measures)
For these performance measures, the 2014 budget request reflects the resources that support the performance target for that year only. This is typical of any performance measure target for an operational effort that is repeated annually.

C - Cumulative-result performance measures ("Cumulative" measures)
For these performance measures, the 2014 budget request reflects only an annual increment of funding that is being used to maintain or reach the level of achievement reflected in the target. While these measures reflect the level of performance achieved over a number of years, the target value for a given fiscal year reflects the level of performance which is expected to be reached by the end of that fiscal year, and no further.

INTRODUCTION

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

Regulation and Technology

This appropriation finances the regulatory functions of SMCRA as administered by the States and OSM. Federal activities related to the administration and monitoring of State regulatory programs and OSM's technical training, assistance, and transfer activities related to environmental protection are also financed by this appropriation. The request is $114,955,000; a decrease of $7,758,000 from the 2012 Enacted level. In addition, OSM is requesting budget resources of $2.4 million to be offset by collection of permit fees.

Abandoned Mine Reclamation Fund

This appropriation supports the discretionary reclamation program functions carried out by the States and OSM. 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 OSM's technical training, assistance, and transfer activities related to environmental restoration. The request is $28,013,000, an increase of $614,000 from 2012.

Summary of 2012 Enacted Level and 2014 Request
By Appropriation and Business Line
(dollars in thousands)

Regulation and Technology	2012 Enacted Level	2014 Request	Change from 2012
Environmental Protection	91,832	82,795	-9,037
Technology Development and Transfer	14,455	15,872	1,417
Financial Management	505	513	8
Executive Direction	15,921	15,775	-146
Total Appropriation, *without Civil Penalties*	122,713	114,955	-7,758
Civil Penalties (Budget Authority)	*100*	*100*	*0*
Total, Regulation and Technology	122,813	115,055	-7,758

Abandoned Mine Reclamation Fund	2012 Enacted Level	2014 Request	Change from 2012
Environmental Restoration	9,480	9,510	30
Technology Development and Transfer	3,544	3,994	450
Financial Management	6,396	6,490	94
Executive Direction	7,979	8,019	40
Total, Abandoned Mine Reclamation Fund	27,399	28,013	614

Total Appropriation, without Offsetting Collections	**150,212**	**143,068**	**-7,144**
Offsetting Collections	*40*	*2,400*	*+2,360*
Total Appropriation, with Offsetting Collections	**150,252**	**145,468**	**-4,784**

Summary of 2012 Actuals and 2014 Request
By FTE

Regulation and Technology	2012 Actuals	2014 Request	Change from 2012
Environmental Protection	193	210	+17
Technology Development and Transfer	99	91	-8
Financial Management	2	2	0
Executive Direction	51	60	+9
Total Regulation and Technology FTE	345	363	+18

Abandoned Mine Reclamation Fund	2012 Actuals	2014 Request	Change from 2012
Environmental Restoration	53	65	+12
Technology Development and Transfer	19	20	+1
Financial Management	43	41	-2
Executive Direction	26	33	+7
Total Abandoned Mine Reclamation Fund FTE	141	159	+18

Total FTE	**486**	**522**	**+36**

NOTE: 2012 FTE amounts reflect actual usage, not 2012 Enacted formulation estimates.

Budget At A Glance Table
(Dollars in Thousands)

			2014			
	FY 2013 Full Year CR	**2012 Enacted**	**Fixed Costs**	**Program Changes**	**President's Budget**	**Inc (+)/Dec(-) from 2012**
Discretionary						
Appropriation: Regulation and Technology	***123,464***	**122,713**	**585**	***-8,343***	***114,955***	**-7,758**
Environmental Protection	***92,394***	**91,832**	**505**	**-9,542**	***82,795***	**-9,037**
State and Tribal Funding	*69,010*	68,590		*-10,916*	*57,674*	-10,916
State Program Evaluation	*8,669*	8,616	238	*3,734*	*12,588*	3,972
Federal Programs	*5,934*	5,898	108	*-1,652*	*4,354*	-1,544
Decrease to be covered by Offsetting Collections	*[+28]*	[+28]		*[+1,652]*	*[+1,680]*	
Federal Lands	*1,543*	1,534	15	*0*	*1,549*	15
Indian Lands	*2,445*	2,430	48	*-708*	*1,770*	-660
Decrease to be covered by Offsetting Collections	*[+12]*	[+12]		*[+708]*	*[+720]*	
Program Development and Maintenance	*4,793*	4,764	96	*0*	*4,860*	96
Technology, Development & Transfer	***14,543***	**14,455**	**218**	**1,199**	***15,872***	**1,417**
Technical Assistance	*11,010*	10,943	117	*0*	*11,060*	117
Training	*2,546*	2,531	53	*0*	*2,584*	53
Technology Transfer	*987*	981	48	*1,199*	*2,228*	1,247
Provide for Applied Science Projects				*[+1,199]*		
Financial Management	***508***	**505**	**8**	**0**	***513***	**8**
Revenue Management	*412*	410	4	*0*	*414*	4
Grants Financial Management	*96*	95	4	*0*	*99*	4
Executive Direction and Administration	***16,019***	**15,921**	**-146**	**0**	***15,775***	**-146**
Executive Direction	*2,671*	2,654	58	*0*	*2,712*	58
Administrative Support	*4,441*	4,414	81	*0*	*4,495*	81
General Services	*8,907*	8,853	**-285**	*0*	*8,568*	-285

Budget At A Glance Table
(Dollars in Thousands)

			2014			
	FY 2013 Full Year CR	**2012 Enacted**	**Fixed Costs**	**Program Changes**	**President's Budget**	**Inc (+)/Dec(-) from 2012**
Discretionary						
Appropriation: Abandoned Mine Reclamation Fund	*27,567*	**27,399**	**340**	***274***	***28,013***	**614**
Environmental Restoration	***9,538***	**9,480**	**156**	**-126**	***9,510***	**30**
State and Tribal Funding - Emergency Grants		0		*0*	*0*	0
State Program Evaluation	*2,678*	2,662	55	*0*	*2,717*	55
Federal Reclamation Programs - Projects	*1,557*	1,548		*-335*	*1,213*	-335
Reduce Watershed Projects		[1,548]		*[-335]*	*[1,213]*	
Federal Reclamation Program - Operations	*2,079*	2,066	48	*209*	*2,323*	257
Increase Project Monitoring		0		*[209]*	*[209]*	
Program Development and Maintenance	*3,224*	3,204	53	*0*	*3,257*	53
Technology, Development & Transfer	***3,566***	**3,544**	**50**	**400**	***3,994***	**450**
Technical Assistance	*1,595*	1,585	25	*0*	*1,610*	25
Training	*799*	794	15	*0*	*809*	15
Technology Transfer	*1,172*	1,165	10	*400*	*1,575*	410
Provide for Applied Science Projects				*[+400]*		0
Financial Management	***6,435***	**6,396**	**94**	**0**	***6,490***	**94**
Fee Compliance	*6,340*	6,302	92	*0*	*6,394*	92
Grants Financial Management	*95*	94	2	*0*	*96*	2
Executive Direction and Administration	***8,028***	**7,979**	**40**	**0**	***8,019***	**40**
Executive Direction	*1,422*	1,413	34	*0*	*1,447*	34
Administrative Support	*2,337*	2,323	46	*0*	*2,369*	46
General Services	*4,269*	4,243	**-40**	*0*	*4,203*	-40
						0
Total, Discretionary Funding	***151,031***	**150,112**	**925**	***-8,069***	***142,968***	**-7,144**

Budget At A Glance Table
(Dollars in Thousands)

			2014			
	FY 2013 Full Year CR	**2012 Enacted**	**Fixed Costs**	**Program Changes**	**President's Budget**	**Inc (+)/Dec(-) from 2012**
Total, Regulation and Technology	*123,464*	**122,713**	***585***	***-8,343***	***114,955***	**-7,758**
*Civil Penalties***	*100*	100		*0*	*100*	*0*
Total, Regulation and Technology with Civil Penalties	*123,564*	**122,813**	***585***	***-8,343***	***115,055***	**-7,758**
Total, Abandoned Mine Reclamation Fund	*27,567*	**27,399**	***340***	***274***	***28,013***	**614**
Offsetting Collections	*40*	**40**		***2,360***	***2,400***	**2,360**
Total, Budget Resources with Offsetting Collections	*151,172*	**150,252**	***925***	***-5,709***	***145,468***	**-4,784**
Mandatory	**2012 Actual**	**2013 Estimates**			**2014 President's Budget**	**Change from 2013 Estimates**
Payments to States and Tribes in Lieu of Coal Fee Receipts (Treasury Funds)	*265,317*	**129,301**			**85,300**	**-44,001**
Prior Balance Replacement Fund	*186,971*	104,271			*85,300*	-18,971
In Lieu Payments to Certified States and Tribes	*78,346*	25,030			*0*	-25,030
Mandatory Grants to Noncertified States (AML Funds)	*220,196*	**210,145**			**188,200**	**-21,945**
Grants to Noncertified States						
State and Tribal Share	*50,850*	47,443			*43,200*	-4,243
Historic Coal Fund	*155,850*	148,683			*130,100*	-18,583
Minimum Program Make Up	*13,496*	14,019			*14,900*	881
United Mine Workers of America Health Benefit Plans (UMWA)	*253,991*	**195,452**			***195,000***	**-452**
Payments to United Mine Workers of America Health Benefit Plans (AML Fund Interest)	*48,430*	54,789			15,000	-39,789
Payments to United Mine Workers of America Health Benefit Plans (U.S. Treasury Funds)	*205,561*	140,663			180,000	39,337
Total, Mandatory Funding	*739,504*	**534,898**			***468,500***	**-66,398**

* These may net to zero. See the specific sections for details.

**Actual Permit Fee Collections for FY 2012 are $21,018. Actual Civil Penalty Collections for FY 2012 are $203, 677.

Mandatory Proposals: FY 2014 includes elimination of payments to certified States/Tribes.

The proposal to increase the reclamation fee on coal production, will not increase payment to noncertified States until FY 2015, when the FY 2014 fees are distributed.

ENVIRONMENTAL RESTORATION

Environmental Restoration Summary of Budget Request

(dollars in thousands)	***2013 Full Year CR*** *(P.L. 112-175)*	**2012 Enacted**	**2014**			
			Fixed Costs (+/-)	**Program Changes (+/-)**	**Budget Request**	**Change From 2012 (+/-)**
Regulation and Technology	***100***	**100**			**100**	**0**
Civil Penalty Collections (Budget Authority)**	*100*	100			100	0
FTE	*0*	*0*	*0*	*0*	*0*	*0*
Abandoned Mine Reclamation Fund	***9,538***	**9,480**	**+156**	**-126**	**9,510**	**+30**
State Program Evaluation	*2,678*	2,662	55	0	2,717	+55
FTE	*23*	*20*	*0*	*0*	*25*	*+5*
Federal Programs - Projects	*1,557*	1,548	0	-335	1,213	-335
Watershed Cooperative Agreements	*[1,557]*	[1,548]	*0*	[-335]	[1,213]	0
Federal Programs - Operations	*2,0792*	2,066	+48	+209	2,323	+257
Project Monitoring		0	0	[+209]	[209]	[+209]
FTE	*20*	*14*	*0*	*0*	*18*	*+4*
Program Development and Maintenance	*3,224*	3,204	+53	0	3,257	+53
FTE	*22*	*1*	*0*	*0*	*22*	*+3*
Total, Environmental Restoration	***9,538***	**9,480**	**+156**	**-126**	**9,510**	**+30**
Total FTE	***65***	***53***	***0***	***0***	***65***	***+12***

Note: 2012 FTE amounts reflect actual usage, not 2012 Enacted formulation.
*Actual civil penalty collections for FY 2012 were $203,677. The budget authority for FY 2013 and FY 2014 are unchanged from 2012 enacted of $100,000 and is not included in the totals.

Fixed Costs resulted in a net increase of $156,000. Fixed Costs cover pay related items such as a change in pay days, a pay raise, and health plans for FY 2013 and 2014.

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

Summary of 2014 Program Changes

Request Component	($000)	FTE
Federal Reclamation Program Operations (Project Monitoring)	+209	0
Federal Reclamation Program Projects:		
Decrease in Watershed Cooperative Agreement Projects	-335	0
Total Program Changes	**-126**	**0**

Justification of 2014 Program Changes

The 2014 budget for Environmental Restoration is $9.5 million and 65 FTE, program changes are a net decrease of $126,000 from the 2012 enacted level.

Federal Program Operations (+$209,000): Funding will support staff review, evaluation, and monitoring of civil penalty, bond forfeiture, and abandoned mine land projects.

Watershed Cooperative Agreement Projects (-$335,000): This decrease is due to the anticipated number of projects (13) and the carryover funding available to support them. OSM does not anticipate any reduction in performance.

MISSION GOAL: TO PROVIDE A CLEANER AND SAFER ENVIRONMENT FOR THE AMERICAN PEOPLE BY RECLAIMING AND RESTORING LAND AND WATER DEGRADED BY PAST MINING

As stewards of our nation's natural and cultural resources, the Department 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 beneficial 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.

The Environmental Restoration business line funds operations and projects for the abandoned mine land program (AML). OSM evaluates State and Tribal AML programs, abates high-priority coal mining-related hazards through the Federal Reclamation program (where OSM has reclamation responsibility), and fosters partnerships aimed at addressing acid mine drainage and other water pollution problems.

The total magnitude of the abandoned mine problem is difficult to assess. Since 1977, over 265,000 equivalent acres of priority 1 and 2 public health, safety and associated environmental related coal problems have been reclaimed. OSM has developed a national inventory that contains information on over 19,000 problem areas associated with abandoned mine lands, mostly coal. A problem area is a geographical area, such as a watershed, that contains one or more problems. The more serious problem areas are classified as priority 1 (extreme danger to public health and safety), priority 2 (adverse affects to public health, safety, or environmental problems adjacent to this priority), or priority 3 (adverse effects to land, water and the environment). Remaining Priority 1 and 2 coal-related sites are estimated at almost $4 billion to fully address.

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 Act extended the authority for fee collection through September 30, 2021, and changed the way State and Tribal reclamation grants are to be funded, beginning in FY 2008. State and Tribal reclamation grants have become permanent appropriations. The remaining activities funded under the discretionary appropriation for this business line include State Program Evaluation, Federal Reclamation Programs, and OSM operations.

ENVIRONMENTAL RESTORATION ENCOMPASSES

State Program Evaluation

Federal Reclamation Program
- Program Operations
- Watershed Cooperative Agreements
- Civil Penalty Reclamation
- Bond Forfeiture Reclamation

Program Development and Maintenance

Operational Processes (Program Activities):

OSM will continue to support the Watershed Cooperative Agreement Program under the current appropriation requested. This program supports cooperative conservation in that it provides funding to local volunteer non-profit watershed organizations in their efforts to improve their local environment and has positive impacts on the local economic climate of nearby communities.

Evaluation and oversight of the State and Tribal AML reclamation operations is coordinated by OSM through the State Program Evaluation program activity. This business line also funds the Program Development and Maintenance program activity, which provides policy direction and ensures State/Tribal programs are amended as needed.

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

Actions Required to Achieve Annual Goals: In FY 2014 and beyond, OSM 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, OSM 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: OSM will continue to need a diverse and multidisciplinary cadre of individuals with scientific and engineering skills. These human resources establish reclamation project design and construction criteria either directly or in conjunction with contractors for Federal Programs, review and monitor watershed cooperative agreement, 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. OSM 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.

2014 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 were funded through discretionary appropriations. These grants are now funded from permanent (mandatory) appropriations. A discussion of the funding of these grants and the proposed changes to apply that funding to the Nation's highest priority coal problems can be found under the Permanent Appropriations Section.

The FY 2014 budget, from the AML Fund for Environmental Restoration, will cover discretionary spending for State Program Evaluation, Federal Reclamation Program Operations and Projects, and 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 technical assistance and training, financial management, and executive direction. High-priority coal projects under the Federal Reclamation Program in States and Tribes without approved AML programs are proposed to be covered by Permanent Appropriations.

Addressing AML Emergencies

AML sites and the emergencies that develop on them have a different process for allocating funding in States with or without AML programs. 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, OSM has been responsible for such projects. Longstanding AML issues and AML emergencies are intrinsically linked, so the strategy to address AML issues should consider the emergencies that may arise in these areas and their relative risk factors. Therefore, it is more efficient and cost effective to combine responsibility for these related issues to a single manager, from a single source of funding. Thus, beginning in FY 2011, the responsibility for addressing emergency situations was transferred to States and Tribes with AML programs to be utilizing the mandatory grant funds received.

For reference, the table below identifies those States and Tribes with AML programs, those States with established emergency programs as of 2010, the States that assumed responsibility for addressing emergency projects from 2010 – 2011, and the States without an AML program where OSM is responsible for addressing those projects.

Table 1. State, Tribal, and Federal responsibility for the AML Program and Emergency Issues				
	AML Program		Emergency Issues	
State and Tribal Responsibility	Alabama Alaska Arkansas Colorado Illinois Indiana Iowa Kansas Kentucky Louisiana Maryland Mississippi Missouri Montana New Mexico	North Dakota Ohio Oklahoma Pennsylvania Tennessee Texas Utah Virginia West Virginia Wyoming Crow Tribe Hopi Tribe Navajo Nation	Alabama Alaska Arkansas Colorado[1] Illinois Indiana Iowa Kansas Kentucky[1] Louisiana[1] Maryland[1] Mississippi[1] Missouri Montana New Mexico[1]	North Dakota Ohio Oklahoma Pennsylvania[1] Tennessee[1] Texas Utah[1] Virginia West Virginia Wyoming Crow Tribe[1] Hopi Tribe[1] Navajo Nation[1]
Federal Responsibility	California Georgia Idaho Massachusetts Michigan North Carolina	Oregon Rhode Island South Dakota Washington	California Georgia Idaho Massachusetts Michigan North Carolina	Oregon Rhode Island South Dakota Washington

[1] These States and Tribes assumed responsibility for addressing AML emergencies beginning in FY 2010. Previously, AML emergency issues in these States were addressed by OSM.

1. State Program Evaluation

SMCRA requires OSM 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.

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

OSM, in consultation with States and Tribes, developed a review system that provides for enhancement and performance evaluation of programs, rather than oversight. This system recognizes that evaluation involves an ongoing relationship between OSM and the State or Tribal agencies. OSM is responsible for assisting in program enhancement while monitoring

compliance with SMCRA. OSM's reclamation program oversight policy is being reviewed for use in regulatory programs and future changes to current oversight policies may also be made. In the meantime, the current process is outlined below.

The current evaluation system does not require that the entire program be reviewed each year. Instead, the system allows each State or Tribe to develop, with the appropriate Field Office, an agreement which addresses the areas to be reviewed and establishes applicable performance measures. Since much of the enhancement and performance evaluation is trend analysis and because the interaction between the programs and OSM is continual, the performance agreements can be for periods longer than one year. However, OSM 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 an overall successful program.

OSM 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. OSM evaluations of post-construction monitoring ensure implementation of these types of State monitoring plans.

2. Federal Reclamation Program

OSM addresses environmental hazards on a priority basis when an emergency occurs in States 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.

a. Federal Emergency Projects

Emergencies are AML problems that occur suddenly and present a high probability of substantial physical harm to the health, safety, or general welfare of people, and have to be addressed immediately. Emergency work provides immediate relief from abandoned mine hazards that threaten public health and safety on federal and Indian lands in States without an emergency program. Emergencies are generally the result of two different types of events. The most common emergencies are subsidence events, the caving in of old underground mines. Subsidence can impact man-made structures on the surface and may be life threatening when they occur in areas, such as in schools, parks, playgrounds, and residential areas. These types of emergencies are most common in the Midwestern States and anthracite regions of northeastern Pennsylvania.

The second type of emergency event is landslides. These are usually the result of unstable mine spoil placed on steep hillsides. This occurs generally in the steep slope areas of Appalachia, and especially in eastern Kentucky and southern West Virginia. Landslides can impact homes and other man-made structures and may block streams, which, in turn, can cause flooding either above or below the blocked stream. Because of the large quantities of earth moved, landslides are generally more costly to abate than other AML problem types. Although subsidence and landslide problems are the most common types of emergencies, it should be noted that other AML problems may also present life-threatening conditions. These include: abandoned vertical shafts, mine entries, hazardous and explosive gases, mine and refuse fires, dangerous high walls and uncontrolled mine pool blowouts.

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

During FY 2012, there were no new emergency projects declared within the Appalachian Region. There were three investigations of potential emergencies involving suspected mine shaft failures in Michigan, but none were found to qualify as emergency projects. However, almost $21,000 of funding was obligated to complete two emergency projects in Kentucky and Pennsylvania and to defend OSM from a contractor claim on a third project in Kentucky.

During FY 2012, the Western Region addressed one emergency in Washington State. The emergency was an opening into underground mine workings in the backyard of a residence. Additionally, OSM conducted an initial investigation for an emergency occurrence that will be reclaimed during FY 2013.

As previously discussed, OSM transitioned responsibility for these situations to the States and Tribes with AML programs during FY 2011. See Table 1 for the States that remain under OSM's responsibility.

b. Federal High-Priority Projects

OSM manages projects in States and on Tribal lands where the State/Tribe is ineligible for an AML program. OSM reviews priority coal projects on its Abandoned Mine Land Inventory System (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 for cost savings.

During FY 2012, $273,101 was expended in the Western Region for the design and reclamation of 10 mine shafts.

In FY 2012, the Mid-Continent Region had two Federal high Priority Projects in the Abandoned Mine Land Inventory System (AMLIS). A construction contract was awarded in the amount of $370,303 for reclamation work at the Cherokee West Project on Cherokee Tribal lands in Oklahoma. In addition, $2,200 was spent on design work for the Dwight Mission Project, also on Cherokee Tribal lands. During 2013, the Mid-Continent Region will complete in-house design work, request project bids, and award a construction contract to reclaim the Dwight Mission site. The two project sites contain dangerous water bodies, dangerous highwalls, dangerous piles and embankments, trash dumps and mine spoils. Projects will be under construction during 2013 and completed during 2014.

The Appalachian Region obligated almost $1,900,000 to reclaim sixteen mine shafts in Michigan in FY 2012.

c. Program Staff

To address Federal emergencies, and high priority, civil penalty, and bond forfeiture projects, OSM funds program operations separately. For emergency projects, OSM begins with the initial investigation on the site in order to make two threshold determinations: (1) does an emergency condition exist? And (2) is the condition related to an abandoned coal mine? Time is of the essence; in some instances, abatement activities begin within hours of OSM'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, what is the priority of the problem 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) 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.

Due to the transition of emergency projects to States with approved AML programs, Federal emergency projects and associated staffing were reduced in FY 2012. OSM staff will continue

to address emergencies and high priority projects in non-program States as described earlier, as well as provide technical assistance. OSM staff will administer projects funded by Federal civil penalties collected from operators; projects funded from bonds forfeited by operators of federally permitted sites; and monitor watershed cooperative agreement projects under this activity.

It is essential to maintain a staffing level to cover these important reclamation activities. Therefore, the budget requests a slight increase in funding of $209,000 to support project review, evaluation and monitoring associated with all Federal reclamation projects.

d. Watershed Cooperative Agreement Projects

Environmental problems associated with abandoned mine sites, such as acid mine drainage, degrade our natural resources. The reclamation of these problems, our land and water resources are improved for beneficial uses such as wildlife habitat and recreational areas.

Acid mine drainage (AMD) is the number one water pollutant in the coalfields of the Appalachian area causing major environmental and public health problems. AMD problems are occurring in other regions as well. OSM's effort to control and eliminate AMD in streams and rivers supports the Department's commitment to clean water and strengthening local communities. Because of the extent and high reclamation cost of the pollution, this problem cannot be eliminated by any single government agency or group.

The FY 2014 budget request includes $1.2 million for Watershed Cooperative Agreements. A companion project, the Acid Drainage Technology Initiative (ADTI), is also funded at almost $0.2 million under the Technology Development and Transfer business line. See that business line section for further details on ADTI efforts.

The Watershed Cooperative Agreement Program was implemented by OSM in FY 1999. The purpose of the Watershed Cooperative Agreement Program is to make funds available directly to not-for-profit organizations, especially small local watershed organizations, to undertake local projects to clean streams affected by acid mining drainage (AMD). Applicants normally receive up to $100,000 for each reclamation project, primarily for project construction; however, administrative costs associated with completion of the project may be allowed. Applicants are required to have other partners contributing either funding or in-kind services.

OSM participation with other funding sources has increased local volunteer interest and involvement in local watershed protection and remediation projects. These projects are designed to improve adverse water quality impacts from past mining activity.

Following are examples of projects funded under the Watershed Cooperative Agreement Program (WCAP):

Pase Phase II Project (WV): In August 2012, OSM awarded $100,000 in WCAP assistance to the Friends of the Cheat to construct an active treatment system to replace an existing

(inadequately functioning) passive system built to address the AMD from a collapsed portal in the Upper Freeport coal workings. The revised system involves the construction of a lime doser system to increase alkalinity and includes a series of settling ponds to remove the metals. Partners include West Virginia University's National Mine Land Reclamation Center (NMLRC), the property owner, the Environmental Protection Agency (EPA) 319 program ($110,602), West Virginia's Clean Water State Revolving Fund ($162,000), and the West Virginia Department of Environmental Protection-Office of Abandoned Mine Lands and Reclamation (OAMLR) ($100,000). The Friends of the Cheat, with assistance from NMLRC and the property owner will maintain the treatment system. Funding for the lime is provided by OAMLR. Numerous other projects to address AMD have been conducted in both Pringle Run and the Cheat River watersheds. Tremendous improvements in water quality have resulted, and additional AMD abatement work is planned to remove Pringle Run from West Virginia's list of impaired watersheds and restore the outstanding natural qualities of the Cheat River.

Lake Morrow Project (OH): In 2012, OSM awarded $100,000 to the Ohio Valley Resources Conservation and Development Council, a 501(c)(3), non-profit organization, for reclaiming a lake remaining from surface and underground mining conducted between 1943 and 1973. Currently, water seeps through the lake embankment, constructed of poor-quality, toxic spoils. Acids and metals leach from the embankment material and add to downstream pollution. Removing the embankment and establishing positive drainage through the area will eliminate or reduce acid and metals loadings downstream. OSM's share of the project cost is 26 percent. Other partners contributing to the project are the Ohio Department of Natural Resources, Division of Mineral Resources Management; Raccoon Creek Partnership; and the Ohio University Voinovich School of Leadership and Public Affairs.

Goff Watershed Cooperative Agreement Project, near Knoxville, Iowa: Partners in this project include Iowa Heartland Resource Conservation and Development, Iowa Pathfinders Resources Conservation and Development, Red Rock Environmental Education Fund, Marion Soil and Water Conservation District, Iowa Department of Agriculture and Land Stewardship and the Marion County Secondary Roads Department. Funds were awarded in 2010-2012, with a total project cost of approximately $2.9 million. The project is addressing 180 acres of priority features such as dangerous highwalls, hazardous water bodies, and clogged stream lands. These conditions resulted in serious water quality concerns because of high sediment loads and acid mine drainage caused by acidic runoff. Goff Creek, formed within the abandoned mine land site, feeds into English Creek and then into the Des Moines River. Reclamation of the site will result in improved water quality by reducing sediment, eliminating acid mine drainage, and reclaiming hazardous features to approximate pre-mining conditions. Two phases of reclamation were completed as of January 2012, and the remaining phase is projected to be completed in June 2013.

e. Civil Penalty Reclamation Projects

Federal civil penalties collected under Section 518 of SMCRA are authorized 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 from OSM-issued citations 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 OSM are limited and not sufficient for all priority post-act reclamation needs. In FY 2012, $799,430 was provided to Alabama, Kentucky, Pennsylvania, and the OSM Tennesse Federal Program to perform reclamation on four (4) projects. In addition, design work was completed for a site in Virginia. However, the landowner denied the State right to entry so no further work was done.

- Preston Slide, Kentucky: OSM awarded Kentucky $218,650 in funding through a cooperative agreement for the Preston landslide near the community of Collista, Johnson County. The landslide created an emergency situation impacting multiple residences. The civil penalty money will support this $2,134,524 project to stabilize the slide and reduce the hazard to the community.

- Flight 93 National Memorial, Pennsylvania: OSM awarded $312,905 to the Pennsylvania Department of Environmental Protection for the enhancement of a passive treatment system on the grounds of the Flight 93 National Memorial in Somerset County, Pennsylvania. The treatment system remains from the previously-closed underground coal mine. Because of the high volume of water pumped from the underground mine pool, which is necessary to maintain the visual integrity of the memorial, mine drainage treatment goals are not being met. Existing treatment ponds cannot remove the final 5 mg/l of iron and a high level of manganese from the water, which adds to the pollution of Lambert's Run. The project will expand the number of treatment ponds, and enhance their treatment effectiveness to remove the remaining iron from the discharge. A manganese treatment limestone bed will be constructed to remove manganese from a portion of the total flow. The treated water will be available for non-potable needs of the Memorial.

- R & M Coal Bond Forfeiture, Tennessee: A 1984 underground mining permit operated off and on up until the mid 1990s, when coal removal operations ceased. Various companies and individuals expressed interest in reopening the mine until 1995; since then, interest in re-permitting waned. The resultant reclamation liabilities consists of scrap material, buildings, 3 open portals, a face-up area, acid mine drainage coming from one entry, and two sediment/treatment ponds. The entire area requires regrading and seeding. In 1996, OSM issued a notice of violation, which progressed into a failure to abate

cessation order to R&M Coal Company. Alternative enforcement action proved fruitless, as R&M no longer had the financial ability to perform any work. The bond was forfeited in 1998. The previous landowner refused to allow reclamation on the site, and the lack of sufficient bond precluded meaningful further action at the site. In 2011, a request for civil penalty funds was made to supplement the bond forfeiture funds to fulfill reclamation liabilities, including mine drainage abatement. The project cost of $59,200, which includes $10,000 of the forfeited bond, will allow installation of three deep mine seals (wet and dry); backfilling and grading of the existing face-up area; installation of wetland for treatment of AMD; removal of two ponds; installation of drainage control channels; and revegetation of all disturbed areas.

- Treadway, Inc., Alabama: The Alabama Surface Mining Commission was provided $218,675 in 2012 to address hazards at the Treadway, Inc. Civil Penalty Project, a 225 acre site. The funds will be used to remove approximately 2,000 linear feet of exposed highwall, reconstruct and maintain a minimum of eight impoundments and associated diversions and waterways, re-grade and stabilize steep outer slopes to achieve approximate original contour, and plant grasses and trees. Tree planting will utilize the Forest Reclamation Approach concepts. Construction activities are anticipated to begin in 2013.

In addition, work was completed on two projects funded in FY 2010:

- Clemens Coal Company, Kansas: The Kansas Department of Health and Environmental, Surface Mining Section (KDHE-SMS), was provided $100,000 to stabilize reclamation work at the Clemens Coal Company - 303 Tipple Civil Penalty Project. The funds were used to repair erosion damage and terraces, construct water control structures, and repair vegetation with the intent of establishing a self sustaining stable mine site. Designs and specifications were developed, and the bid was let in the spring of 2011. Repairs have been completed to the specifications required. KDHE-SMS has closed out the grant for this project.

- K&R Permit 4148, Oklahoma: The Oklahoma Department of Mines was provided $6,000 to perform reseeding and other repairs on the K&R Permit 4148 Civil Penalty Project. The reseeding was intended to stabilize the road shoulder and protect motorists along this roadside area of past coal mining. However during a subsequent inspection of the site a serious public safety hazard was discovered (an exposed, collapsed culvert/severe erosion at the mine entrance immediately adjacent to a state highway). OSM recommended that the civil penalty grant award be re-directed to address the public safety hazard, which the SRA agreed to do. A revised scope of work was submitted and approved. Subsequently a contract was awarded, and the collapsed culvert was removed and replaced with a new one. The affected area was re-seeded to stabilize the road shoulder, thereby finalizing the abatement of the public safety hazard. The project was completed on May 16, 2012, at a total cost of $13,310.

f. Bond Forfeitures

These funds are receipts from forfeited performance bonds and can only be used to reclaim lands where the bond was forfeited where OSM was the regulatory authority. States have their own regulatory coal program for this purpose. Forfeited funds are site-specific and cannot be used to reclaim other sites. Surplus amounts must be returned to the operator. Using the forfeited funds, OSM issues and administers contracts for reclamation in accordance with the mining plan developed during the permit process. OSM is mandated under SMCRA to reclaim sites that have been abandoned and forfeited in Federal program States. Bond forfeiture is an important component of OSM's mission to restore lands abused by mining.

In FY 2012, a performance bond from a Federal surface mining permit issued to Monties Resources near Newcomb, Campbell County, Tennessee was forfeited. OSM awarded a $98,830 reclamation contract in FY 2013.

3. Program Development and Maintenance

This program activity provides $3.3 million in funding for reclamation program management and programmatic guidance to States and Tribes. The Program Development and Maintenance activity is an integral part of the State and Tribal funding program. OSM 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.

OSM, in consultation with the States and Tribes, developed an oversight review system that provides for enhancement and performance evaluation of reclamation programs. OSM also assists States and Tribes to build on successes by providing ongoing technical assistance, by continually enhancing the primacy grants process, by ensuring National Environmental Policy Act compliance, and by conducting program-focused enhancement and performance evaluation. OSM encourages States to assume responsibility for their reclamation and emergency abatement programs, and supports implementation of their AML programs through technical and program assistance as needed.

OSM emphasizes State, Tribal and Federal partnerships in the AML program. OSM 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 OSM 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

OSM manages a national enhanced Abandoned Mine Land Inventory System (e-AMLIS), which serves as a planning and evaluation tool for the States, Tribes, OSM, 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. 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. OSM uses e-AMLIS to record and report AML Program accomplishments under GPRA. States, Tribes, and OSM have access to enter and modify information in e-AMLIS electronically.

A web-based version of legacy AMLIS was deployed in FY 2003 and enhancements were completed in FY 2011 to, among other things, implement requirements of the 2006 SMCRA Amendments. The web-based version enables the public to access this information readily via OSM'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

OSM supports and participates in Grants.gov, the government-wide electronic grants announcement and application system, and the Department of the Interior's grants simplification efforts based on Public Law 106-107. OSM 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. Recipients have been provided training, and will receive further training and assistance in using electronic options to file their applications and reports. OSM has included training on Grants.gov in its recipient training programs.

OSM 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. OSM and the State/Tribal grantees cooperate to maximize the use of available funding and operate an effective program. Grantees provide input by participation on joint teams and by reviewing and commenting on changes in the program. In addition, OSM 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

OSM assists States with development, administration, implementation, and maintenance of their approved AML programs. Decisions affecting State programs are Federal rulemaking actions. OSM evaluates State-initiated program changes (statutory, regulatory, or changes in the program's provisions, scope, or objectives), as well as OSM required modifications that are a result of legal interpretations or changes to SMCRA and Federal regulations. In its evaluation, OSM 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.

OSM Rulemaking Initiative on Limited Liability: OSM proposed revisions to its AML program regulations (78 FR 8822, February 6, 2013). The revisions would allow states and Indian tribes that have certified correction of all known coal AML problems within their jurisdiction to receive limited liability protection for certain non-coal reclamation activities. Certified States and Tribes currently are not eligible to receive limited liability protection for the non-coal reclamation projects they complete. The proposed rule would provide that no certified State or Tribe conducting non-coal reclamation activities would be liable under any provision of Federal law for any costs or damages as a result of action taken or omitted in the course of carrying out an approved state or Indian tribe AML plan. The proposed rule would not preclude liability for costs or damages as a result of gross negligence or intentional misconduct by the State or Tribe.

FY 2012 changes to SMCRA to amend mandatory funding distribution: Two Public Laws (P.L 112-141, MAP-21; and P.L. 112-175, the Continuing Appropriations Resolution for 2013) were enacted in FY 2012 that changed the methodology for distributing AML mandatory funds to States and Tribes. Specifics are provided under the Permanent Appropriations Section. OSM will review the amendments to determine if regulation changes are needed, and propose rulemaking, as appropriate.

ENVIRONMENTAL RESTORATION

2013 PLANNED PROGRAM PERFORMANCE

In 2013, 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.
- Reclaim remaining known Federal High-Priority Projects
- Respond to Federal AML emergencies in non-program states.
- Continue to use available civil penalty funds to reclaim eligible sites.
- Achieve the goals for performance measures identified under this business line and support the Youth Program by providing educational and employment opportunities to young adults in fields associated with surface coal mining reclamation.

2012 PROGRAM ACCOMPLISHMENTS

In 2012, the major accomplishments in the Environmental Restoration program activity include:

- Addressed one emergency in Washington State and remaining projects were completed in Pennsylvania and Kentucky.
- Provided $395.6 million in grants to 25 States and 3 Tribes in mandatory AML funding
- Improved land and water health by reclaiming, or mitigating, from the effects of natural resource degradation from past mining the equivalent of 17,821 acres of land.
- Awarded 16 watershed cooperative agreements in 4 States (PA, WV, IA, and OH) totaling $1.3 million in OSM funds. This leveraged over $4.2 million in partnering funds.
- Achieved performance as shown on the goal performance table associated with this business line.

Goal Performance Table

Mission Area 1: Provide Natural and Cultural Resource Protection and Experiences
Goal # 1: Protect America's Landscapes

Supporting Performance Measures	Type	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Plan	2012 Actual	2013 Plan	2014 Plan	Change from 2013 Plan to 2014	Long-Term Target 2016
Strategy #1: Improve land and water health by managing the wetlands, uplands, and riparian areas that comprise our national parks, wildlife refuges, and BLM lands.											
Number of Federal, private and tribal land and surface water acres reclaimed or mitigated from the effects of natural resource degradation from past mining. (Calculated equivalent acres) (SP)	A	9,909	5,838	16,565	10,836	11,000	17,821	13,000	14,000	+1,000	14,000
Total Actual/Projected Costs ($000)		$223,950	$219,717	$262,742	$270,889	$332,899	$332,899	$334,148	$301,513	-----	-----
Actual/Projected Cost per GPRA Acre (in dollars)		$22,601	$37,636	$15,861	$24,999	$30,264	$18,680	$25,704	$21,536	-----	-----
Contributing Programs	Environmental Restoration and Permanent Appropriations: Projected costs are based on anticipated budget with long-term targets held constant for discretionary funding. For FY 2014 the projected costs include all discretionary funding under the AML appropriation ($28.013 million), and estimated mandatory funding ($273.5 million). The dollar figures were adjusted for prior and future years based on budget authority instead of actual expenditures. This is consistent with the DOI Annual Performance Plan and Report.										
Comments	In FY 2012 a significant increase in the relative size of Polluted Water Human Consumption (PWHC) problems addressed occurred, which resulted in in the number of acres reclaimed or mitigated (17,821) to far exceed the planned target (11,000). The number of reclaimed and mitigated acres from addressing PWHC problems that contributed to the FY 2012 actual was 12,503, compared to 6,927 acres in FY 2011. The 2014 plan was increased to 14,000 acres due to the estimated completion of projects funded in prior years.										
Number of new active partnering and leveraging agreements and amendments to prior agreements. (BUR)	C	18	9	15	18	13	16	13	13	0	13
Contributing Programs	Environmental Restoration										

Goal Performance Table											
Mission Area 1: Provide Natural and Cultural Resource Protection and Experiences **Goal # 1: Protect America's Landscapes**											
Supporting Performance Measures	**Type**	**2008 Actual**	**2009 Actual**	**2010 Actual**	**2011 Actual**	**2012 Plan**	**2012 Actual**	**2013 Plan**	**2014 Plan**	**Change from 2013 Plan to 2014**	**Long-Term Target 2016**
Comments	An increase in the number of applications pending in FY 2012 and completed in FY 2013 resulted in the target being exceeded in FY 2012. Due to OSM no longer providing separate current year funding for clean stream projects related to the SMCRA Amendments of 2006 (P.L. 109-432), only watershed cooperative agreements have been counted since FY 2008. The measure description was modified to reflect reporting of current year agreements and related funding for this measure and the one below.										
The amount of increased funds derived from new active partnering and leveraging agreements and amendments. (BUR)	A	$5,548,452	$4,784,459	$4,203,656	$8,366,331	$3,125,000	$4,253,334	$3,125,000	$3,125,000	$0	$3,125,000
Contributing Programs	Environmental Restoration										
Comment	As noted above the number of projects exceeded the targets and thus, the funds leveraged did as well.										
Provide appropriate grant funding within 60 days of a complete grant application for abandoned mine lands grants (BUR)	A	100%	100%	100%	100%	96%	100%	96%	96%	0%	96%
Contributing Programs	Environmental Restoration										
Comment	Performance measure will be reviewed to better reflect program accomplishments.										

Goal Performance Table											
Mission Area 1: Provide Natural and Cultural Resource Protection and Experiences **Goal # 1: Protect America's Landscapes**											
Supporting Performance Measures	**Type**	**2008 Actual**	**2009 Actual**	**2010 Actual**	**2011 Actual**	**2012 Plan**	**2012 Actual**	**2013 Plan**	**2014 Plan**	**Change from 2013 Plan to 2014**	**Long-Term Target 2016**
Strategy #1: Improve land and water health by managing the wetlands, uplands, and riparian areas that comprise our national parks, wildlife refuges, and BLM lands.											
Number of people with reduced exposure potential to safety risks from abandoned mine lands. (BUR)	A	255,640	272,143	191,250	630,282	160,000	228,120	160,000	160,000	0	160,000
Contributing Programs	Environmental Restoration										
Comment	The FY 2012 accomplishments far exceeded the plan. States are provided the option of using data other than the calculated census data for populations in the area of the reclaimed sites. Of the 228,120 people with reduced exposures, 133,091 (58 percent of total) were for sites in Wyoming. The increase in population was due to the reclamation of sites in proximity to recreational areas and highways.										
Number of people directly affected (Emergencies abated). (BUR)	A	68,764	82,339	49,946	69,543	16,700	60,071	16,700	16,700	0	16,700
Contributing Programs	Environmental Restoration										
Percentage of declared emergencies abated within six months. (BUR)	A	99.7%	99%	98%	96%	95%	98%	95%	95%	0%	See comment
Contributing Programs	Environmental Restoration										
Comments	This measure will be revised in the future to reflect program changes.										

ENVIRONMENTAL PROTECTION

Environmental Protection Summary of Budget Request

(dollars in thousands)	***2013 Full Year CR*** *(P.L. 112-175)*	**2012 Enacted**	**2014**			
			Fixed Costs (+/-)	**Program Changes (+/-)**	**Budget Request**	**Change from 2012 (+/-)**
Regulation and Technology	***92,394***	**91,832**	**+505**	**-9,542**	**82,795**	**-9,037**
State and Tribal Funding	*69,010*	68,590	0	-10,916	57,674	-10,916
FTE		*0*	*0*	*0*	*0*	*0*
State Program Evaluation	*8,669*	8,616	+238	+3,734	12,588	+3,972
FTE	*80*	*80*	*0*	*+19*	*99*	*+19*
Federal Programs	*5,934*	5,898	+108	-1,652	4,354	-1,544
Offsetting Collections		[+28]		[+1,652]		
FTE	*45*	*45*	*0*	*0*	*45*	*0*
Federal Lands	*1,543*	1,534	+15	0	1,549	+15
FTE	*6*	*6*	*0*	*0*	*6*	*0*
Indian Lands	*2,445*	2,430	+48	-708	1,770	-660
Offsetting Collections		[+12]		[+708]		
FTE	*20*	*20*	*0*	*0*	*20*	*0*
Program Development and Maintenance	*4,793*	4,764	+96	0	4,860	+96
FTE	*40*	*42*	*0*	*0*	*40*	*-2*
Total, Environmental Protection	***92,394***	**91,832**	**+505**	**-9,542**	**82,795**	**-9,037**
Total FTE	*191*	*193*	*0*	*+19*	*210*	*+17*

Note: 2012 FTE amounts reflect actual usage, not 2012 Enacted formulation estimates.

Fixed Costs resulted in a net increase of $505,000. Fixed Costs cover pay related items such as a change in pay days, a pay raise, and health plans for FY2013 and 2014.

Summary of 42014 Program Changes

Request Component	($000)	FTE
State and Tribal Funding		
• Decrease in State and Tribal Funding	-10,916	0
• Improve Implementation and Support to States and Tribes	+3,734	+19
• Reductions to be covered by Offsetting Collections of fees to review, administer and enforce permits in Federal Programs and on Indian Lands	-2,360	
Total Program Changes	**-9,542**	**+19**

Justification of 42014 Program Changes

The 2014 budget for Environmental Protection is $82,795,000 and 210 FTE, a program change of -$9,542,000 and +17 FTE from the 2012 Enacted level.

State and Tribal Funding (-$10,916,000): The Federal Government currently provides funding to States and Tribes to regulate the coal industry. To eliminate a de facto subsidy of the coal industry, the budget encourages States to increase their cost recovery fees for services provided to coal mine operators. With additional funding from fees, the States will need less Federal grant funding, so the budget reduces grant funding accordingly. Because the decreased Federal funding should be offset by user fees for services to the industry, there should be no reduction in regulatory performance.

OSM plans to implement provisions to collect fees for reviewing, administering, and enforcing permits for its Federal and Indian Lands Programs as well.

Improve Implementation of Existing Laws and Support to States and Tribes (+3,734,000; +19 FTE): The requested increase of $3.77 million and 19 FTE will be used to improve the implementation of existing laws and support to States and Tribes. Scientific developments have identified areas in need of improvement to more completely implement SMCRA. Annual performance agreements developed for each State, with stakeholder input, outline the responsibilities and activities of both the State and OSM. Among other things, the agreements contain program evaluation goals and the technical or programmatic assistance that OSM may render to the States to address identified problems, both new issues and those remaining from prior years. The increase in funding and FTE will strengthen OSM's skill base. For example, the funding would be used to hire hydrologists to assess the hydrologic impacts of the mining to prevent violation of SMCRA.

With greater technical skills, OSM anticipates improved evaluation of permit-related actions and resolution of issues to prevent unanticipated situations that otherwise may occur as operations progress, thereby improving implementation of existing laws. States and Tribes also rely on

OSM's expertise for technical assistance and training that they need to maintain program effectiveness, and this increase will ensure resources are available to continue this support.

Reductions to be covered by Offsetting Collections of fees to review, administer and enforce permits in Federal Programs and on Indian Lands (-$2,360,000; to be supported by offsetting collections): OSM is the regulatory authority for the Federal Program States of Tennessee and Washington as well as the Indian Lands Program which includes the Crow, Hopi and Navajo Nation Tribes. OSM's current fee structure (promulgated in regulations) for the review of new permit applications collects about $40,000 per year. SMCRA allows OSM to collect fees to cover its costs to review, administer and enforce permits. OSM plans to implement provisions to recover more of the cost of providing services to coal mine operators, and offset its budget with the collections.

MISSION GOAL: TO PROTECT PEOPLE AND THE ENVIRONMENT DURING CURRENT MINING OPERATIONS AND TO ENSURE THAT THE LAND IS RESTORED TO BENEFICIAL USE AFTER MINING HAS CEASED.

The Environmental Protection business line provides resources to administer a regulatory program over coal mine operations in 24 primacy States, in Federal program States, and on Federal and Indian lands. The program addresses the protection of the public and environment from the adverse affects of current mining, and restoration of land at the conclusion of mining. Current coal mining operations include over 4.3 million acres in 26 States and on the lands of four Indian Tribes. During active mining, the potential risk from safety and environmental hazards exists within the permitted site. However, because of required SMCRA precautions, long-term effects are minimized. If these safeguards are not taken during and after current mining, the nation could face reclamation costs that far exceed the estimated $9 billion cost of addressing existing priority 1, 2, and 3 AML problems.

OSM administers Federal programs in Washington and Tennessee. OSM also administers the Indian Lands Program for mining on Navajo Nation, Hopi, Ute Mountain Ute Tribe, and Crow Tribal lands. States assist OSM through cooperative agreements to regulate mining on Federal lands. OSM supports State regulatory programs with grants and technical assistance.

ENVIRONMENTAL PROTECTION ENCOMPASSES:

State and Tribal Funding

- *State Grants*
- *State Regulatory Activities*
- *Cooperative Agreement Funding*
- *Tribal Regulatory Development Grants*

State Program Evaluation
Federal Program
Federal Lands Program
Indian Lands Program
Program Development and Maintenance

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 OSM's costs to ensure that States' programs are current with all Federal regulatory requirements. The State and Tribal funding program activity includes grants to States and Tribes to regulate coal operations on lands within their borders. For States with cooperative agreements, this activity also includes grants to regulate coal operations on Federal lands.

Finally, this activity includes grants to Tribes to develop regulatory programs and to assist OSM in the regulation of surface coal mining and reclamation operations on Indian lands. The State Program Evaluation activity funds OSM's evaluation and oversight of State programs. The Federal Program activity funds OSM activities to ensure SMCRA compliance for non-primacy States (States with a federally-administered regulatory program). The Federal Lands Program

activity funds OSM's activities in preparing Mining Plan Decision Documents for leased Federal coal as well as any regulatory activities on Federal lands not covered by a cooperative agreement. The Indian Lands Program activity funds OSM's regulatory responsibilities on Indian Lands.

OSM's Environmental Protection mission goal promotes responsible coal extraction and addresses the protection of public health, safety, and general welfare from the adverse affects 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 OSM and State and Tribal regulatory offices. The following measures are used by OSM as indicators of annual performance.

Off-site impacts are negative 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. 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 when possible.

Acres released from Phase I, II, or III Bond Release. This performance measure is the number of acres of land that are reclaimed every year by active coal mine operators, and is dependent on the operator to file an application for the release. 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. Phase III bond release shows the number of acres that have been fully reclaimed from current mining operations, and have met the performance standards.

Percent of mined acreage reclaimed is currently represented as a ratio of the cumulative number of acres reclaimed and the cumulative number of mined acres.

Actions Required to Achieve Annual Goals: OSM continues its outreach to interested parties to address concerns related to mountaintop removal operations, acid mine drainage, and slurry and other impoundments, to evaluate its rules, to advance remining efforts, and to ensure that contemporaneous reclamation is occurring. OSM 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 OSM'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 program and to conduct program evaluations. OSM 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 OSM's oversight and regulatory program inspections.

For FY 2014, the President's Budget requests $57.7 million to fund 24 State regulatory programs up to the maximum 50 percent Federal match level and a potential Tribal regulatory program at 100 percent. Additionally, this amount will provide up to 100 percent funding for up to 14 Federal lands cooperative agreements with States and three Tribal regulatory program development grants.

The FY 2014 budget request includes $12.6 million, an increase of $4.0 million over the 2012 enacted budget, to improve implementation of existing laws and support to States and Tribes, and $4.4 million to fund regulatory programs in non-primacy States such as Tennessee and Washington. Also included in the FY 2014 budget request is $1.5 million for OSM to regulate coal mining on Federal lands, $1.8 million for regulatory programs on Indian Lands, and $4.9 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 $2.4 million that will be off-set with collections for permit fees.

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 OSM, States, and Tribes to regulate coal-mining activities that will continue in FY 2014 and support this budget request.

2014 PROGRAM PERFORMANCE

1. State and Tribal Funding

The $57.7 million requested for FY 2014 for State and Tribal Funding recognizes the need for a change in supporting the regulatory programs with cost recovery from the coal mining industry. 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 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 unique 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. The FY 2014 budget proposes a reduction in grants and encourages the States to increase their cost recovery fees for coal mine permits to recover a greater percentage of costs for the services they provide to mine operators.

b. State Regulatory Activities

Activities of State regulatory authorities include: permit review and issuance, including the use of the Applicant Violator System (AVS) 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. SMCRA requires 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.

Consistent with the intent of SMCRA that states take the lead in regulating coal mining, states performed 75,874 inspections in FY 2012. See Table 2.

c. Cooperative Agreements – Federal Lands

Cooperative agreements with OSM allow States to review permit applications and issue permits, and conduct the required inspections of regulated facilities on Federal lands. Cooperative agreements provide for uniform enforcement of State program requirements at all facilities within the State and reduce 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 at up to 100 percent of the amount that the Federal Government would have to spend to do the same work. The regulations further state that no grant may exceed the actual costs to the State for this activity.

Currently, the following 14 States have entered into cooperative agreements with OSM 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.

d. Tribal Regulatory Development and Regulatory Program Grants

As allowed by the Energy Policy Act of 1992 and Section 710 (i) of SMCRA, OSM 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 OSM 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. OSM is continuing to review informal materials (statute and regulations) as they are received from the Tribes. Applications for tribal primacy are proposed to be submitted by the Crow Tribe and Navajo Nation in late 2013. The Hopi Tribe has not indicated when it would submit an application for tribal primacy.

2. State Program Evaluation

State Program Evaluation activities serve two purposes: they ensure States are effectively implementing their regulatory programs as approved, and they provide documentation to the public of the work that OSM and the States are doing. OSM issued new policy directives during FY 2011 that:

- Outlined oversight inspections;
- Promoted increased inspection consistency;
- Clarified the authority and responsibility to review state permitting procedures and permits;
- Established a process for action plans to resolve identified issues during oversight;
- Provided for greater public involvement in the oversight process; and
- Improved data and information quality and availability.

a. Oversight Policy and Procedures

OSM 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 OSM's website:

> Directive REG-8, Oversight of State Regulatory Programs, underscores the fundamental purpose of oversight while maintaining the cooperative relationship with States. The revised Directive clarifies review of state permitting procedures and state-issued permits; establishes inspection criteria; improves outreach; and details consistent reporting of results. With these changes, the bureau is increasing transparency by providing better accessibility and providing more opportunities for input from all interested parties regarding OSM's oversight process.
>
> Directive REG-23, Corrective Actions for Regulatory Program Problems and Action Plans, provides measured strategies to document and resolve problems identified during oversight.
>
> Directive INE-35, Ten-Day Notices, establishes the policy and procedures that OSM will follow when staff have reason to believe there is a violation of SMCRA, the State regulatory program, or a State-issued permit at a coal mine. The new directive generally assures OSM will take steps to correct violations if the State does not act to do so for situations involving on-the-ground violations at a coal mine and where permitting issues may exist. OSM will take enforcement action on all types of violations, including violations of performance standards or permit conditions and violations of permitting requirements.

As part of the process, a Performance Agreement is developed for each state annually. OSM solicits input from all its stakeholders, which includes 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 OSM. It provides details about specific program evaluation goals for each state and the plans to achieve those goals, the types and number of inspections OSM plans to conduct, technical or programmatic assistance that OSM 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 OSM 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, OSM 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 OSM 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 OSM's ability to effectively evaluate and monitor a State's or Tribe's regulatory program.

In FY 2012, OSM conducted 1,887 oversight inspections in 24 States. OSM intends to sustain this level of oversight inspections in FY 2013 and 2014 to assure the integrity of the regulatory program, to capture additional data and 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 OSM 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 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 OSM determines that the State response is not appropriate, an OSM 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 OSM 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 2012, OSM observed a decrease from FY 2011 in the number of TDNs and violations issued. Of the 71 TDNs, there were 156 potential violations. OSM will continue to work with the States to resolve any outstanding TDN issues.

OSM 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 state or tribal programs not show timely adequate improvements, OSM has other tools under 30 CFR Parts 732 (requiring program amendments) and 733 (compelling program change or substituting a Federal program) to ensure state or tribal program SMCRA requirements are ultimately no less effective than the Federal counterparts. OSM has procedures in place to monitor corrective actions when issues are identified as a result of OSM oversight activities.

In addition to the corrective actions processes described above, OSM'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 2013 and 2014.

Table 2 provides data on the number of state inspections and OSM oversight inspections conducted in primacy states. OSM 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, 2011, through June 30, 2012.

Table 2 – FY 2012 Primacy State and OSM Inspections

	STATE			OSM
	PARTIAL	COMPLETE	TOTAL	TOTAL
Alabama	257	2864	3,121	56
Alaska	81	33	114	5
Arkansas	65	28	93	3
Colorado	276	145	421	19
Illinois	589	373	962	59
Indiana	753	481	1,234	42
Iowa	4	0	4	0
Kansas	79	39	118	3
Kentucky	14,795	7,693	22,188	522
Louisiana	21	12	33	7
Maryland	572	244	816	40
Mississippi	12	6	18	3
Missouri	93	55	148	34
Montana	89	60	149	9
New Mexico	64	32	96	5
North Dakota	526	99	625	7
Ohio	2,204	1,011	3,215	169
Oklahoma	293	221	514	8
Pennsylvania	7,628	4,972	12,600	291
Texas	308	145	453	8
Utah	210	127	337	13
Virginia	2,657	1,629	4,286	103
West Virginia	16,214	7,453	23,667	462
Wyoming	215	147	362	19
Total	**48,005**	**27,869**	**75,874**	**1,887**

3. Federal Programs

Federal Programs regulate coal mining in States without approved regulatory programs. These Programs promote responsible coal extraction using 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.

Of all Federal program states, Tennessee has the most permits. The two mines in the state of Washington are not currently producing coal, although they may resume production in the future. Programs also are in place for Arizona, California, Idaho, Massachusetts, Michigan, North Carolina, Oregon, Rhode Island, and South Dakota, though they are not currently producing coal. The following bullets highlight key characteristics of two of the largest Federal programs, Tennessee and Washington.

> Tennessee: There are 9 active coal producing sites, 21 active non-producing sites, (tipples, preparation plants, etc.), 84 mine sites that are inactive, (i.e., non-producing sites either in temporary cessation, mining is complete, or the site is undergoing reclamation), and 163 abandoned sites in Tennessee. In addition, 22 coal exploration notices of intent were on hand at the end of FY 2012. Over the past five-year period coal production declined from 2.65 million tons in calendar year 2007 to 1.55 million tons in calendar year 2011. OSM has discussed with the State the possible return of the primacy program on numerous occasions over the years, but little interest is shown in acquiring the program.
>
> In response to the 2009 Federal MOU, an interagency group was formed in Tennessee comprised of State and Federal agencies including: OSM, the Army Corps of Engineers, the Environmental Protection Agency, the United States Fish and Wildlife Service and the Tennessee Department of Environment and Conservation. The purpose of the group is to improve permit coordination between the Clean Water Act and SMCRA regulatory authorities as each mine site must have both CWA and SMCRA permit to discharge water and mine coal, respectively. The group completed a major effort in 2010 by executing a Local Inter-agency Working Agreement (LIWA) between the agencies. The LIWA includes a permit process flow chart and ten Standard Operating Procedures for processing, reviewing, coordinating and issuing final decisions on coal mining applications 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.
>
> The first joint public hearing was held on April 26, 2012 in Dayton Tennessee. The hearing was conducted to meet regulatory obligations for both the Clean Water Agency

and the SMCRA regulatory authorities. The Environmental Protection Agency (EPA), Army Corps of Engineers (USACE), and the US Fish and Wildlife Service (USFWS) also attended the hearing. The hearing format utilized a two-part process: an initial informal open house whereby the permit application material and maps were available for the public review followed by a formal hearing on the application. The hearing was attended by approximately 200 citizens, industry, and company people. The hearing yielded much discussion for and against the proposed operation with much of the conversation centered on truck traffic and subsidence issues. The Knoxville field Office expects to make a decision on the permit application in 2013.

In October 2010, OSM 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. OSM determined the petition complete in November 2010 and is preparing an Environmental Impact Statement. The Knoxville Field Office is currently evaluating EIS alternatives and expects to publish the draft EIS in mid-2014 and hold hearings in the fall of 2014.

Washington: There are two surface coal mines regulated under the Washington 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 high costs to recover the remaining coal. Coal for the plant now comes from the Powder River Basin. On July 8, 2010, OSM denied a request to continue temporary cessation at the Kopiah Pit, and the decision was upheld on appeal. OSM approved on February 23, 2012, TransAlta proposed coal recovery operation plan, to begin in late 2013. This operatons plan will facilitate reclamation of the coal mine waste impoundments after coal recovery. The recovered coal will be 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 mining of this coal. TransAlta has submitted revised reclamation plans for five areas of the mine. On October 2, 2012, OSM approved the reclamation plan for the Central Packwood pit area. OSM's review of the revised reclamation plans for the North Hanaford Pit, Pit 7, the Kopiah Pit and coal mine waste impoundments 3A, 3B, 3C and 3D are ongoing at this time. OSM approvals of the revised plans for Pit 7 and the Kopiah Pit are anticipated during 2013.

The Pacific Coast Coal Company (PCC) mine near the City of Black Diamond has not produced coal since 2000. A revision application to recommence mining is under review. The applicant is addressing issues raised by OSM and the Army Corps of Engineers is reviewing the application for a determination on the jurisdictional status of the wetlands area.

Table 3 provides inspection and enforcement data for Federal Program States during FY 2012.

Table 3 – FY 2012 Federal Program States Inspection / Violation Data					
STATE	**INSPECTIONS**			**NOV'S**	**FTA CO'S**
	COMPLETE	PARTIAL	TOTAL	VIOLATIONS	VIOLATIONS
Tennessee	498	885	1,383	120	20
Washington	7	19	26	0	0
TOTALS	**505**	**904**	**1,409**	**120**	**20**

4. Federal Lands Program

OSM regulates coal mining activities on Federal lands. Fourteen States (Alabama, Colorado, Illinois, Indiana, Kentucky, Montana, New Mexico, North Dakota, Ohio, Oklahoma, Utah, Virginia, West Virginia, and Wyoming) have cooperative agreements and regulate coal mining on Federal lands within their borders. Currently there is no coal mining on Federal lands in Federal Program States. OSM also prepares mining 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, OSM consults and coordinates, as applicable, with State Historic Preservation Offices, the Fish and Wildlife Service (FWS), Bureau of Land Management (BLM), U.S. Forest Service (USFS), National Park Service (NPS), the Environmental Protection Agency (EPA) and the Army Corps of Engineers (COE). Processing of mining plan decision documents constitutes the largest part of the workload under this program activity.

Table 4 provides projected mining plan decision document workload data.

Table 4 – Mining Plan Decision Document Workload on Leased Federal Coal, by Fiscal Year		
Mining Plans and Modifications to Existing Mining Plans		
Activity	**FY 2012 Actual**	**FY 2013 Projected**
In progress prior FY	6	6
Anticipated current FY	2	12
Total FY Workload	8	18
Completed in FY	2	13
Balance, end of FY	6	5

Under this program activity, OSM also provides support to BLM and USFS in leasing activities that involve Federal coal resources. OSM's participation in NEPA compliance analyses prepared at the leasing stage ensures the consideration of OSM 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 (EIS) for mining plan approval under SMCRA.

5. Indian Lands Program

OSM is responsible for 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 $2.4 million to fund the activities to promote responsible mineral extraction on Indian lands to meet the Nation's energy needs.

The Crow, Hopi and Ute Mountain Ute Tribes, and the Navajo Nation have coal-mining activities on their lands. 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 being reclaimed. The Kayenta Mine Complex, which includes the Kayenta mining operation and the now idle Black Mesa mining operation, involves Navajo coal beneath Navajo surface, and coal jointly owned by the Navajo Nation and the Hopi Tribe – most of which is beneath Navajo surface and some of which is beneath Hopi surface. 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. At a mine in New Mexico, the only involvement of Indian lands is where a haul road crossed the Ute Mountain Ute Reservation. The haul road is now reclaimed and is currently under the period of extended responsibility for successful revegetation. An underground mining operation in Colorado also extracts Federal coal beneath Ute Mountain Ute owned surface. The Crow, Northern Cheyenne and Hopi Tribes, and the Navajo Nation are evaluating coal properties for future development. The mines on Indian lands are among the largest in the United States, with a total of about 101,500 acres regulated by OSM.

OSM 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. OSM ensures that the lands and trust resources of Federally-recognized Tribes and their members are identified, conserved, and protected. In fulfilling these responsibilities, OSM operates within a government-to-government relationship with Indian Tribes.

Table 5 provides inspection and enforcement data on Indian Lands during FY 2012.

Table 5– FY 2012 Indian Lands Inspection Data				
TRIBE	INSPECTIONS			NOV'S
	COMPLETE	PARTIAL	TOTAL	VIOLATIONS
Crow Tribe	8	16	24	0
Hopi Tribe	2	0	2	0
Navajo Nation	44	24	68	4
Ute Tribe	4	8	12	0
TOTALS	**58**	**48**	**106**	**4**

Table 6 – Permit and Permit Revision Workload where OSM is the Regulatory Authority, by Fiscal Year				
Activity	**Federal Programs***		**Indian Lands**	
	FY 2012 Actual	**FY 2013 Projected**	**FY 2012 Actual**	**FY 2013 Projected**
In progress previous FY	75	35	22	19
Anticipated current FY	93	80	46	59
Total FY workload	168	115	68	78
Completed in FY	133	97	49	58
Balance, end of FY	35	18	19	20

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

6. 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.

a. Rulemaking

OSM 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 OSM. Before developing a proposed rule, OSM involves interested parties. Stakeholder participation results in improved regulatory proposals. OSM also maintains the administrative record for rules and coordinates rule publication with the Office of the Federal Register.

OSM Rulemaking Initiative on Coal Combustion Residues: In 2003, Congress directed EPA to commission an independent study of the health, safety, and environmental risks associated with the placement of Coal Combustion Residues (CCRs) in active and abandoned coal mines. As a result, the National Research Council (NRC) of the National Academies of Science formed a committee, which published its findings in a report on March 1, 2006. The committee recommended the establishment of enforceable Federal standards for the placement of CCRs in mines, with regulation under SMCRA being one of the rulemaking options. In March 2007, OSM published an advance notice of proposed rulemaking to solicit comments on the development of a proposed rule. OSM received approximately 1,900 comments. After evaluating comments received on the ANPRM; discussions with EPA and additional outreach to stakeholders; and the review of the best practices of the States, OSM has decided to propose a rule pertaining to permit application requirements and performance standards related to the placement and beneficial use of CCRs on active and abandoned mine sites.

OSM Rulemaking Initiative on Cost Recovery: In an effort to recover costs to review, administer and enforce permits issued by OSM, OSM intends to propose and finalize a rule in 2013 to revise its existing permit fees and establish other fees authorized by section 507 of SMCRA. The proposed fees are to recover more of the costs of services OSM provides to mine applicants and operators for mining on lands where regulatory jurisdiction has not been delegated to the States and would include operations in Federal Program States and on Indian lands.

OSM Rulemaking Initiative on Temporary Cessation of Operations: OSM intends to revise its regulations governing the temporary cessation of surface coal mining and reclamation operations and underground mining activities under an approved permit. The proposed rule would require that before temporarily ceasing operations for a period of more than 180 days, a permittee is to submit an application to the regulatory authority for approval. The rule is needed to ensure that a temporary cessation of operations is not used to delay reclamation, that safety and environmental controls are in place, and that there is an end point to the cessation of operations.

OSM Rulemaking Initiative on Stream Protection: On June 11, 2009, the U.S. Department of the Interior entered into a Memorandum of Understanding (MOU) with the Army Corps of Engineers and the Environmental Protection Agency to reduce the harmful environmental impacts of mountaintop mining in six states in central Appalachia. OSM is developing a proposed rule to modernize its regulations to more completely implement the statute to better protect streams and accompanying draft environmental impact statement, which are scheduled for publication in 2014.

OSM Rulemaking Initiative on Emergency Action Plans: Based on an internal review, OSM intends to propose a rule that would require mine operators to prepare an Emergency Action Plan (EAP) for all impoundments that are classified as high and significant hazard dams. A high hazard dam is one that could result in the loss of one or more lives in the event of failure. A significant hazard dam has no potential for loss of life but has a potential for significant economic loss in the event of failure. An EAP is a document that identifies potential emergency conditions at a dam and specifies actions for the dam operating personnel to follow during emergencies or unusual occurrences.

Rulemaking Associated with State Programs: OSM 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. OSM evaluates State-initiated program changes (statutory, regulatory, or changes in the program's provisions, scope, or objectives), as well as OSM required modifications that are a result of legal interpretations or changes to SMCRA and Federal Regulations. In its evaluation, OSM 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 2012, OSM completed activity on 18 State program amendments as shown in Table 7.

States may be required to amend their programs as a result of changes to SMCRA and Federal regulations. Under the authority of section 521(b) of SMCRA, OSM recommends withdrawal, in whole or in part, of an approved State program if it finds--after conducting hearings, establishing remedial actions, monitoring compliance, evaluating performance, and implementing the rulemakings associated with such withdrawal--that a State is failing to enforce its approved program. Under section 521(b), OSM also responds to third-party requests to evaluate a State's program.

When a State program amendment is required, OSM notifies the State of the required change and reviews the State submission and either approves or disapproves the proposed change. This activity represents a significant workload for OSM staff.

During FY 2012, the State Program Amendment activity was identified as follows:

Table 7 – FY 2012 State Program Amendment Activity ***Number of Amendments****				
Amendment Type	**Pending Oct. 1, 2011**	**Received FY 2012**	**Completed FY 2012**	**Pending Sept. 30, 2012**
Pre-Submission Assistance	1	5	6	0
Formal	27	15	12	30
Total	**28**	**20**	**18**	**30**

*The pending pre-submission assistance numbers include one for the Navajo Nation.

b. Grants Management

OSM supports and participates in the Administration's E-Government initiative, and Health and Human Services' government-wide electronic grants application system (Grants.gov), and the Department of the Interior's (DOI) grants simplification efforts based on Public Law 106-107. OSM 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. OSM 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

OSM special projects include interpretation of SMCRA, reports to Congress, legislative analyses, and assistance in response to litigation. OSM 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

2013 PLANNED PROGRAM PERFORMANCE

In 2013, the planned activities in the Environmental Protection program activity include:

- Review additional informal tribal primacy submissions from the Crow Tribe and Navajo Nation with a goal of receiving the formal submissions by late fiscal year 2013.

- In cooperation with the State of Montana, continue processing a significant revision and preparing the associated NEPA statement for an Indian lands mine on the Crow Ceded Area.

- Lead preparation of an environmental impact statement to support permitting of a new resource area at the Navajo Mine and extension of the lease for the Four Corners Power Plant, both located on the Navajo Reservation near Farmington, New Mexico.

- Participate in the development of an environmental impact statement to support extension of the site lease for the Navajo Generating Station and permitting of a significant revision for the Kayenta Mine.

- Finalize processes to implement updated cost recovery regulations.

- Achieve the goals for performance measures identified under this business line and support the Youth Program by providing educational and employment opportunities to young adults in fields associated with surface coal mining regulation and reclamation.

2012 PROGRAM PERFORMANCE ACCOMPLISHMENTS

In 2012, the major accomplishments in the Environmental Protection program activity included:

- Began processing a new permit application and preparation of the associated environmental impact statement for one Indian lands mine on the Navajo Reservations.

- Implemented enhanced oversight of permitting, inspection and enforcement, grants, program amendments, and corrective actions in 24 States, as needed.

- Implemented the Federal and Indian lands programs, including conducting 563 complete and 952 partial inspections.

- States performed 27,869 complete mine inspections and 48,005 partial inspections to ensure coal mines are operated safely and in accordance with environmental laws.

- Performance for measures identified for this business line follow.

Goal Performance Table											
Mission Area 2: Sustainably Manage Energy, Water, and Natural Resources **Goal #1: Secure America's Energy Resources**											
Supporting Performance Measures	**Type**	**2008 Actual**	**2009 Actual**	**2010 Actual**	**2011 Actual**	**2012 Plan**	**2012 Actual**	**2013 Plan**	**2014 Plan**	**Change from 2013 Plan to 2014**	**Long-Term Target 2016**
Strategy #1: Ensure environmental compliance and the safety of energy development.											
Percent of active coal mining sites that are free of off-site impacts. (SP)	C	88% (6,864 of 7,784 sites)	88% (6,879 of 7,845 sites)	86% (6,548 of 7,571 sites)	86% (6,588 of 7,675 sites)	88% (6,705 of 7,620 sites)	87% (6,749 of 7,731 sites)	88% (6,706 of 7,621 sites)	88% (6,695 of 7,608 sites)	0%	88% (6,705 of 7,615 sites)
Total Actual/Projected Costs ($000)		$118,371	$120,156	$127,180	$126,926	$122,713	$122,713	$133,053	$114,955	-----	-----
Actual/Projected Cost per Inspectable Unit (in dollars)		$15,207	$15,316	$16,798	$16,538	$16,104	$15,873	$17,459	$15,110	-----	-----
Contributing Programs	Environmental Protection										
Comments	The target remains stable through 2016. OSM evaluation of data collection, analysis, and reporting requirements is part of the ongoing effort to improve oversight of State regulatory programs. The dollar figures were adjusted for prior and future years based on budget authority instead of actual expenditures. This is consistent with the DOI Annual Performance Plan and Report. For FY 2014, projected costs relate to requested budget authority and do not include the anticipated cost recovery for services to the coal industry.										
Percent of mined acreage reclaimed). (SP)	A	83% (2,044,886 of 2,467,139 acres)	89% (2,165,011 of 2,435,110 acres)	98% (2,305,795 of 2,359,120 acres)	104% (2,418,963 of 2,327,333 acres)	75% (1,578,233 of 2,105,752 acres)	75.1% (4,989,588 of 6,603,770 acres)	75% (2,075,216 of 2,241,164 acres)	75% (5,225,888 of 6,967,451 acres	0%	
Total Actual/Projected Costs ($000)		$118,371	$120,156	$127,180	$126,926	$122,713	$122,713	$133,053	$114,955	-----	-----
Actual/Projected Cost per Acres Reclaimed (in dollars)		$58	$55	$55	$52	$78	$25	$64	$22	-----	-----
Contributing Programs	Environmental Protection										
Comments	After a review of the data collected for this measure, an adjusted acreage baseline was developed to capture all past released acres. A baseline target of 75% was calculated using revised data and will be the goal for the future. This adjustment will also affect the Actual/Projected Cost per Acres Reclaimed. For FY 2014, projected costs relate to requested budget authority and do not include anticipated cost recovery for services to the coal industry.										

Goal Performance Table											
Mission Area 2: Sustainably Manage Energy, Water, and Natural Resources **Goal #1: Secure America's Energy Resources**											
Supporting Performance Measures	**Type**	**2008 Actual**	**2009 Actual**	**2010 Actual**	**2011 Actual**	**2012 Plan**	**2012 Actual**	**2013 Plan**	**2014 Plan**	**Change from 2013 Plan to 2014**	**Long-Term Target 2016**
Number of acres where reclamation goals are achieved as evidenced by release from Phase III Performance Bonds. (BUR)	C	48,828	38,312	50,231	35,334	41,000	43,843	41,000	38,000	-4,000	38,000
Contributing Programs	Environmental Protection										
Comment	Future targets for acreage released from Phase III were adjusted to reflect updated data provided by OSM's field staff.										
Number of acres released from Phase I & II Performance Bonds. (BUR)	C	89,047	93,875	111,136	76,720	80,000	55,727	77,000	69,000	-8,000	67,000
Contributing Programs	Environmental Protection										
Comment	A continuing reduction in acreage released from Phases I and II is indicated from field data. Therefore, the plan was reduced to reflect the most recent estimates.										
Provide appropriate grant funding within 60 days of a complete grant application for regulatory grants (BUR)	A	100%	100%	100%	100%	96%	100%	96%	96%	0)	96%
Contributing Programs	Environmental Protection										
Completion of the technical review of Federal/Indian Land permit actions within 90 days (BUR)	A	90%	87%	93%	82%	70%	88%	70%	-----	-----	-----
Contributing Programs	Environmental Protection										

TECHNOLOGY DEVELOPMENT AND TRANSFER

Technology Development and Transfer Summary of Budget Request

(dollars in thousands)	***2013 Full Year CR*** *(P.L. 112-175)*	**2012 Enacted**	**2014**			
			Fixed Costs & Related Changes (+/-)	**Program Changes (+/-)**	**Budget Request**	**Change From 2012 (+/-)**
Regulation and Technology	***14,543***	**14,455**	**+218**	**1,199**	**15,872**	**+1,417**
Technical Assistance	*11,010*	10,943	+117	0	11,060	+117
FTE	*49*	*54*	*0*	*0*	*49*	*-5*
Training	*2,546*	2,531	+53	0	2,584	+53
FTE	*22*	*25*	*0*	*0*	*22*	*-3*
Technology Transfer	*987*	981	+48	1,199	2,228	+1,247
Applied Science	*[1,199]*					
FTE	*20*	*20*	*0*	*0*	*20*	*0*
Abandoned Mine Reclamation Fund	***3,566***	**3,544**	**+50**	**+400**	**3,994**	**+450**
Technical Assistance	*1,595*	1,585	+25		1,610	+25
FTE	*10*	*9*	*0*		*10*	*+1*
Training	*799*	794	+15		809	+15
FTE	*6*	*6*	*0*		*6*	*0*
Technology Transfer	*1,172*	1,165	+10	+400	1,575	+410
FTE	*4*	*4*	*0*	*0*	*4*	*0*
Total, Technology Development and Transfer	***18,109***	**17,999**	**+268**	**1,599**	**19,866**	**+1,867**
FTE	***111***	***118***	***0***	***0***	***111***	***-7***

Note: 2012 FTE amounts reflect actual usage, not 2012 Enacted formulation estimates.

Fixed Costs resulted in a net increase of $268,000. Fixed Costs cover pay related items such as a change in pay days, a pay raise, and health plans for FY2013 and 2014.

Summary of 2014 Program Changes

Request Component	($000)	FTE
Applied Science Projects		
• Provide Funding for Applied Science Projects related to coal mining issues	+1,599	0

Justification of 2014 Program Change

The 2014 budget for Technology Development and Transfer is $19,866,000 and 111 FTE, a program change of +$1,599,000 from the 2012 Enacted level.

Applied Science Projects (+$1,599,000): The requested increase of $1.599 million will be used to address critical challenges in energy production by investing in applied science projects, or studies, that would advance technologies and practices specific to coal mined sites for more comprehensive ecosystem restoration, including reforestation and reclamation using native vegetation and plant habitat.

One planned study would address mine pools in abandoned mine sites. After cessation of underground mining, mine pools often develop in the voids remaining after mining. Discharges from these pools often have water quality issues that degrade streams and ground water, and are expensive to treat. Studies to improve the reliability of modeling underground mine abandonment is essential for responsibly dealing with these types of problems before mine closures.

A potential study would evaluate coal slurry impoundments to advance the understanding of whether the coal slurry solidifies or stays liquid, and the conditions under which it ceases to flow. This information is relevant to assess the risk of coal slurry impoundment basin breakthrough.

With the results of coal-related studies, OSM anticipates improved technical evaluation of issues to maintain program effectiveness, and support advances in coal mining and reclamation.

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 OSM's restoration and protection goals, TDT funds implement effective partnerships with OSM'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 2013 and 2014, OSM 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; finalize changes and provide training and technical assistance to meet identified needs of States and Tribes. Also, OSM'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, OSM will continue to provide regional technical service, libraries, and more efficient access to COALEX (a computer-assisted library search service).

Operational Process (Program Activities): The Technology Development and Transfer 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 OSM's goals and outcomes.

OSM provides technical training to OSM staff, and States and Tribes on a variety of topics. New technologies, changes in regulations, and staff turnover necessitate the need for continued technical training. To solve problems related to the environmental effects of coal mining, OSM 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). OSM 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

TECHNOLOGY DEVELOPMENT & TRANSFER ENCOMPASSES:

Technology Development

Technology Transfer

Technical Training

Technical Innovation and Professional Services (TIPS)

Applicant Violator System (AVS)

throughout FY 2013 and FY 2014. Technology transfer is a major part of OSM'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 OSM, determined via evaluations and customer service surveys.

Actions Required to Achieve Annual Goals: In FY 2014, OSM plans continued improvements in this business line. As responses are received from the customer surveys, the activities within the business lines will be evaluated to identify any needed improvements or changes. Also, the National Technical Training Program (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 NTTT will continue to work with the Regional Technology Transfer Teams to provide direction, communication, and coordination efforts related to technical issues and studies.

Resources, Skills, and Technology Needed: An ongoing goal for FY 2014 is to continue ensuring States, Tribes, and OSM 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, OSM, 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 2014 request for this business line is $19.9 million. The request includes $12.7 million for Technical Assistance (including the Applicant Violator System support); $3.4 million for Technical Training; and $3.8 million for Technology Transfer efforts to meet the annual goals set forth above.

Included in the FY 2014 request for the Technology Transfer program activity is almost $200,000 for the Acid Drainage Technology Initiative (ADTI), an ongoing effort of OSM, State and other Federal agencies, academia, and industry. The objectives of the ADTI are to compile, assess, and document the "best-science" technology solutions to acid mine drainage (AMD) reclamation problems as well as to refine the most effective methods for accurate AMD prediction.

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.

2014 PROGRAM PERFORMANCE

The following program activities support OSM's goal to strengthen the capabilities of the States, Tribes, and OSM 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 the Surface Mining program. In addition, OSM will provide opportunities to students and interns, either directly or through cooperative agreements with others, under various activities described in this section in support of the Youth Initiative to the extent funding is available.

OSM's stakeholders (States, Tribes, public and industry) continue to express support for Technology Development and Transfer efforts and encourage OSM 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 OSM staff provide direct technical support and ongoing efforts in other business lines. Many activities not yet conducted in FY 2013 will identify the needs for activities in FY 2014. In addition, adjustments in activities may be necessary during FY 2013 and 2014 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 OSM 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.

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 are used to document the responsiveness of OSM's technical assistance to its customers in a timely and professional manner. By meeting the technical assistance needs, OSM can help effectively achieve OSM's Environmental Restoration and Environmental Protection mission goals.

a. Technical Policy Assistance

OSM specialists provide technical assistance to State and OSM regulatory and reclamation policy staff. The areas of assistance include rulemaking; citizen complaint investigations

regarding offsite impacts relating to mining; 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; stream and underground mine flooding; mountaintop mining and valley fills; permit findings; remining; impoundment stability; subsidence caused by underground mining; and assistance in fostering tribal primacy by helping tribes develop technical capabilities.

Examples of activities for FY 2012-2013 include:

Blasting: In FY 2012, OSM completed development of the Blaster Certification Tracking System (BCTS) for internal use to track Federally-certified blasters authorized to handle and detonate explosives on coal mines under OSM jurisdiction. In FY 2013, the BCTS is anticipated to become available nationwide for OSM and interested States to use.

In FY 2013, OSM will strive to improve certification of blasters through more complete training, work experience and testing across the nation. OSM has partnered with the University of Kentucky and Bridgemont Community and Technical College to provide training venues for students who are interested in becoming a certified blaster and for those who need to maintain the education requirements of their certificates. OSM is also partnering with the International Society of Explosives Engineers to develop a set of Blasters' Training Modules that will help blasters prepare for examinations. Lastly, in FY 2014, OSM will support national continuing education events that target technological and regulatory improvements.

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, which is the number one water quality problem in Appalachia and to a lesser, but still serious, extent in other coal and hard rock mining regions. OSM, in cooperation with the U.S. Geological Survey, completed an enhancement to AMD Treat, the AMD treatment cost modeling program. The software enhancement was released in FY 2013. AMD Treat brings improved modeling of acidic and alkaline discharges and more accurate estimation of treatment sludge volumes, treatment costs, and the most cost effective treatment options.

OSM will continue to participate in the Acid Drainage Technology Initiative (ADTI), a collaborative effort among Federal agencies, industry, the States, academia, and the National Mine Land Reclamation Center to promote communication and technology enhancement in the field of emerging mine water issues, particularly AMD and total dissolved solids (TDS) prediction, prevention and treatment, and biological effects. During FY 2012 and FY 2013, ADTI funds supported field research on selenium and TDS leaching from mining overburden (a recently identified serious water quality issue in the Appalachian coalfields) and natural attenuation and underground mine chemistry. Results of these studies assist mine planners to develop practical material handling and treatment methods to minimize water pollution. In FY 2014, ADTI will continue to address: (1) issues related to effective stream and wetland

mitigation by more effectively restoring the premining physical and biological function of these water bodies; and (2) using science-based, spatially explicit, analytical tools to address watershed level cumulative impacts.

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 non-Federal lands to protect certain features or environmental values. OSM 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.

OSM also is responsible for making valid existing rights (VER) determinations under section 522 (e) for all Federal lands and all lands for which OSM 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 also 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

OSM 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. Following are examples of the types of assistance provided to States and Tribes.

Underground Mine "Pool" Characterizations: OSM continues to assist West Virginia, Maryland, and Pennsylvania to define characteristics of very large (tens of thousands of acres) mine pools (underground coal mines filled with groundwater). These mine pools can cause significant alterations of surface and groundwater quality and quantity. They can lead to mine "blowouts," (sudden discharges of large volumes of mine water) if new or continued active mining and pool water management in adjacent unmined areas is not properly planned, monitored, and analyzed during and following mining. Mine pools serve as potential sources of fresh water for industrial and residential uses. Proposed water extraction projects by other industries, such as gas and oil development that must incorporate an understanding of mine pool characteristics and the potential for secondary impacts like mine subsidence. Active and proposed underground mines/expansions must be carefully evaluated to ensure SMCRA hydrologic balance performance standards are attained and bonding mechanisms are in place to account for any unexpected long-term water-treatment issues. Mapping old mine extents and conditions, calculating mine void volumes, determining infiltration and barrier seepage rates, and projecting

shifting water quality over time, are all factors in characterizing mine pools. This characterization will determine how the geologic conditions of the area control pool-level rises and possible breakouts of pool water to the overlying surface drainage systems. These projects are long-term by necessity due to: (1) the expanse of past and planned mining; (2) the length of time needed to establish monitoring networks; and (3) the years of monitoring required for adequately assessing and understanding the hydrologic system alterations. These activities will continue in FY 2014.

Develop Hydrologic Cumulative Impact Areas and Trend Stations: In prior years, OSM established hydrologic cumulative impact areas and trend stations for the Tennessee Federal program and assisted West Virginia in doing the same. In FY 2013, Kentucky is in its third year of installing trend stations, and Virginia has requested financial support from OSM to develop trend stations. OSM's Appalachian Region will work with the Maryland, Pennsylvania, Ohio, and Virginia in FY 2014 to develop networks of logical cumulative impact areas in the coalfield watersheds and seek financial support for the establishment of trend stations to improve assessment of cumulative effects of mining and watershed health for permit reviews.

Technical Assistance for Passive Treatment of Acid Mine Drainage (AMD): OSM is providing technical assistance to the State of Illinois in the development of new technologies for passive treatment of AMD. The technical assistance began in 2007 and continued in FY 2012 by assisting Southern Illinois University in its research related to the biochemistry and geochemistry of the technology. OSM provided assistance in the design of the technology, monitoring its operation and analysis of its effectiveness. The new technology combines a sulfate reducing bioreactor with a series of oxidation ponds to treat a severe AMD problem. Additional assistance is being provided by demonstrating mobile computing technology and the use of digital mine pool level sensors. Continued assistance is planned for FY 2013 to facilitate the improvement and rehabilitation of the treatment system and plan for a new treatment system design.

c. National Mine Map Repository (NMMR)

OSM maintains the NMMR, authorized under the former U.S. Bureau of Mines and subsequently transferred to OSM in the mid-1980s. This repository, located in OSM's Appalachian Regional Office in Pittsburgh, Pennsylvania, maintains the only national inventory of mine maps and includes more than 350,000 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, and 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.

Through a variety of sources, the NMMR continuously expands its collection of digital maps. In late FY 2012, OSM acquired additional state of the art scanning equipment and mass storage for the NMMR. This added equipment allows NMMR to scan and store larger maps at higher resolution; thus allowing NMMR to achieve important map details. NMMR will continue to expand the repository's online access to the map collections in FY 2014. This program supports and relies upon student interns to scan and archive maps.

d. Electronic Permitting (e-Permitting)

During FY 2012, OSM, States and Tribes worked on developing various e-Permitting solutions for their legacy coal permitting systems. During FY 2013, OSM is exploring the best way to leverage these efforts and share information between and among all SMCRA program offices. This effort will achieve economies of scale for cost savings and improved effectiveness of the e-Permitting solutions developed. We anticipate that this system would be up and working by the end of FY 2014.

e. Technical Innovation and Professional Services (TIPS)

The goal of TIPS is to provide State, Tribal, and OSM 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 OSM 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 OSM offices at considerable cost savings by sharing the commercial licenses for the software via the Internet and OSM Wide Area Network. The 30 commercially available software applications cover a wide range of regulatory and AML subjects. The customer base covers over 100 state, tribal and OSM 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.

Examples of TIPS related activities include:

GeoMine Pilot Project. OSM is partnering with the SMCRA regulatory programs in Kentucky, Tennessee, Virginia, West Virginia, and Federal agencies involved in Clean Water Act regulation (EPA, Fish and Wildlife Service, Army Corps of Engineers) to develop an interactive digital map of coal mining activities. The two-year Pilot Project has demonstrated the feasibility and value of sharing this mapping data between the organizations through the Internet. A final report of the Pilot Project findings and recommendations is being drafted by the interagency team and will be presented to the partners' leadership in the summer of 2013.

Litigation Support for Restoration of Original Contour. Using detailed satellite imagery, TIPS remote sensing specialists were able to produce high-resolution surface-elevation maps of the litigated mine site in Oklahoma. High-accuracy GPS devices, also provided through TIPS, were then used by field personnel to augment surface mapping. All data was processed with ArcGIS software, also provided by TIPS, to produce a detailed map of the mine site that visibly demonstrated land-surface changes due to coal mining activities. The map was instrumental in supporting OSM's position in the case.

Feature Identification through Remote Sensing. TIPS specialists using off-the-shelf feature extraction software are enhancing the ability for SMCRA specialists to identify previously unknown abandoned mines in Southwestern Virginia and to map vegetation cover on a bond forfeiture site in the mountains of Colorado. Feature extraction software allows SMCRA specialists to identify objects of interest in high-resolution satellite data and then train the software to automatically find similar features that may be hidden elsewhere in the imagery. Once potential problem areas are identified, a field specialist can efficiently investigate those areas and effectively direct mitigation measures. This method increases field inspection efficiency and cost effectiveness for SMCRA programs.

f. Applicant/Violator System (AVS)

The AVS is a National information database OSM 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 be an AML reclamation contractor.

During FY 2012, the AVS Office processed over 2,200 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. OSM also entered into 38 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 2013 and FY 2014. In FY 2012, the system generated over 17,500 self-service evaluations indicating a high level of users' comfort with system use. To ensure our customers can continue to rely on accurate data and a stable environment to support their efforts with implementation of 510(c) of SMCRA, AVS staff will continue to conduct data studies in FY 2013 and FY 2014 to ensure regulatory program staff enter and maintain permit and violation information in the system in accordance with regulations and data standards.

AVS Office staff provides services to customers, including the coal industry, citizens groups, and other Federal agencies. Some of the services provided include: technical assistance in interpreting data retrieved from the AVS; updating information in the AVS for coal companies 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. Additional technical assistance services for States in FY 2013 and FY 2014 include: identifying assets and property that might be used to facilitate reclamation; for cost recovery on reclamation money spent by a State to reclaim a forfeited site; and assisting in the establishment of claims during bankruptcy.

Customer surveys are used to document the responsiveness of AVS services provided to its customers. During FY 2012, the AVS Office received a customer satisfaction rating of 98% and exceeded an 80% response rate on returned customer surveys. OSM attributes the success of this approach 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 OSM, State, and Tribal staff the necessary knowledge and skills to implement the surface mining program. The various training program components are explained below.

a. National Technical Training Program

OSM established the National Technical Training Program 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 aquatic biology, 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 OSM offices. Of the 28 State and Tribal programs, 21 have fewer than 50 employees and another 4 have fewer than 100 employees. 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 OSM programs.

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

> "The interviewing module was very useful. I do this just about every week but did not have a structure for it. The structure and outline will really help streamline and make my work more efficient/effective." Evidence Preparation and Testimony (Student)
>
> "This exercise really helped me to put all the information into perspective related to how and what to look for when doing inspections." Blasting and Inspection (Student)
>
> (The employee)" is a construction project specialist in the AMD program. He gained a better understanding of how to handle acid forming materials to help prevent the formation of AMD….he has more knowledge as to what to look for in the field….he will help direct the contractor where to place materials." Acid Forming Materials: Fundamentals and Applications (Supervisor)
>
> "Employee has a better understanding of the process and procedure of inspection of a blasting operation on surface coal mines. Employee is much better at checking blasting and seismic records and his reports and more professional…..reports and job performance has improved." Blasting and Inspection. (Supervisor)

Meeting Office Specific Needs of Mining and Reclamation Staff through Special Sessions:
In addition to regularly scheduled FY 2012 courses, NTTP offered a number of special courses including: a special session of the "Coalfield Communications" class for the State of Virginia, "Effective Writing" sessions for the State of Alabama and New Mexico, Quantitative Hydrogeology training for the State of Pennsylvania, Acid Forming Materials training for the State of Montana, a Permit Findings Workshop for the State of Utah, and a combined Evidence Preparation and Testimony/Expert Witness class for the OSM Western Region in Denver. NTTP also supported the Benchmarking Workshop on Mine Mapping and the Reforestation Workshops. In FY 2013, we are planning for a special hybrid course in Underground Mining Technology/Subsidence for the State of West Virginia.

A special course was made available in FY 2012 at the recommendation of the Technical Training Steering Committee. The course was taught by Dr. Dave Rosgen and covered the basics of Fluvial Geomorphology as they apply to the restoration of disturbed watercourses. Forty-four students attended from State, OSM and tribal agencies across the nation. Each State and agency office requesting spaces for this course were provided at least one space to allow for

distribution of the applicable principles throughout the coal mining reclamation and regulatory programs.

New Course Offerings: In FY 2012, the new Mine Gas Workshop was delivered in June as a regular course that provides students with basic information on detecting hazardous mine gases they may encounter on AML and regulatory mine sites. NTTP received input from States, Tribes and OSM offices on the potential value and audience for an "Impoundment Inspection" course and will decide in 2013 if such a course development will proceed.

Course Enhancements: In addition to the new courses, revisions were made to Quantitative Hydrogeology and Enforcement Procedures courses. The "Quantitative Hydrogeology" team revised the course content, including the addition of new advances in technology tools. The course was presented in its revised form in June of FY 2012. Plans were developed for revisions needed for the three legal courses offered by NTTP (Enforcement Procedures, Evidence Preparation and Testimony, and Expert Witness). A team of instructors completed revisions to the Enforcement Procedures course updating enforcement and legal presentations as well as the testimony exercise.

Plans for FY 2013 and 2014: NTTP received approximately 1,900 requests for spaces in FY 2013, and anticipates it will receive another 200 requests for special sessions during the year. The NTTP Steering Committee, made up of OSM and State managers, will determine how additional new sessions will be added to the 41 existing regular classes already scheduled. 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 FY 2012, classes were held in 26 locations in 15 States. In FY 2013, courses are scheduled for 19 locations in 10 States. Final course selection will depend on priorities and available funding. In addition, OSM is working to develop distance learning/teaching capabilities in order to provide training electronically, where appropriate, for efficiencies in course delivery.

Annual Program Planning to Identify Training Needs: Each Spring OSM conducts a Training Needs Survey for the following fiscal year to determine the training needs of the almost 2,000 State and Tribal regulatory and reclamation staff, as well as over 500 OSM 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 of spaces available by 55-60 percent, so 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.

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 OSM, 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 OSM's Regional Offices: Denver, Colorado; Alton, Illinois; and Pittsburgh, Pennsylvania.

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 one-hundred 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, created in 2010 http://tipselearning.cadlearning.com and continues to educate our instructors on techniques to teach in a virtual environment. During FY2012, the development of two distance learning courses was completed, *"ArcGIS for Permitting and Reclamation," and "Galena Slope Stability Analysis."*

In FY 2012, the TIPS training program received a customer satisfaction rating of 96 percent, exceeding the annual GPRA goal by 3 percent. Twenty seven instructor-led classes were held in 2012 with 373 students completing class sessions. Additionally, 57 students attended online training courses sponsored by TIPS, bringing the 2012 total to 430 students. Nine of the 27 training classes were facilitated "on-site" at locations meeting training needs of specific offices or groups of students throughout the SMCRA community.

c. Regional/Site Specific Training

Regional Training - OSM conducted three training exercises with the State of Alabama providing on the job classes on geographic information systems (GIS) that helps visualize, question, analyze, interpret, and understand data to reveal relationships, patterns, and trends associated with coal mining activities. Specifically, training was provided on three topics, Introduction to GIS, Basic GIS, and ArcPad Mobil computing and GIS to 26 state employees.

3. Technology Transfer

Technology Transfer is an integral component of OSM's Restoration and Protection business lines providing national support to State and Tribal programs. Technology Transfer is accomplished through a variety of activities. State technical representatives meet frequently with OSM regional staff to share resources whenever practicable to resolve regional technical issues. OSM sponsors or participates in interactive technical forums, computer applications workshops,

and technical seminars to address mining and reclamation environmental issues. OSM partners with the States, Tribes and industry to develop technology transfer priorities.

The OSM national and regional technology transfer teams evaluate initiatives to encourage networking and information sharing that will result in program improvement or enhancement. OSM'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.

a. Reforestation Initiative

OSM 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 34-member Science Team (made up of university researchers from across the country and members of the American Bird Conservancy, the American Chestnut Foundation, the US Geological Survey, and the US Forest Service) published bulletins on state-of-the-art reforestation practices. In May 2012, ARRI brought together landowners, industry representatives, environmental groups, researchers, regulatory personnel, and citizens groups in a sixth annual Mined Land Reforestation Conference in Big Stone Gap, Virginia, to learn about advancements regarding the use of the FRA to reclaim coal mine sites. Since 2004, about 80 million trees were planted on about 117,000 mined acres in the eastern coalfields by ARRI partners. In FY 2012, ARRI partners organized over 2,500 volunteers to plant approximately 102,400 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. This level of planting is anticipated to be maintained during FY 2013 and FY 2014.

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 OSM technical library and various information websites. Examples of past activities include:

<u>Workshops and Forums</u>: 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. OSM 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.

Examples of national and regional events that occurred in FY 2012 are:

- *Blasting Workshop*: In June 2012, a Technology Transfer interactive workshop on blasting was held with the blasting specialists from State Regulatory Authorities and OSM at the Mine Safety and Health Administration (MSHA) Academy in Beckley, West Virginia. Over a 2-day period, these experts discussed technological advances in conducting and monitoring blasting operations including findings from two recently-completed OSM Applied Science projects that centered on the use of geophones to better analyze blasting effects on structures and the applicability of electronic detonators to better control the ground vibrations from blasting. The 63 experts from across the coalfields discussed topics like impacts from blasting on slurry impoundments, strategies for accurate monitoring, and blast remediation strategies.

- *Acid Mine Drainage Mitigation:* In June of 2012, OSM organized two technical sessions of six papers each at the American Society of Mining and Reclamation (ASMR) Annual Symposium in Tupelo, Mississippi. The sessions were focused on Acid Mine Drainage Mitigation Case Studies in the Illinois Coal Basin and Natural Stream Design for the Midwest. The papers presented at these sessions are located at the ASMR website at: http://www.asmr.us/Meetings/PastMeetings.htm.

Reports, Forums and Workshop Proceedings: OSM publishes and co-sponsors the publication of proceedings from numerous forums and workshops and various topical reports. During FY 2011, OSM published the proceedings of "Protecting Threatened Bats at Coal Mines: A Technical Interactive Forum." These publications and CD/DVDs are distributed to interested parties at technology transfer events, upon request, and at various websites maintained by OSM. The agency publishes proceedings, reports and event notices in paper copy, on CD/DVDs, and over the Internet to reach the widest audience possible.

OSM Technical Library: OSM maintains a national Library in the Denver, Colorado office. 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 2012, the Library fielded almost 400 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 OSM Federal Register notices. This allows those materials to be made directly available via the Internet to interested persons. During FY 2013, the Library will continue to explore the use of e-books and e-journals, as well as establishing policies and procedures to accomplish this effort. The Library is also currently involved in an effort to update and revise all Federal Register notices related to OSM for the website. This involves retroactively reviewing notices back to 1977. The Library continues its membership in the DOI Council of Libraries, and collaborates with other DOI libraries in providing resources and information across the Department in FY 2013 and FY 2014.

c. Educational Outreach and Partnerships

To make the public and students aware of OSM's responsibilities and its environmental stewardship mission, OSM staff provide 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 continued in FY 2012 with OSM'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. Outreach opportunities and events are expected to continue in FY 2013 and FY 2014.

University Partnerships - Minority Higher Education Program (MHEP): OSM works to build mutually beneficial partnerships with minority serving colleges and universities under the OSM MHEP. OSM funded Applied Science Projects in MHEP schools in FY 2009 (Alabama A&M University) and FY 2011 (Clark Atlanta University), and provides guidance and direction on these projects to ensure that the intended results are achieved. The Alabama A&M project was completed in FY 2012. OSM will provide two speakers for the Alabama A&M science symposium series during FY 2013 speaking of the Forestry Reclamation Approach and Protecting Bats at Coal Mines. OSM also collaborates with our MHEP partners on training and education programs.

In addition to traditional training within the SMCRA community, the TIPS program has been involved in a collaborative partnership with OSM's Minority Higher Education Program (MHEP) partner Adams State University (ASU), a Hispanic Serving Institution, in Alamosa, CO, since November 2009. In 2012, OSM signed an MOU with ASU, formalizing the relationship between the two organizations. TIPS staff, along with ASU, share their expertise in managing educational programs and have identified several future ventures of interest to both parties including expanding distance learning opportunities for both TIPS and ASU customers. This partnership has resulted in college accreditation for several TIPS courses, technical assistance to TIPS staff in creating distance learning courses, and delivery of TIPS courses on ASU's campus. In FY 2012, TIPS instructors participated in one distance learning course offered through ASU concerning how to develop distance learning courses. TIPS instructors also delivered one course, "*Introduction to GPS with Garmin eTrex"*, on-site at the ASU campus in Alamosa. Additionally, the TIPS Training Program continued its collaborative efforts with the Southwestern Indian Polytechnic Institute (SIPI), a designated MHEP Tribal College or University, in Albuquerque, NM. SIPI provides TIPS a training facility and student seats in a course in exchange for TIPS providing instructors and course materials. One course, *"Trimble, Terrasync, & PF Office: Mobile Computing for Reclamation,"* was held at SIPI during FY 2012.

TECHNOLOGY DEVELOPMENT AND TRANSFER

2013 PLANNED PROGRAM PERFORMANCE

In 2013, the planned activities in Technology Development and Transfer include:

- Complete the revision and distribution of the Joint USFWS, OSM, IMCC Range-wide Indiana Bat Protection and Enhancement Plan Guidelines.

- Continue to enter and digitize mine maps into the National Mine Map Repository database, and increase the number available to the public electronically.

- Complete the Appalachian GeoMine Pilot Project and final report for potential nationwide implementation.

- Implement the Blaster Certification Tracking System nationwide for OSM and interested States to use.

- Release and distribute the revised AMD treat software package.

- Conduct technical training and TIPS courses in accordance with revised schedules and available funding levels.

- Conduct timely technical assistance and technology transfer to States and Tribes to optimize the effectiveness of regulatory and reclamation programs.

- Achieve the goals for performance measures identified under this business line and supported the Youth Program by providing educational and employment opportunities to young adults in technical fields associated with surface coal mining regulation and reclamation.

- Hold technical sessions on advances in Geomorphic Reclamation at the 2013 Annual Symposium of the American Society of Mining and Reclamation. Continue planning a national technical forum on advances in Geomorphic Reclamation for FY 2014.

2012 PROGRAM ACCOMPLISHMENTS

In 2012, the major accomplishments in Technology Development and Transfer include:

- In partnership with the Appalachian Region Reforestation Initiative (ARRI) held a sixth annual Mined Land Reforestation Conference to learn about advancements regarding the use of the FRA to reclaim coal mine sites. ARRI partners organized over 2,500 volunteers to plant approximately 102,400 trees on post-bond release mine sites across Appalachia.

- Held an interactive workshop on blasting. The 63 experts discussed technological advances in conducting and monitoring blasting operations including findings from two recently-completed OSM Applied Science projects that centered on the use of geophones to better analyze blasting effects on structures and the applicability of electronic detonators to better control the ground vibrations from blasting.

- Conducted two technical sessions at the 2012 Annual Symposium of the American Society of Mining and Reclamation on Passive Treatment Technologies for Acid Mine Drainage in the Midwest and Natural Stream Design for the Illinois Coal Basin.

- In the FY2012 the NMMR entered 8,523 new mine maps into the NMMR database, scanned 5,952 mine maps from new donations, digitized 317 mine map boundaries, and geo-referenced 693 mine maps, in support for planned development of an online-accessible GIS identifying past underground mining locations.

- Completed development of the Blaster Certification Tracking System (BCTS) for internal use to track Federally-certified blasters authorized to handle and detonate explosives on coal mines under OSM jurisdiction.

- Funded six Applied Science Projects that will improve the science and technology associated with coal mining and reclamation as identified on the next page.

- Achieved the goals for performance measures identified under this business line.

Applied Science Projects Funded in FY 2012.

Project Title/Contractor	Purpose/Funding
Evaluation of Geomorphic Reclamation Performance and Models in the Southwestern United States/Mark C. Stone - University of New Mexico	Advance the performance of the 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
Assessing Geomorphic Reclamation in Valley Fill Design for West Virginia/Leslie C. Hopkinson - West Virginia University	This research will obtain field data to calibrate conceptual geomorphic designs for West Virginia valley fills. Specific objectives are: obtaining and quantifying characteristics of mature landforms in West Virginia; establishing the baseline biological community associated with these landforms; and generating conceptual geomorphic valley fill designs for exiting mines. $148,858
Geotechnical Properties and Flow Behavior of Coal Refuse under Static and Impact Loading/ David Zeng - Case Western Reserve University	This project will use laboratory tests, small-scale model tests and centrifuge modeling in a comprehensive investigation of geotechnical properties and flow behavior of coal refuse under static and impact loading. Explicit design criteria for safety analysis of tailings dams and effective measures to improve stability will be recommended. $199,460
Blasting Effects on Coal Refuse Impoundment Structures/ Braden Lusk - University of Kentucky	The objective of the project is the analysis of slope stability of impoundments (coal refuse/slurry) over time under static and dynamic conditions produced as the consequence of the blasting activity at a surface coal mine. $200,000
Low-cost, Green Technology to Improve Water Quality in Mining-Impacted Ecosystems, Phase I – Model Development and Optimization/ Xingmao Ma - Southern Illinois University	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
Underground Coal Gasification (UCG): Water-Quality Hazards and Risk Mitigation Strategies/ Joshua White - Lawrence Livermore National Laboratory	Develop a best practices document focused on water quality hazards associated with UCG. The document will consist of: a guidance manual describing UCG-specific water quality hazards and best practices of mitigating those hazards; and a review of previous field studies in the U.S. and abroad, with a specific focus on water quality measurements and lessons learned. $200,000

Goal Performance Table

Mission Area 1: Provide Natural and Cultural Resource Protection and Experiences
Goal # 1: Protect America's Landscapes

Mission Area 2: Sustainably Manage Energy, Water, and Natural Resources
Goal # 1: Secure America's Energy Resources

Supporting Performance Measures	Type	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Plan	2012 Actual	2013 Plan	2014 Plan	Change from 2013 Plan to 2014	Long-Term Target 2016
Strategy #1: Ensure environmental compliance and the safety of energy development.											
Customer service rate in the quality of technical assistance. Applies to both Mission Areas.) (BUR)	A	96%	100%	100%	100%	97%	100%	97%	97%	0%	97%
Contributing Programs	Technology Development and Transfer										
Percent satisfaction with the scientific and technical products and assistance. Applies to both Mission Areas.) (BUR)	A	92%	99%	99%	100%	97%	99%	97%	97%	0%	100%
Contributing Programs	Technology Development and Transfer										
Customer effectiveness rate in the quality of technical training – NTTP. Applies to both Mission Areas.) (BUR)	A	96%	95%	97%	95%	93%	95%	93%	93%	0%	93%
Contributing Programs	Technology Development and Transfer										
Number of students trained – NTTP. Applies to both Mission Areas.) (BUR)	A	1,426	1,053	1,027	768	850	973	850	850	0	850
Contributing Programs	Technology Development and Transfer										
Comment	FY 2012 Actuals are higher due to holding several special sessions in-State.										

Goal Performance Table

Mission Area 1: Provide Natural and Cultural Resource Protection and Experiences
Goal # 1: Protect America's Landscapes

Mission Area 2: Sustainably Manage Energy, Water, and Natural Resources
Goal # 1: Secure America's Energy Resources

Supporting Performance Measures	Type	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Plan	2012 Actual	2013 Plan	2014 Plan	Change from 2013 Plan to 2014	Long-Term Target 2016
Customer satisfaction rate for TIPS training. Applies to both Mission Areas.) (BUR)	A	97%	96%	98%	96%	93%	96%	93%	93%	0%	93%
Contributing Programs	Technology Development and Transfer										
Customer satisfaction in the quality and timeliness of AVS provided services. (BUR)	A	98%	98%	98%	99%	96%	98%	96%	96%	0%	96%
Contributing Programs	Technology Development and Transfer										

FINANCIAL MANAGEMENT

Financial Management Summary of Budget Request

(dollars in thousands)	***2013 Full Year CR*** *(P.L. 112-175)*	**2012 Enacted**	**2014**			
			Fixed Costs & Related Changes (+/-)	**Program Changes (+/-)**	**Budget Request**	**Change From 2012 (+/-)**
Regulation and Technology	***508***	**505**	**8**	**0**	**513**	**+8**
Revenue Management	*412*	410	+4	0	414	+4
FTE	*1*	*1*			*1*	*0*
Grants Financial Management	*96*	95	+4	0	99	+4
FTE	*1*	*1*			*1*	*0*
Abandoned Mine Reclamation Fund	***6,435***	**6,396**	**+94**	**0**	**6,490**	**+94**
Fee Compliance	*6,340*	6,302	+92	0	6,394	+92
FTE	*40*	*42*			*40*	*-2*
Grants Financial Management	*95*	94	+2	0	96	+2
FTE	*1*	*1*			*1*	*0*
Total, Financial Management	***6,943***	**6,901**	**+102**	**0**	**7,003**	**+102**
Total FTE	***43***	***45***	***0***	***0***	***43***	***-2***

NOTE: 2012 FTE amounts reflect actual usage, not 2012 Enacted formulation estimates.

Fixed Costs resulted in a net increase of $102,000. Fixed Costs cover pay related items such as a change in pay days, a pay raise, and health plans for FY 2013 and 2014.

Overview

This business line provides resources for the Financial Management program activity. OSM carries 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 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 OSM'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. OSM, 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 cleanup 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 affects associated with current mining and ensure the land is restored at the conclusion of mining.

Operational Processes (Program Activities):
As previously discussed, OSM carries out its program financial management responsibilities through three activities: fee compliance, revenue management, and grants management. This business line does not include administrative accounting or reporting for appropriated funds.

The outcome of OSM'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.

Fee Compliance
- *Company Reporting*
- *Collection*
- *Accounting*
- *Audits*
- *Investment of AML Fees*
- *Compliance Assistance to Operators*
- *Development of Regulatory and Policy Issues*

Grants Management
- *Accounting and Reporting*

Revenue Management
- *Accounting and collection of revenue other than AML fees (e.g. civil penalties and Federal permitting and performance bonds)*

Actions Required to Achieve Annual Goals: OSM 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. OSM 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 2013 and 2014, OSM will continue to improve its Coal Fee Collection Management System (CFCMS), which OSM uses to process and manage coal reclamation fees, compliance audit findings, and civil penalties. CFCMS supports the continued success of the fee compliance program. OSM will also continue to look for opportunities to automate processes and streamline coal company reporting through the consolidated coal data reporting system (Single Source Coal Reporting System). OSM has over 194 grants and cooperative agreements with the States and Tribes, accounting for over $791 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, OSM 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. OSM 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.

2014 Program Performance

1. Fee Compliance

The fee compliance activity provides funding used by OSM, States and Tribes to restore land and water degraded by past mining practices to beneficial uses. The fee is collected by OSM from active coal operators based upon tons of coal produced and sold. The use of this money funds the accomplishment of the Department's Resource Protection goal to protect America's landscapes.

OSM's Fee Compliance Program carries out SMCRA's requirements to ensure coal operators accurately report tonnage and pay reclamation fees. The program goal is to maximize compliance by fairly and consistently applying policy and collection procedures at a reasonable cost.

In FY 2012, OSM's Fee Compliance Program achieved a 99.9 percent collection rate resulting in $249.7 million in total collections. Collections decreased from FY 2011 due to the decrease in coal production in FY 2012. As a result of working closely with the industry, the program achieved a 99.94 percent compliance rate for operators filing their tonnage reports. OSM increased the percentage of permits that filed OSM-1 Reports electronically, from 85.14 percent in FY 2011 to 88.76 percent in FY 2012. During FY 2012, OSM also continued to work on automating system processes, and as a result, approximately 69% of the reports were processed automatically in the fourth quarter of FY 2012. OSM worked with coal companies to continue to automate the processing of additional check payments. As a result, OSM was able to increase the system's rate of automatic processing of payments by almost ten percentage points, to 74.8 percent of payments. In FY 2012, OSM's audit division further streamlined its operations. By continuing to successfully leverage 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 2013 include:

- Maintaining and improving the Coal Fee Collection Management System (CFCMS). Improvements to the system will help OSM further automate and streamline processes.

- Continuing the coordination and improvement of the consolidated coal data reporting system (Single Source Coal Reporting System).

- Further automating the processing of payments through the Department of the Treasury's Pay.Gov payment system and exploring ways to automate other electronic funds transfer payments. Increasing the use of automation in conducting fee compliance audits to further improve efficiency.

- Increasing the use of automation in conducting fee compliance audits to further improve efficiency.

Details on 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 2012 OSM collected 99.9 percent of the AML Fees due during the year. Total AML Fee collections were $249.7 million.

To assist in managing AML Fee collections, OSM utilizes the Coal Fee Collection Management System (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 OSM'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 eleven percent of the permits that do not file on-line, OSM mails a paper reporting package.

Over 2,500 permits are reported on OSM-1 reports and processed each quarter. OSM uses an internet-based system to allow coal companies to file their quarterly coal production reports electronically. Companies report that the OSM's fee collection system saves them time and money. This is evidenced by the fact that 519 companies voluntarily use the E-filing system to report on over 2,200 permits and 99 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 OSM 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 OSM with faster information about collections for investment purposes.

OSM uses CFCMS to provide the ongoing support for the Fee Compliance Program. The system enables OSM 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 2012, OSM automated the payment application process for additional check payments. As a result, 74.8 percent of payments were processed automatically during the year. OSM also automated processing of tonnage reports that are reported through the E-filing system. Reports that meet the criteria for automated processing are posted by the CFCMS system. In the last quarter of FY 2012, 68.8 percent of the permit reports were posted automatically.

OSM will continue to enhance the CFCMS system during FY 2014 to realize efficiencies in its processes and maximize the return on this investment. OSM will also enhance the E-filing/Single Source Coal Reporting System to expand the types of transactions that can be accomplished through the system. For example, in conjunction with changes incorporated into the new CFCMS system, OSM has begun billing companies for low dollar amounts through the e-filing system as well as posting credits for overpayments on the E-filing system. We will also begin planning for providing more payment options through the E-filing system. These changes are expected to provide further efficiencies while increasing the appeal of E-filing.

b. AML Fee Audit

SMCRA requires OSM 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 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% 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. The continuing professional education and training of OSM's audit staff is emphasized in accordance with those standards.

By structuring the audit program to ensure all companies have the potential to be audited, an effective deterrent to noncompliance is always present. To support the program goal of maximizing compliance, OSM auditors will conduct more than 160 audits and compliance checks in FY 2014. Beyond the deterrent effect, this provides an opportunity to directly assist 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 2014.

- *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, OSM 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 1,500 newly issued coal mining permits and transactions (transfers and amendments), which can affect the parties responsible for paying fees. In FY 2012, the staff handled 1,669 permit transactions. By continuing these efforts, the program provides greater 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 paying fees.

- *Promoting E-government:* OSM's audit staff has been instrumental in the successful implementation of various E-government efforts. During FY 2014, the audit staff will continue to promote electronic tonnage reporting and fee payment by demonstrating the systems for companies during audits and notifying OSM's collection staff of those interested in enrolling in E-filing and Pay.Gov.

- *Coordinating work with the Internal Revenue Service:* OSM will continue working with the IRS to ensure the fee compliance and coal excise tax compliance programs function together more efficiently. SMCRA requires OSM 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 2014 and beyond.

Table 8– Actual and Estimated Deposits to the AML Fund
AML Production Fees
(Production in millions of tons)
(Dollars in Millions)

	2012 Actuals	2012 Projections *(as submitted in FY 2011)*		2013 Projections		2014 Projections		2015 Projections	
Production *		DOE	OSM	DOE	OSM	DOE	OSM	DOE	OSM
Underground	331	333	317	342	341	329	328	311	312
Surface	626	651	662	625	602	616	593	608	585
Lignite	79	72	82	68	75	74	82	74	82
AML Fees **	$249.7	$259.6		$216.2		$265.7		$260.5	

***DOE Production is based on the Department of Energy (DOE) Table 140"Annual Energy Outlook 2011, Reference Case Forecast". OSM tonnage uses the last reported production (Fiscal Year 2011) and then increases or decreases based on the percentage increase or decrease in DOE production for each coal type. The OSM 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 OSM tonnage estimates multiplied by the applicable fee rate: $0.135, $0.315, and $0.9 for underground, surface, and lignite, respectively, through 2012. The rates will decrease to 12 cents, 28 cents and 8 cents, in 2013. A proposal to return the rates to their historic levels of $0.15, $0.35 and $0.10 is included in this budget request and the projections presented for 2014 and 2015 are at the higher rate. 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						
	Amount	Interest Earned	Cumulative	Amount Appropriated from AML Fund /1	footnote	Appropriations from Other Sources /2	Transfer To UMWA Health & Retirement Funds		Cumulative Appropriated Balance	Cumulative Unappropriated AML Fund Balance
1978	105,444		105,444	36,647					36,647	68,797
1979	184,433		289,877	61,451					98,098	191,779
1980	199,000		488,877	94,843					192,941	295,936
1981	192,657		681,534	82,485					275,426	406,108
1982	222,644		904,178	115,333					390,759	513,419
1983	197,196		1,101,374	213,079					603,838	497,536
1984	216,554		1,317,928	271,228					875,066	442,862
1985	226,426		1,544,354	296,941					1,172,007	372,347
1986	219,162		1,763,516	197,277					1,369,284	394,232
1987	215,304		1,978,820	203,720					1,573,004	405,816
1988	229,890		2,208,710	199,380	/1	7,000			1,772,384	436,326
1989	235,493		2,444,203	193,160					1,965,544	478,659
1990	243,519		2,687,722	192,772					2,158,316	529,406
1991	243,761		2,931,483	198,955					2,357,271	574,212
1992	241,954	39,328	3,212,765	187,803					2,545,074	667,691
1993	238,153	30,633	3,481,551	187,930					2,733,004	748,547
1994	244,296	40,090	3,765,937	190,107	/2	7,200			2,923,111	842,826
1995	255,416	61,730	4,083,083	182,386					3,105,497	977,586
1996	256,451	69,383	4,408,917	173,887			47,184		3,326,568	1,082,349
1997	266,783	81,006	4,756,706	177,085			31,374		3,535,027	1,221,679
1998	273,039	67,031	5,096,776	177,624	/3	3,163	32,562		3,745,213	1,351,563
1999	276,674	82,831	5,456,281	185,392			81,766		4,012,371	1,443,910
2000	274,297	94,370	5,824,948	195,873	/4		108,959	/4	4,317,203	1,507,745
2001	284,044	103,496	6,212,488	215,038	/5		182,018	/5	4,714,259	1,498,229
2002	287,066	43,278	6,542,832	203,455	/6		90,179	/6	5,007,893	1,534,939
2003	282,555	23,620	6,849,007	190,499	/7		89,858	/7	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	216,205	53,978	10,254,477	237,712			54,789		7,809,297	2,445,180
2014	212,730	14,875	10,482,082	215,767			14,875		8,039,939	2,442,143
2015	208,563	5,973	10,696,618	218,367			5,973		8,264,279	2,432,339

/1 Total does not include $7M transferred into the fund by supplemental authority, which does not affect the Unappropriated Balance.
/2 Total includes $7.2 M transferred into the fund by supplemental authority, which does not affect the Unappropriated Balance.
/3 Total does not include 3.2M transferred into the fund by supplemental authority, which does not affect the Unappropriated Balance.
/4 Total includes one-time $68M emergency appropriation, as well as the annual appropriation of $41m.
/5 Total includes annual amount of $102.9M, as well as $81.6M of the one-time $96.7M mandated under PL 106-291.
/6 Total includes annual amount of $113.6M, less $23.4M returned by UMWACBF trustees mandated under PL 106-291.
/7 Total includes annual amount of $56M as well as $33.8M mandated under PL108-7.
/8 Total includes annual amount of $52M as well as $87.4M mandated under PL 109-432.
/9 Total includes annual amount of $52M as well as $90M mandated under PL 109-432.
/10 Total includes annual amount of $35.5M as well as $141.9M mandated under PL 109-432.
/11 Total includes annual amount of $35.5M as well as $150.1M mandated under PL 109-432
/12 Total includes annual amount of $27.4M as well as $220.2M mandated under PL 109-432
Notes: FY 2013 figures are estimates except for the UMWA transfer. FY 2014 and FY 2015 figures are estimates

2. Grant Financial Management

This activity accounts for and disburses reclamation and regulatory grants to States and Tribes under OSM'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.

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 OSM'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. During the first four years, mandatory distributions are gradually phased in and given to the states. The phase-in ended with FY 2012 payments.

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.

In FY 2007, OSM completed its deployment process to convert its accounting systems to the Department's Financial and Business Management System (FBMS). In FY 2010, FBMS converted from the EGrants Plus grants management system to PRISM to facilitate all functions related to the administration of financial assistance programs. This conversion allowed for a real time interface to occur with grant awards. PRISM also enhances reporting and monitoring functions. As of FY 2011 PRISM is the system of record for all administrative functions related to financial assistance programs. As new bureaus convert to FBMS in the coming years, OSM will continue to go through enhancement deployments.

Table 10 on the following page details the AML Unappropriated Balance as of September 30, 2012, by a description of its allocation.

Table 10

Office Of Surface Mining
AML Unappropriated Balance
September 30, 2012
Prepared by the Division of Financial Management

Total Funds to be Allocated: $2,467,492,539.47

Description of Allocation	Balance as of 10/01/11 1/	LESS: 2012 Appropriation	LESS: 2012 Treasury Funds	LESS: 2012 5/ UMWBF Transfer	Post Appr. & Trans. Balance	Investment Int. 10/01/11-09/30/2012	Collections for 10/01/11-09/30/2012	Balance As Of 09/30/2012
RAMP Allocation 6/	$0.00				$0.00			$0.00
Federal Expense 2/ 6/	$408,986,392.20	($40,856,518.00)			$368,129,874.20		$49,989,718.99	$418,119,593.19
Historical Coal 3/	$1,079,215,542.72	($155,872,956.00)	$265,317,430.00		$1,188,660,016.72		$74,984,578.49	$1,263,644,595.21
Investment Interest	$137,376,950.58			($48,430,427.05)	$88,946,523.53	$54,788,890.65	$0.00	$143,735,414.18
Total Fed Share 1/ and 4/	**$1,625,578,885.50**	**($196,729,474.00)**	**$265,317,430.00**	**($48,430,427.05)**	**$1,645,736,414.45**	**$54,788,890.65**	**$124,974,297.48**	**$1,825,499,602.58**
Total State Share	**$833,425,311.06**	**($50,865,653.00)**	**($265,317,430.00)**	**$0.00**	**$517,242,228.06**	**$0.00**	**$124,750,708.83**	**$641,992,936.89**
Total	**$2,459,004,196.56**	**($247,595,127.00)**	**$0.00**	**($48,430,427.05)**	**$2,162,978,642.51**	**$54,788,890.65**	**$249,725,006.31**	**$2,467,492,539.47**

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 distrbution 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 transfered 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 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 $583,069 at the end of FY 2012, including interest and late charges. New civil penalties recorded in FY 2012 totaled $770,261, a 110% increase from FY 2011.

- Bond forfeitures by federally permitted mining companies.

- Fees for mine permit reviews and 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, OSM 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 2013-2014 OSM will continue to refer civil penalty debt that is more than 180 days delinquent to the Department of Treasury for collection, in accordance with the Debt Collection Improvement Act of 1996. OSM has a memorandum of understanding with the Department of Treasury whereby they will provide collection services on debts over 180 days delinquent. During FY 2012, OSM referred 100 percent of qualifying civil penalty debts to the Department of Treasury.

In addition, OSM will be establishing additional processes in 2013 to collect fees from industry for the administration, review and maintenance of permits issued by OSM Federal programs.

FINANCIAL MANAGEMENT
2013 PLANNED PROGRAM PERFORMANCE

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

- Continue with efficiencies in automated payments and processes.
- Continue to promote electronic payments and e-filing.
- Establish additional processes to collect permitting fees for Federal programs.
- Achieve the goals for performance measures identified under this business line and support the Youth Program by providing educational and employment opportunities to young adults in administrative, accounting, and auditing fields.

2012 PROGRAM ACCOMPLISHMENTS

In 2012, the major accomplishments in the Financial Management program activity include:

- Collected $249.7 million in coal reclamation fees resulting in a collection rate of 99.9 percent.
- Increased the enrollment in E-filing to 88.76 percent of the active reporting, permits are reported electronically through OSM's internet-based coal reclamation fee system.
- Automatically processed 74.8 percent of payments, or 4,511 fee payments.
- Automatically processed 68.8 percent of tonnage reports during the fourth quarter.

Goal Performance Table											
Mission Area 1: Provide Natural and Cultural Resource Protection and Experiences **Goal # 1: Protect America's Landscapes**											
Supporting Performance Measures	**Type**	**2008 Actual**	**2009 Actual**	**2010 Actual**	**2011 Actual**	**2012 Plan**	**2012 Actual**	**2013 Plan**	**2014 Plan**	**Change from 2013 Plan to 2014**	**Long-Term Target 2016**
Percent of Payments Processed Automatically. (BUR)	A	N/A	N/A	36%	65%	65%	75%	72%	86%	+14%	86%
Contributing Programs	Financial Management										
Comments	In FY 2012, of the 6,033 payments received 4,511 were processed automatically. OSM projects an increase of 14% in FY 2014 as various enhancements made to the CFMS system will continue to increase electronic payments, including electronic payment options for customers required to pay Audit debt, Citation debt, or non-eFiled AML debt.										
AML Fee Collection rate. (BUR)	A	99.9%	99.8%	99.9	100%	99%	99.9%	99%	99%	0%	99%
Contributing Programs	Financial Management										

EXECUTIVE DIRECTION

Executive Direction Summary of Budget Request

(dollars in thousands)	***2013 Full Year CR*** *(P.L. 112-175)*	**2012 Enacted**	**2014**			
			Fixed Costs (+/-)	**Program Changes (+/-)**	**Budget Request**	**Change From 2012 (+/-)**
Regulation and Technology	***16,019***	**15,921**	**-146**	**0**	**15,775**	**-146**
Executive Direction	*2,671*	2,654	+58	0	2,712	+58
FTE	*25*	*22*	*0*	*0*	*25*	*+3*
Administrative Support	*4,441*	4,414	+81	0	4,495	+81
FTE	*35*	*29*	*0*	*0*	*35*	*+6*
General Services	*8,907*	8,853	-285	0	8,568	-285
FTE	*0*	*0*	*0*	*0*	*0*	*0*
Abandoned Mine Reclamation Fund	***8,028***	**7,979**	**+40**	**0**	**8,019**	**+40**
Executive Direction	*1,422*	1,413	+34	0	1,447	+34
FTE	*14*	*12*	*0*	*0*	*14*	*+2*
Administrative Support	*2,337*	2,323	+46	0	2,369	+46
FTE	*19*	*14*	*0*	*0*	*19*	*+5*
General Services	*4,269*	4,243	-40	0	4,203	-40
FTE	*0*	*0*	*0*	*0*	*0*	*0*
Total, Executive Direction		**23,900**	**-106**	**0**	**23,794**	**-106**
Total FTE	***93***	***77***	***0***	***0***	***93***	***+16***

Note: 2012 FTE amounts reflect actual usage, not 2012 Enacted formulation estimates.

Fixed Costs resulted in a net decrease of $106,000. Fixed Costs of $219,000 cover pay related items such as change in pay days, a pay raise and health plans. Additional fixed costs include increases in worker's compensation ($4,000), unemployment compensation ($2,000), working capital fund ($61,000), and IT transformation ($81,000); and a decrease in the GSA space rent rate of $473,000. Changes are from FY 2012 – FY 2014.

Overview

The Executive Direction business line provides administrative support to the other four business lines. Executive Direction 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 OSM's headquarters location in Washington, D.C. This business line includes the Director's and staff offices, information technology, administration, human resources, and internal financial management for the organization. Executive Direction 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. Also, Executive Direction coordinates the implementation of Departmental and Administration initiatives in the bureau.

The performance outcomes for Executive Direction are accomplished through the efficient and effective operations of the two major agency business lines (i.e., environmental restoration and environmental protection) and two support programs (technology development and transfer and financial management). Through providing administrative support functions for these programs Executive Direction supports the Department of the Interior goals and measures in the new strategic plan.

Operational Processes (Program Activities): The funding request for this business line is to support 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, such as information technology, human resources, procurement, and finance and accounting. General Services funds bureau-wide fixed costs such as office space, telephones, US postage, unemployment compensation etc., and Department-wide fixed costs assessed to OSM.

EXECUTIVE DIRECTION AND ADMINISTRATION ENCOMPASSES:

- Director's and Staff Offices
- Administrative support for day to day operations
  - Human Resources
  - Administration
  - Finance and Accounting
- Information Technology
- General Services (Office space, telephones, postage, unemployment and workers compensation, working capital fund, and other fixed costs)

The Offices in the Executive Direction business line performance is an integral component of OSM's Environmental Restoration and Environmental Protection mission goal areas; and the technology development and transfer and finance support functions. Through accomplishment of OSM's two mission goals the business line supports the Departmental Mission Goals to Protect America's Landscapes, Secure America's Energy Resources, and Promote Youth Stewardship and Engagement.

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

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

Resources, Skills, and Technology Needed: OSM and the States and Tribes will continue to need a diverse and multi-disciplinary cadre of personnel to accomplish the mission and goals of SMCRA. In addition, these personnel will guide OSM 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 2014 Budget Request: The request is for $23.8 million for Executive Direction and Administrative activities. Of this total, $4.2 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 OSM will require $6.9 million and basic bureau-wide fixed overhead costs in general services will cost $12.7 million.

Program/Project Support of Bureau, Department, and Government-wide Costs (Section 405 Compliance)

As previously mentioned, the Executive Direction activity provides executive direction and leadership, and policy and program management guidance for all areas of responsibility for OSM. It includes the Director's Office staff and all Staff Offices located in Washington, D. C. The Administration activity includes all the administrative functions necessary to support program activities. It includes four organization areas: Administration, Human Resources, Administrative Financial Management, and Information Technology. The General Services activity includes essential fixed costs to support OSM's program missions such as rent, telecommunications, the DOI working capital fund, and service contracts. OSM does not compute separate overhead charges, deductions, reserves or holdbacks to fund these activities; rather, they are identified as a business line within the budget presentation. Further information on specific elements of each activity can be found in the Executive Direction and Administration program justification.

Within the Executive Direction and Administration business line, OSM includes external administrative costs to include amounts paid to the Department to support Departmental or Government-wide costs. Itemized lists of the budget for activities included in the DOI Working Capital Fund that are centrally billed, fee for service and directly billed are included in the Budget Exhibits.

OSM also has support functions at the regional and field offices that 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, rather they are included in the program funding requested. OSM provides allocations to its regions based on the overall program activities and does not identify separate funding for support functions.

Activity Based Costing allows OSM to internally track indirect costs associated with various organizational units and program activities. This is important to determine the full cost of program activities for evaluation purposes. One way in which some indirect costs are associated with program activities is based on FTE consumption. This method is based on the assumption that labor hours correlate to the consumption of these costs using a ratio of FTE per each program activity to total OSM FTEs. Data using this method is made available to managers for program evaluation; however, OSM does not request funding at this level of detail.

2014 PROGRAM PERFORMANCE ESTIMATES

1. Executive Direction

This activity provides executive direction and leadership, and policy and program management guidance for all areas of responsibility for OSM. 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 Office of Information Resources.

a. Office of the Director

The Director is OSM's Chief Executive. The Director provides the leadership and direction of OSM activities within the limits delegated 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 by working through the State agencies. OSM makes every effort to obtain full public involvement in the design and development of agency policy. An extensive outreach approach stimulated a more cohesive partnership that has led to better understanding and cooperation among OSM's stakeholders.

In FY 2013 and 2014, OSM will continue outreach efforts which promote public participation in policy making. The arena for such participation includes public meetings on proposed rulemaking and conferences, which promote discussion and exchange of information on the current state of the coal industry and OSM's evolving role. OSM will continue to take positive steps to contact States, Tribes, citizens, and industry and encourage their participation.

In addition to guiding policy decisions, the Director provides direct supervision to the following staff offices: Office of Equal Opportunity, Office of Communication, Office of Planning, Analysis and Budget and the Office of Information Resources.

b. Office for Equal Opportunity (EO)

This Office is responsible for promoting equal employment opportunities for all OSM employees. The staff advises and assists the OSM 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 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 EO 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, the office is responsible for Special Emphasis programs and assists the bureau in creating a model equal employment program which ensures that all OSM 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)

This Office plans, coordinates, produces, and distributes the following under the direction of the Director:

- Publications
- Audiovisuals
- Fact sheets
- Reports
- Photos
- Exhibits
- News releases

These items contain information about OSM programs, policies, and Congressional activities for use by the public, the coal industry, citizen groups, and the media. OC responds to requests for information from the news media and the public. OC also maintains a Correspondence Tracking System to manage official correspondence, and Freedom of Information Act requests. The Office provides direction for internal communications and functions as the principal point of contact for arranging media interviews and briefings with key officials, and coordinates OSM's annual reclamation awards for active and abandoned mines.

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

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

- Develops and maintains OSM's strategic plan in coordination with Departmental and OSM management;

- 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 the formulation, presentation, execution, and analysis of OSM's budget; providing policy, central coordination, uniform budget procedures and controls; and manages OSM's interface with OMB and Congressional committees on appropriations and other budget-related matters.

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

e. Office of Information Resources (OIR)

The Office of Information Resources provides advice and assistance to the Director, Deputy Director, and other senior OSM managers to ensure that information technology is acquired and information resources are managed for the bureau in a manner that is consistent with applicable policies, regulations, and industry best practices.

This Office is responsible for OSM's information resources management. Major functions include:

- Provides advice and assistance to management and employees on IT policy, applicable laws, regulations, and directives;

- Establishes a management framework for and coordinates OSM's nationwide IT capital planning and investment control activities, including approval of IT expenditures within OSM; and

- Develops and implements IT strategic planning to ensure that all of OSM's electronic information systems are administered and developed in accordance with policies, long-range systems and strategic planning.

In addition, the Office manages other aspects of OSM information flow to the public indicative of government transparency, accuracy, and responsiveness, such as records management, and

Privacy Act Programs. Enterprise architecture, IT security, asset management, telecommunications, project management and IT career and skills management are also coordinated through the OIR.

2. Administrative Support

This program includes the administrative functions necessary to support the program activities of OSM. The specific functions are included in four organizational areas: Administration, Human Resources, Administrative Financial Management, and Information Technology.

This function is responsible for managing OSM's financial and administrative activities. It has primary responsibility for implementing the requirements covering the following five Presidential Management Agenda scorecards: improved financial management, competitive sourcing, management of human capital, transportation and energy management, and real property. In addition, it is responsible for reporting output costs as part of OSM's Activity Based Costing initiative. This is also a requirement under the budget and performance integration scorecard. This subactivity provides the policy and direction for information technology (IT) program planning, investment, and portfolio management, information technology security, and enterprise architecture.

a. Administration

The Division of Administration is responsible for development of the 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
- printing and publications, FAIR Act Inventory

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

The Division of Administration is responsible for providing guidance to ensure OSM meets its competitive sourcing goals. OSM developed and completed a competitive sourcing plan that identified the functions and activities to be studied throughout OSM. Studies were completed where appropriate. OSM 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 maintains a presence on the Departmental Center for

Competitive Sourcing Excellence working group as an active member to ensure OSM needs and requirements are met. Annually, the Division of Administration provides guidance in the completion of the FAIR Act Inventory to identify all functions throughout OSM and their designation as either inherently governmental or commercial in nature. OSM coordinates its competitive sourcing and strategic human capital planning to ensure, where possible, they support achievement of OSM goals.

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; coordination of OSM's response/recovery role to declared emergencies and/or disasters on a government-wide basis.

b. Human Resources (HR)

The Division of Human Resources develops and implements policies, standards and systems for the effective use of human resources to accomplish the overall mission of OSM. Specifically, the human resources program provides managers and employees advice and technical assistance on the full range of human resources programs in accordance with OSM, DOI, OPM and other federal policies and guidelines. The Division 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 increased the use of 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-QUIP web site linking employees to security forms needed for background investigations. These improvements provide direct on-line personnel history files, human resources information and services directly to the manager, employee and applicant. The Division of Human Resources continually expands its technical systems, updates its internal website, and streamlines its personnel processes in order to effectively provide the most current information to OSM staff.

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

- Recruitment: Human Resources, in conjunction and cooperation with OSM's Office of Equal Opportunity, continues to expand recruitment of the number of women, minorities, and persons with disabilities identified in under-represented occupations. OSM established a team to promote workforce diversity and to promote OSM as an employer of choice to attract applicants to increase our workforce diversity.

- Strategic Management of Human Capital: OSM's workforce plan outlines recruitment efforts that are focused on the anticipated retirement loss of human capital, and a general review of how we are organized and the proper use of both human and fiscal resources. The plan identifies skills and competencies needed for the OSM's current and future needs based on new bureau initiatives. OSM 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 OSM mission goals. As part of the workforce planning efforts, OSM is developing a succession plan. To promote retention in positions where skill gaps have been identified, OSM utilizes several programs including, student loan repayments, relocation allowances, and retention incentives. In addition, OSM uses honorary, non-monetary, and monetary awards to reward employees based on their contributions to the work of the organization.

- Electronic Official Personnel Folder (eOPF): OSM met the October 2012 deadline established by the Office of Management and Budget for eOPF implementation. OSM has developed a phased approach for workforce access to eOPF.

- Hiring Reform: In June 2009, OPM announced its new Hiring Reform (09) Initiative to all federal agencies. The initial focus on four areas of hiring – timeliness (E2E), plain language and streamlined announcements, communication with applicants, and hiring managers involvement in critical parts of the hiring process. In addition, on May 11, 2010, President Obama and OPM issued a Hiring Reform memorandum outlining requirements for each federal agency to implement by November 1, 2010 in order to improve the federal recruitment hiring process. To date, OSM has met all deliverables in support of these initiatives.

c. Administrative Financial Management

The Financial Management activity funded in this business line provides OSM's program offices with accounting and financial services for operational funds to implement SMCRA. OSM also bills, collects and accounts for funds derived from program activities reflected in other business lines. These services include paying bills, accounting for receipts and expenditures, issuing financial and management reports, assuring that expenditures are within the allocations, collecting administrative debts, and maintaining the computer systems that support these functions.

Over the past several years OSM has been involved in annual deployments of various modules to the Departmental-wide Financial and Business Management System (FBMS). The FBMS system is a major enterprise management initiative that integrates financial management, acquisition, property management, grants administration and other subsidiary systems.

Administrative Financial Management will continue to be devoted to the successful future deployments of other bureaus and enhancements of the FBMS system, actively supporting

government-wide initiatives to improve financial reporting and preparing employees for the upcoming transition of Interior's travel tool.

d. Information Technology (IT)

OSM is heavily automated and dependent upon information technology to provide efficient and accurate Management Information to assist OSM'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.

OSM utilizes Active Directory, with the System Center Configuration Manager (SCCM) module, the recommended DOI standard directory system environment for Microsoft. This centralized management of user services through Active Directory plays a vital role in the OSM network migration, and provides the mechanism for centrally managing software deployment and network maintenance and IT Security. This continued migration to central IT management continues to allow the Office of Information Resources (OIR) to reduce costs, improve IT security, reduce administrative overhead and improve system-wide configurations. As IT operations are transitioned to service providers, OIR staff will increasingly assume management of the service-level-agreement (SLA) contracts to assure OSM mission needs are met timely and efficiently.

OIR is also responsible for the administration of the agency's Information Technology (IT) Security Plan ensuring the security of OSM's IT information and computer technology hardware and software resources. Continuous monitoring of IT security compliance is key to ensuring the operation resources of OSM. Additionally, employee awareness and compliance is monitored with OSM's information technology security training program. The annual security improvements and mandated training program raises the level of IT security awareness among all OSM employees, and enhances OSM's ability to monitor and verify compliance with the DOI IT Security Plan. As of 2010, the Federal Information Systems Security Awareness (FISSA) Training was restructured to include Privacy, Records Management and Rules of Behavior. Also, bureaus and offices are required to provide specialized or role-based security training (RBST) to employees having significant IT security responsibilities. DOI defines "significant IT security responsibility" as any employee or contractor job role or function that includes: (1) elevated or advanced rights, beyond a general user, to any DOI IT system or (2) IT security program management, oversight, policy, compliance or implementation responsibilities.

OIR also coordinates through a bureau-wide enterprise service OSM's virus filtering and continuous traffic monitoring systems. These systems significantly enhance efforts to manage security for both new and existing systems by ensuring timely installation of software patches and fixes while strengthening incident handling responses.

OSM continues to advance in its Capital Planning and Investment Control (CPIC) process maturity. The bureau has been assessed through Stage 3 maturity, and has moved onto Stage 4 maturity, developing artifacts of leadership maturity expressed in the Government Accountability Office's (GAO) Information Technology Investment Maturity (ITIM) Model.

OSM works closely with DOI counterparts to ensure the CPIC program is maintaining the desired results of the program.

OSM continues to participate in the following management programs and initiatives: E-Gov Scorecard. OSM continues collaboration with the Small Business Administration (SBA) in representing the Department as one of the 22 partner agencies participating in the Business Gateway E-Government Initiative. Each year, existing goals are modified and new goals were added to the OIR's E-Government scorecard reporting requirements to reflect OMB's and the Department's priorities. OIR continues to provide responsive and compliant FOIA program support, maintain Privacy Act Program awareness and loss-mitigation strategy, and continues modernization of the OSM Records Management Program. OIR will continue to evaluate its programs to meet the challenges of these evolving requirements, operate and maintain intranet connectivity, develop Departmental IT strategic plans, implement IT policy, and coordinate compilation of the IT budget.

OSM is participating in a number of cost saving initiatives that are now underway by DOI. The centralization and consolidation of servers is expected to provide hardware and software cost avoidance by reducing the need for new hardware and software but the longer term benefit is improved security and the reduction in the cost of maintaining the systems. Additionally, OSM is involved in the reduction of desktop and laptop computers to a minimal amount. Additional efficiencies by migrating to the new Windows 7 operating system will allow OSM to reduce the number of administrative accounts and the risk with having them and provide greater central management of software at the desktop level. These efficiencies are expected to aid OSM in keeping the IT budget within the current range and allow for minor improvements in 2013 and beyond.

3. General Services

This is a funding activity that includes essential fixed costs to support OSM's program missions. No personnel or operational activities are funded by this component. The costs below are estimates for FY 2014 based and reflect estimated changes that from 2012 enacted levels and any known future plans.

Line Item	***FY 2012 Enacted***	***FY 2014 Estimate***	***Estimated Change 2012 – 2014***
Rent and Utilities	7,224,000	6,751,000	-473,000
Telecommunications	300,000	300,000	
Postage	30,000	30,000	
DOI Working Capital Fund	2,680,000	2,822,000	+142,000
DOI Program Requirements	150,000	150,000	
Unemployment Compensation	9,100	11,100	+2,000
Worker's Compensation	305,000	309,000	+4,000
Bureau-wide Printing/Supplies	225,000	225,000	
Service Contracts	450,000	450,000	
GSA Work Authorizations	25,000	25,000	
Operational Support Contracts; Including support contracts such as Quickhire, Quicktime, software licenses, and direct billing items.	1,697,900	1,697,900	
Total	***13,096,000***	***12,771,000***	***-325,000***

2013 PLANNED PROGRAM PERFORMANCE

In 2013 Plans include:

- Equal Opportunity – Continue to develop training methodologies to adapt to the diversity of the workforce.
- Space – Continue to review opportunities to consolidate space with other Bureaus/Agencies.
- Budget and Performance Integration – Continue to review options for budget formulation and performance in conjunction with the Department's review and integration with FBMS.
- Support DOI's Financial Audit Statements for 2012 and 2013.
- 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.

2012 PROGRAM ACCOMPLISHMENTS

In 2012, the major accomplishments in the Executive Direction program activity include:

- Budget/Performance – Integrated budget and performance measures in the budget justification.
- Supported the Department's audit opinion on its 2011 and 2012 financial statements.
- Human Resources – Continued work to refine workforce plans which outline future human resource strategies.
- Capital Planning and Investment Capital (CPIC) – Completed required evaluations for all IT programs and major investments.
- Conducted detailed evaluations of Administrative Support functions for efficiencies.

EXECUTIVE DIRECTION PERFORMANCE OVERVIEW

The business line provides administrative support to the other four business lines. Executive Direction program performance is an integral part of the Environmental Restoration, Environmental Protection, Technology Development and Transfer, and Financial Management business lines. Please see performance information at the end of each of these business line chapters. In addition, staff and administrative offices provide educational and employment opportunities to youth in the areas of communications, budget and planning, information technology, auditing, and general administration and contribute to the accomplishments of the Youth Program.

PERMANENT APPROPRIATIONS

ALLOCATIONS TO STATES AND TRIBES
PAYMENTS TO UNITED MINE WORKERS OF AMERICA HEALTH BENEFIT FUNDS

OSM receives mandatory funding to distribute grants to States and Tribes and transfers to three health benefit plans under the United Mine Workers of America (UMWA) Health Benefit Funds. These payments are derived from the Abandoned Mine Reclamation Fund (AML Fund) and General Treasury. The 2014 budget includes legislative proposals that would reduce spending that does not contribute to coal AML reclamation, return coal fees to historic levels so more funding is available for high priority coal sites across the Nation with the most urgent environmental and safety hazards, and establish a fee on hardrock mineral production to fund the reclamation of abandoned hardrock mines nation-wide.

Table 11 – Permanent Appropriation Estimates
(dollars in millions)

Permanent Appropriation	FY 2012 Actuals	FY 2013 Estimates*	FY 2014 Estimates		Change from 2013 Estimates to 2014 Proposed
			Current	Proposed	
Payment (or Grants) to States in Lieu of Coal Fee Receipts (U.S. Treasury Funds)	**265.3**	**129.3**	**128.5**	**85.3**	**-44.0**
• Prior Balance Replacement Payments	187.0	104.3	104.3	85.3	
Grants to noncertified States	*[85.3]*	*[85.2]*	*[85.3]*	*[85.3]*	
Grants to certified States and Tribes	*[101.7]*	*[19.1]*	*[19.0]*	*0*	
• In Lieu Payments to Certified States and Tribes	78.3	25.0	24.2	0	
Mandatory Grants to Noncertified States (AML Fund)	**220.2**	**210.1**	**188.2**	**188.2**	**-21.9**
• State and Tribal Share	50.9	47.4	43.2	43.2	
• Historic Coal Share	155.9	148.7	130.1	130.1	
• Minimum Program Make Up	13.5	14.0	14.9	14.9	
Subtotal- Payments to States and Tribes	**485.5**	**339.4**	**316.7**	**273.5**	**-65.9**
Payments to UMWA Health Benefit Funds (AML Fund Interest)	48.4	54.8	15.0	15.0	
Supplemental Payments to UMWA Health Benefit Funds (Treasury Funds)	205.6	140.7	180.0	180.0	
Subtotal- Payments to UMWA	**254.0**	**195.5**	**195.0**	**195.0**	**-0.5**
Total Mandatory Funding	**739.5**	**534.9**	**511.7**	**468.5**	**-66.4**
Subtotal from AML Fund	***268.6***	***264.9***	***203.2***	***203.2***	***-61.7***
Subtotal from Treasury	***470.9***	***270.0***	***308.5***	***265.3***	***-4.7***

*Represents full funding level for FY 2013.

GOAL: TO DISTRIBUTE FUNDS TO STATES AND TRIBES FOR THE RECLAMATION OF THE HIGHEST PRIORITY COAL SITES AND TRANSFER FUNDS TO THE UNITED MINE WORKERS OF AMERICA HEALTH BENEFIT FUNDS

One of the basic concepts of SMCRA has been to charge a fee on coal production to finance the reclamation of abandoned mines across the country. Prior to 2006, the reclamation fee was deposited in the Abandoned Mine Reclamation Fund (AML Fund) and distributed through the appropriations process to States and Tribes for reclamation and to OSM 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.[4]

Collection of Reclamation Fees

Reclamation fees collected are placed in the AML Fund. In 2013, the reclamation fee was reduced to: 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 2013 are estimated to be $230.4 million. Reclamation fee collections are primarily distributed through mandatory grants to noncertified States (those States with remaining coal abandoned mine land problems). The remaining funds collected are available for discretionary appropriations.

Interest accrues on the AML Fund. This interest earned becomes part of the AML Fund and is available for transfer to the UMWA Health Benefit Funds in order to help finance three health care 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. In 2008, Tennessee also became eligible for AML program funding although it does not have an approved regulatory program. A total of twenty-five States and three Tribes received reclamation funding in 2012. On July 6, 2012, the President signed Public Law No. 112-141, known as the "Moving Ahead for Progress in the 21st Century Act" or "MAP-21." Section 100125 of MAP-21 added section 411(h)(5) to SMCRA (30 U.S.C. § 1240a(h)(5)). The new provision limited funding levels available to each certified State and Tribe to $15 million annually. In addition, section 411(h)(4)(A) of SMCRA was amended by section 142 of Public Law No. 112-175, the Continuing Appropriations Resolution for 2013.[5]

[4] OSM published regulations implementing the Act (November 14, 2008, 73 FR 67576), which became effective on January 13, 2009.

[5] This amendment revised section 411(h)(4)(A) of SMCRA (30 U.S.C. § 1240a(h)(4)(A)), which now provides: ''The annual amount allocated under subparagraph (A) or (B) of section 402(g)(1) to any State or Indian tribe that makes a certification under subsection (a) of this section in which the Secretary concurs shall be reallocated and available for grants under section 402(g)(5).''

AML Fund

Noncertified States are allocated mandatory grants from 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% 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.

For FY 2014, OSM estimates noncertified States will receive $188.2 million in grants from the AML Fund ($43.2 million in State Share; $130.1 in Historic Coal Share; and $14.9 million in Minimum Program Make Up Funds).

Treasury Funds

Mandatory payments from the Treasury to noncertified and certified States and Tribes are also allocated by formula:

1. Prior Balance Replacement funds are one-seventh of the unappropriated balance of each State or Tribes' State/Tribal Share as of October 1, 2007. In 2013, noncertified States will receive an estimated $85.3 million in grants under the current law to use for coal reclamation and related purposes. Under the current law, certified States will receive $19.0 million, which can be used for any purpose approved by the State legislature or Tribal councils, with priority given to addressing the impacts of mineral development.

2. 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. Under current law,[6] certified States and Tribes will receive $24.2 million, which can be used for any purpose.

Under current law, total mandatory payments to States and Tribes from Treasury funds in 2014 are estimated to be $316.7 million.

Transfers (or Payments) to the United Mine Workers of America Health Benefit Funds

In addition, sections 402(h) and (i) of SMCRA require OSM to transfer funds to three health care plans (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 collectively referred to as the "health care plans") that are part of the UMWA Health and Retirement Funds. These transfers are as follows:

- Annual transfers of all estimated AML Fund interest earnings for each fiscal year to the three health care 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 the 1992 and 1993 Plans.

- The three health care plans are also entitled to payments from the Treasury, subject to an overall $490 million cap on all annual transfers from the Treasury under the 2006 amendments to SMCRA, i.e., all in lieu payments to certified States and Tribes, prior balance replacement payments, and transfers to the three health care plans.

- In general, the amount of the transfers to the three health care plans is dependent on the extent that their revenues do not meet their expenditures. When that occurs, OSM 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 health care plans and the States and Tribes.

    - Reserve fund created from existing stranded interest earned by the AML Fund.

In 2014, OSM estimates $15.0 million in interest payments from AML fund, and an additional $180.0 million from the Treasury will be transferred to the three health care plans.

[6] As mentioned above, in 2012, SMCRA was amended by MAP-21, which limited payments to each certified State and Tribe to $15 million annually.

Legislative Proposal

The budget proposes to reform three major components of the AML program in an effort to reduce unnecessary spending and ensure that problems stemming from the Nation's most dangerous abandoned coal mines are addressed.

First, the budget proposes to terminate the payments to certified States and Tribes. These States and Tribes have already certified that they have completed their abandoned coal mine reclamation projects and are now permitted to use their AML payments for any purpose. Only a small fraction of these payments have been used to address problems associated with abandoned coal mines within those States and Tribes after certification. Terminating these payments will save the taxpayer $327.0 million over the next decade.

Second, the budget proposes to return coal reclamation fee rates to their historic (pre-FY 2008) levels. Beginning in FY 2008, SMCRA's reclamation fee rates were reduced pursuant to amendments enacted in 2006. Mine operators currently pay 28¢ per ton for each ton of coal produced by surface mining; 12¢ per ton for each ton of coal produced by underground mining; 8¢ per ton of lignite produced; or ten percent of the value of the coal (two percent of the value of the lignite), whichever is less. The FY 2014 budget proposes to return coal reclamation fees to the 35¢ per ton for coal produced by surface mining; 15¢ per ton for underground mining; 10¢ per ton for lignite produced; or ten percent of the value of the coal (two percent of the value of the lignite), whichever is less. The proposal to return the fees to their historic levels will generate an additional $53.0 million in 2014 that will be available for distribution in FY 2015 to reclaim high priority abandoned mine sites and reduce some of the $3.9 billion in remaining dangerous coal AML sites nationwide.

Third, the budget proposes to build off of the successes of the coal AML program to create a parallel program for hardrock AML reclamation. Similar to the coal industry, the hardrock industry has left a legacy of abandoned mine sites that create health, safety, and environmental hazards. There is currently no hardrock reclamation fee that provides revenue to a dedicated hardrock reclamation fund, which leaves States, Tribes, and Federal land managers to address these sites as part of their general revenue budgets or with funds from the coal AML Fund when possible. The proposal for a parallel fee on hardrock production ensures that each industry is held responsible for the actions of its predecessors. Once the hardrock reclamation fee is established, OSM would collect the fee, building off of expertise in collecting the coal reclamation fee. The proposed hardrock AML fee and reclamation program will operate in parallel with the coal AML reclamation program as part of a larger effort to ensure the Nation's most dangerous abandoned coal and hardrock AML sites are addressed by the industries that created the problems.

Table 12: Mandatory Funding for States and Tribes, FY 2012-2014
($ rounded in millions)

State/Tribe	2012 Actual	2013 Estimates*	Hypothetical Distribution For FY 2014	
			Current	Proposed
Alabama	9.4	9.1	8.3	8.3
Alaska	3.0	3.0	3.0	3.0
Arkansas	3.0	3.0	3.0	3.0
Colorado	8.7	8.6	8.1	8.1
Illinois	24.1	23.9	21.5	21.5
Indiana	16.1	15.9	14.7	14.7
Iowa	3.0	3.0	3.0	3.0
Kansas	3.0	3.0	3.0	3.0
Kentucky	47.0	44.7	42.3	42.3
Maryland	3.0	3.0	3.0	3.0
Mississippi	0.3	0.3	*	*
Missouri	3.0	3.0	3.0	3.0
New Mexico	5.5	5.4	5.0	5.0
North Dakota	3.9	3.9	3.7	3.7
Ohio	16.5	16.0	14.5	14.5
Oklahoma	3.0	3.0	3.0	3.0
Pennsylvania	67.2	65.1	58.4	58.4
Tennessee	3.0	3.0	3.0	3.0
Utah	4.9	4.8	4.7	4.7
Virginia	11.3	10.9	10.2	10.2
West Virginia	66.5	62.8	58.1	58.1
Sub-total for noncertified States	***305.5***	***295.4***	***273.5***	***273.5***
Louisiana	0.4	0.4	0.4	
Mississippi**			0.4	
Montana	13.2	13.0	12.5	
Texas	5.4	5.3	5.0	
Wyoming	150.0	15.0	15.0	
Crow	2.2	1.8	1.8	
Hopi	1.4	1.3	1.2	
Navajo Nation	7.2	7.2	6.9	
Sub-total for certified States and Tribes	***180.0***	***44.0***	***43.2***	***0***
Total for All States/Tribes	**485.5**	**339.4**	**316.7**	**273.5**
Source of Mandatory Funding:				
• AML Fund	220.2	210.1	188.2	188.2
• Treasury	265.3	129.3	128.5	85.3

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.
*Represents full funding level for FY 2013. **OSM projects that certification will occur by 2014.
References: P.L. 109-432, SMCRA Amendments Act of 2006; P.L 112-141, MAP-21; and P.L. 112-175, the Continuing Appropriations Resolution for 2013.

Exhibit A
Working Capital Fund Tables

WORKING CAPITAL FUND REVENUE - Centralized Billing
FY 2014 Departmental Request
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT
($ in thousands)

Activity/Office	2012 Actual	2013 Pres Budget	2013 Revised	2014 Estimate
Other OS Activities				
Secretary's Immediate Office				
Document Management Unit	0.1	68.9	68.9	39.9
FOIA Tracking & Reporting System	6.6	7.1	7.1	17.6
Office of the Executive Secretariat	6.7	76.1	76.1	57.5
Secretary's Immediate Office				
Departmental News and Information	6.3	5.7	5.7	5.4
Office of Communications	6.3	5.7	5.7	5.4
Departmental Museum	9.5	9.6	9.6	9.0
Secretary's Immediate Office	9.5	9.6	9.6	9.0
FedCenter	2.2	2.1	2.1	2.2
Compliance Support ESF-11/ESF-11 Website	0.0	2.3	2.3	2.3
Office of Environmental Policy and Compliance	2.2	4.3	4.3	4.5
Invasive Species Council	23.8	22.9	22.9	24.0
Invasive Species Coordinator	4.3	4.3	4.3	4.4
Office of Policy Analysis	28.1	27.2	27.2	28.5
Passport and Visa Services	0.0		5.2	5.0
International Affairs Office	0.0		5.2	5.0
CPIC	1.1	1.4	1.4	1.4
Office of Budget	1.1	1.4	1.4	1.4
Financial Internal Controls & Performance Reporting (Activity Based	7.8	6.0	6.0	6.1
Travel Management Center	1.8	1.8	1.8	1.8
e-Travel (Formerly: e-Gov Travel)	7.9	28.8	28.8	18.0
Office of Financial Management	17.5	36.7	36.7	25.9
Space Management Initiative	2.5	2.3	2.3	2.6
FBMS Master Data Systems & Hosting	1.3	8.9	8.9	7.5
Office of Property & Acquisition Management	3.8	11.2	11.2	10.0
Planning and Performance Management	8.4	8.6	8.6	8.4
Office of Planning and Performance Management	8.4	8.6	8.6	8.4
Department-wide OWCP Coordination	3.0	2.9	2.9	2.7
OPM Federal Employment Services	3.3	3.3	3.3	3.3
Accessible Technology Center	2.4	2.2	2.2	2.5
Accountability Team	3.7	4.4	4.4	3.8
Employee and Labor Relations Tracking System	0.2	0.2	0.2	0.2
Veterans Disabilities Hiring Programs	0.0		0.0	1.7
Office of Human Resources	12.7	13.0	13.0	14.2
EEO Complaints Tracking System	0.4	0.4	0.4	0.4
Special Emphasis Program	0.4	0.3	0.3	0.3
DOI University	0.8	0.7	0.7	0.7

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($ in thousands)

Activity/Office	2012 Actual	2013 Pres Budget	2013 Revised	2014 Estimate
Occupational Safety and Health	12.2	12.0	12.0	11.9
Safety Management Information System	9.6	9.2	9.2	8.6
Office of Occupational Health and Safety	21.8	21.2	21.2	20.5
DOI Learn	14.1		0.0	0.0
Leadership Development Prgms (Formerly: DOI Executive Forums)	0.9	5.5	5.5	5.7
SESCDP & Other Leadership Programs	1.3	0.0	0.0	0.0
Dept-Wide Training Prgms (including Online Learning)	3.7	15.6	15.7	15.0
Learning & Performance Center Management	3.1	0.0	0.0	0.0
Albuquerque Learning & Performance Center	0.9	0.9	0.9	0.9
Denver Learning & Performance Center	7.3	7.0	7.0	7.0
Washington Learning & Performance Center	13.0	12.8	12.8	12.8
DOIU Management	4.2	5.2	5.2	5.8
DOI University	48.5	46.9	47.0	47.1
Security (Classified Information Facility)	3.5	3.5	3.5	4.1
Law Enforcement Coordination and Training	6.7	6.3	6.4	6.2
Security (MIB/SIB Complex)	504.4	504.4	504.4	480.4
Victim Witness	1.2	1.3	1.3	1.3
Office of Law Enforcement and Security	515.8	515.5	515.5	492.0
Interior Operations Center	19.1	15.5	15.5	15.1
Emergency Preparedness	6.2	5.8	5.9	7.1
Emergency Response	8.6	8.1	8.2	10.8
MIB Health and Safety	8.2	10.2	10.2	10.0
Federal Executive Board	0.0		2.1	2.2
Office of Emergency Management	42.1	39.7	41.9	45.2
Aviation Management	0.0	93.5	79.2	3.8
Aviation Management Directorate	0.0	93.5	79.2	3.8
Enterprise Resource Management	3.0	6.9	6.9	9.8
OBS - Office of the Chief Information Officer	3.0	6.9	6.9	9.8
IT Transformation (ITT)	0.0	185.4	0.0	81.5
ITD IT Security Improvement Plan	0.0		0.0	9.1
ITD MIB Data Networking	0.0		0.0	32.7
ITD Information Mgmt - Records Management	0.0		0.0	2.8
ITD Telecommunication Services	0.0		0.0	74.9
ITD Integrated Digital Voice Communications System	0.0		0.0	58.4
ITD Desktop Services	0.0		0.0	6.6
FBMS Help Desk - IBC Customer Support Center	0.0		0.0	164.0
Office of the Chief Information Officer	0.0	185.4	0.0	430.0
Electronic Records Management	6.0	8.0	8.0	13.5
Enterprise Architecture	23.1	19.7	19.7	19.3
IT Security - IVV	15.1	11.0	11.8	11.7
Capital Planning	11.1	17.6	14.4	14.4

WORKING CAPITAL FUND REVENUE - Centralized Billing
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($ in thousands)

Activity/Office	2012 Actual	2013 Pres Budget	2013 Revised	2014 Estimate
IT Security - Information Assurance Division	88.5	6.5	6.6	6.7
Data at Rest	1.4	0.0	0.0	0.0
OCIO Project Management Office	5.1	0.0	0.0	0.0
PPC - Office of the Chief Information Officer	150.3	62.8	60.4	65.6
TELECOM - Enterprise Services Network	276.7	259.9	259.9	268.6
INFO ASSURANCE - Web & Internal/External Comm	3.5	0.0	3.2	3.0
INFO ASSURANCE - Privacy (Information Management Support)	4.5	3.2	2.6	4.6
END USER SVCS - Active Directory	20.6	20.9	20.9	18.3
INFO ASSURANCE - DOI Access & Personnel Security	8.0	7.2	7.2	7.0
END USER SVCS - IT Asset Management	2.1	5.3	5.3	5.2
INFO ASSURANCE - Threat Management	13.4	37.3	37.3	37.9
END USER SVCS - IOS Collaboration	5.8	5.2	5.2	5.4
END USER SVCS - Unified Messaging	13.0	11.7	11.7	7.0
TELECOM - Federal Relay Service	0.5	0.5	0.5	0.5
HOSTING - Hosting/Cloud Services	0.0		0.0	6.4
ITSSO - Office of the Chief Information Officer	348.0	351.2	353.7	363.9
Alternative Dispute Resolution (ADR) Training	0.4	0.4	0.4	0.4
Collaborative Action and Dispute Resolution	0.4	0.4	0.4	0.4
Mail and Messenger Services	0.0	54.6	54.6	130.1
Health Unit	0.0	21.5	21.5	19.4
Special Events Services	0.0	2.6	2.6	2.5
Safety and Environmental Services	0.0	35.5	35.5	32.1
Shipping and Receiving	0.0	24.8	24.8	22.4
Vehicle Fleet	0.0	3.0	3.0	2.8
Property Accountability Services	0.0	47.1	47.1	42.6
Family Support Room	0.0	2.0	2.0	1.8
Interior Complex Management & Svcs	0.0	65.6	65.6	59.4
Departmental Library	0.0	27.6	27.6	0.3
Mail Policy	0.0	2.7	2.7	2.5
Moving Services	0.0	17.8	17.8	16.1
Passport and Visa Services	0.0	5.2	0.0	0.0
Audio Visual Services	0.0		91.7	87.4
Federal Executive Board	0.0	2.1	0.0	0.0
Space Management Services	0.0	23.7	23.7	21.5
Ofc of Facilities & Admin Services	0.0	335.7	420.0	441.0
Office of Valuation Services				
Conservation and Educational Partnerships	2.0	1.8	1.8	1.8
Youth, Partnerships and Service	2.0	1.8	1.8	1.8
Contingency Reserve	1.2	1.1	1.1	1.1
CFO Financial Statement Audit	275.4	277.2	277.2	274.0
Department-wide Activities	276.6	278.4	278.4	275.1

WORKING CAPITAL FUND REVENUE - Centralized Billing
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($ in thousands)

Activity/Office	2012 Actual	2013 Pres Budget	2013 Revised	2014 Estimate
e-Government Initiatives (WCF Contributions Only)	20.8	30.8	30.8	158.0
Department-wide Activities	20.8	30.8	30.8	158.0
Ethics	4.6	4.2	4.2	3.8
FOIA Appeals	1.9	1.8	1.8	3.0
Office of the Solicitor	6.6	5.9	5.9	6.8
Subtotal Other OS Activities	1,533.0	2,170.5	2,062.8	2,531.4

WORKING CAPITAL FUND REVENUE - Centralized Billing
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OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT
($ in thousands)

Activity/Office	2012 Actual	2013 Pres Budget	2013 Revised	2014 Estimate
Interior Business Center				
IBC IT Security Improvement Plan	9.1	9.1	9.1	0.0
MIB Data Networking	34.7	34.3	34.3	0.0
Information Mgmt. - Records Management	2.7	2.8	2.8	0.0
Telecommunication Services	157.3	145.3	78.3	0.0
Integrated Digital Voice Communications System	62.5	58.2	58.2	0.0
Desktop Services	8.9	6.6	6.6	0.0
Interior Complex Cabling O&M	4.4	0.0		0.0
Audio Visual Services	24.7	24.8	0.0	0.0
IBC Information Technology Directorate	304.2	281.0	189.3	0.0
FPPS/Employee Express - O&M	111.0	126.1	129.5	129.5
Drug Testing				14.0
IBC Human Resources Directorate	111.0	126.1	129.5	143.5
Departmental Library	28.0	0.0	0.0	0.0
Interior Complex Management & Services	63.7	0.0	0.0	0.0
Family Support Room	2.3	0.0	0.0	0.0
Property Accountability Services	47.7	0.0	0.0	0.0
Vehicle Fleet	3.0	0.0	0.0	0.0
Moving Services	18.0	0.0	0.0	0.0
Shipping and Receiving	25.2	0.0	0.0	0.0
Safety and Environmental Services	36.0	0.0	0.0	0.0
Space Management	24.0	0.0	0.0	0.0
Federal Executive Board	2.2	0.0	0.0	0.0
Health Unit	21.8	0.0	0.0	0.0
Mail and Messenger Services	48.1	0.0	0.0	0.0
Mail Policy	2.7	0.0	0.0	0.0
Special Events Services	2.9	0.0	0.0	0.0
Passport and Visa Services	5.2	0.0	0.0	0.0
IBC Administrative Operations Directorate	330.8	0.0	0.0	0.0
Transportation Services (Household Goods)	4.8	4.9	4.9	4.9
Financial Systems	0.0	0.0	0.0	0.0
IDEAS	8.0	6.7	6.7	2.8
FBMS Master Data Management	0.9	1.1	1.1	1.3
IBC FBMS Conversion	5.1	0.0	0.0	0.0
Consolidated Financial Statement System	21.8	21.9	21.9	17.4
IBC Financial Management Directorate	40.6	34.6	34.6	26.3
Aviation Management	88.6	0.0	0.0	0.0
Aviation Management System - O&M	4.8	0.0	0.0	0.0
IBC Aviation Management Directorate	93.3	0.0	0.0	0.0
Boise Acquisition Office			14.4	0.9
IBC Acquisitions Services Directorate			14.4	0.9

WORKING CAPITAL FUND REVENUE - Centralized Billing
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OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT
($ in thousands)

Activity/Office	2012 Actual	2013 Pres Budget	2013 Revised	2014 Estimate
FBMS Hosting / Applications Management	239.9	84.6	83.9	88.8
FBMS Redirect - IDEAS	26.6	28.0	28.0	31.9
FBMS Help Desk - IBC Customer Support Center		156.3	156.3	0.0
IBC FBMS Support	266.5	268.9	268.2	120.7
Subtotal Interior Business Center	1,146.4	710.6	635.9	291.5
TOTAL	2,679.4	2,881.1	2,698.7	2,822.9

WORKING CAPITAL FUND REVENUE - Direct Billing
FY 2014 Departmental Request
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT
($ in thousands)

Activity/Office	2012 Actual	2013 Pres Budget	2013 Estimate	2014 Estimate
Other OS Activities				
Policy, Management and Budget				
Office of Environmental Policy and Compliance				
Office of Policy Analysis				
Office of Budget				
Single Audit Clearinghouse	0.1	0.1	0.1	0.1
Office of Financial Management	0.1	0.1	0.1	0.1
Federal Assistance Award Data System	0.4	0.0	0.0	0.0
Office of Acquisition & Property Management	0.4	0.0	0.0	0.0
e-OPF	0.0	11.9	5.4	8.8
EAP Consolidation	0.0	11.4	5.2	6.4
Worker's Comp Nurse Case Management	0.0		0.0	2.0
Office of Human Resources	0.0	23.3	10.7	17.2
Equal Employment Opportunity (EEO) Training	6.6	6.6	6.6	6.6
Equal Employment Opportunity (EEO) Investigations	1.5	1.4	1.4	1.4
Office of Civil Rights	8.1	8.0	8.0	8.0
Albuquerque Learning & Performance Center	0.6	0.6	0.6	0.6
Denver Learning & Performance Center	5.8	5.9	5.9	5.9
Online Learning	7.1	7.1	7.1	7.1
Washington Leadership & Performance Center	13.3	13.4	13.4	13.4
DOI University	26.9	27.0	27.0	27.0
Office of Law Enforcement and Security				
Office of Emergency Management				
INFO ASSURANCE - Anti-Virus Software Licenses	16.8	35.0	29.8	15.5
END USER SVCS - Unified Messaging	85.3	102.2	112.5	116.9
INFO ASSURANCE - DOI Access	29.1	46.2	46.2	49.6
Data at Rest Initiative	2.6	2.6	2.6	3.0
HOSTING - Hosting/Cloud Services	0.0		0.0	7.5
ITD Customer Support Services Division	0.0		0.0	4.7
TELECOM - Enterprise Services Network	130.5	152.7	152.7	152.7
Microsoft Enterprise Licenses	108.1	223.1	0.0	0.0
TELECOM - EID Office Space	0.0	20.4	0.0	0.0
TELECOM - EID Rack Space	16.2	22.7	20.0	21.7
END USER SVCS - IOS Collaboration	101.2	106.3	0.0	0.0
ITSSO - Office of the Chief Information Officer	489.8	711.3	363.7	371.7
Office of the Chief Information Officer				
Creative Communications (CCS)	0.0	56.9	30.0	29.3
Reimbursable Mail Services	0.0	308.0	321.5	333.2
Ofc of Facilities & Admin Services	0.0	364.9	351.5	362.5

WORKING CAPITAL FUND REVENUE - Direct Billing
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OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT
($ in thousands)

Activity/Office	2012 Actual	2013 Pres Budget	2013 Estimate	2014 Estimate
Ofc of Facilities & Admin Services				
Aviation Management Directorate				
e-Mail Archiving (Cobell Litigation)	56.5	175.7	18.0	0.0
Department-wide Programs	56.5	175.7	18.0	0.0
Federal Flexible Savings Account (FSA) Program	8.7	22.6	8.8	8.8
ESRI Enterprise Licenses	155.0	155.0	155.0	155.0
FBMS Change Orders	28.4	25.0	25.0	25.0
Financial Business Management System	192.0	202.6	188.8	188.8
Office of International Affairs				
Subtotal Other OS Activities	773.8	1,512.8	967.8	975.2

WORKING CAPITAL FUND REVENUE - Direct Billing
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($ in thousands)

Activity/Office	2012 Actual	2013 Pres Budget	2013 Estimate	2014 Estimate
Interior Business Center				
IBC Office of the Director				
	0.0			
Customer Support Services Division	8.8	4.7	4.7	0.0
IBC Information Technology Directorate	8.8	4.7	4.7	0.0
Payroll & HR Systems	57.6	56.3	51.9	53.2
IBC Human Resources Directorate	57.6	56.3	51.9	53.2
	0.0			
Facilities Reimbursable Services	2.4	0.0	0.0	0.0
Creative Communications	8.1	0.0	0.0	0.0
Reimbursable Mail Services	311.7			
IBC Administrative Operations Directorate	322.2	0.0	0.0	0.0
IBC Financial Management Directorate				
IBC Aviation Management Directorate				
IBC Acquisition Services Directorate				
IBC Indirect Cost Services Directorate				
IBC Customer Support Center				
IBC Financial Management Directorate				
Subtotal Interior Business Center	388.6	61.0	56.7	53.2
TOTAL	1,162.4	1,573.8	1,024.5	1,028.4

Exhibit B: MAX Tables/Budget Schedules

Regulation and Technology
Program and Financing
(dollars in millions)

14-1801-0-1-302	2012 Actual	2013 Estimate	2014 Estimate
Obligations by program activity:			
00.02 Environmental Protection	93	92	84
00.03 Technology Development & Transfer	15	15	16
00.04 Financial Management	1	1	1
00.05 Executive Direction & Administration	15	16	16
09.00 Total new obligations	124	124	117
Budgetary resources:			
10.00 Unobligated balance:			
Unobligated balance brought forward, Oct 1	17	19	19
10.21 Recoveries of prior year unpaid obligations	5	--	--
10.50 Unobligated balance (total)	22	19	19
Budget Authority:			
Appropriations, discretionary			
11.00 Appropriation	123	124	115
11.60 Appropriation discretionary total	123	124	115
Spending authority from offsetting collections, discretionary:			
17.00 Collected	--	--	2
17.50 Spending authority from offsetting collections, disc (total):	--	--	2
19.00 Budget authority (total)	123	124	117
19.30 Total budgetary resources available	145	143	136
Memorandum (non-add) entries:			
19.40Unobligated balance expiring	-2	--	--
19.41Unexpired unobligated balance, end of year	19	19	19
Change in obligated balance			
Unpaid obligations:			
30.00 unpaid obligations brought forward ,Oct 1	54	52	42
30.10 Obligations incurred , unexpired accounts	124	124	117

30.20 Outlays (gross)	-119	-134	-120
30.40 Recoveries of prior year unpaid obligations, unexpired	-5	--	--
30.41 Recoveries of prior year unpaid obligations, expired	-2	--	--
30.50 Unpaid obligations , end of year	52	42	39
32.00 obligated balance, end of year	52	42	39
Budget authority and outlays, net:			
Discretionary:			
40.00 Budget authority gross	123	124	117
Outlays gross:			
40.10 Outlays from new discretionary authority	66	84	80
40.11 Outlays from discretionary balances	53	50	40
40.20 Outlays gross (total)	119	134	120
Offsets against gross budget authority and			
Offsetting collections (collected from):			
40.34 Offsetting governmental collections	--	--	-2
40.70 Budget authority, net (discretionary)	123	124	115
40.80outlays, net(total)	119	134	118
41.80 Budget authority (net total)	123	124	115
41.90 Outlays (net total)	119	134	118

Abandoned Mine Reclamation Fund

Program and Financing
(dollars in millions)

14-5015-0-1-302	2012 Actual	2013 Estimate	2014 Estimate
Obligations by program activity:			
00.01 Environmental Restoration	8	9	9
00.02 Technology Development & Transfer	3	4	4
00.03 Financial Management	6	7	7
00.04 Executive Direction & Administration	8	8	8
00.05AML Funded Grants to States	232	210	188
00.06 UMWA and other benefits	48	55	15
09.00 Total new Obligations	305	293	231
Budgetary resources:			
Unobligated balance:			
10.00 Unobligated balance brought forward, Oct 1	27	29	34
10.01 Discretionary unobligated balance brought forward, Oct 1	27	29	--
10.21 Recoveries of prior year unpaid obligations	11	5	5
10.50 Unobligated balance (total)	38	34	39
Budget Authority:			
Appropriations, discretionary			
11.01 Appropriation (special fund)	27	28	28
11.60 Appropriation, discretionary (total)	27	28	28
Appropriations, mandatory:			
12.01 Appropriation (AML & RAMP transfers to UMWA)	269	55	15
12.01 Appropriation (AML Grants to States)	--	210	188
12.60 Appropriations, mandatory (total)	269	265	203
19.00 Budget authority (total)	296	293	231
19.30 Total budgetary resources available	334	327	270

14-5015-0-1-302	2012 Actual	2013 Estimate	2014 Estimate
Change in obligated balance:			
Obligated balance, start of year (net):			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	229	262	321
30.10 Obligations incurred, unexpired accounts	305	293	231
30.20 Outlays (gross)	-261	-229	-247
30.40 Recoveries of prior year unpaid obligations, unexpired	--11	-5	-5
Obligated balance, end of year (net):			
30.50 Unpaid obligations, end of year	262	321	300
Memorandum(non-add)entries			
31.00 Obligated balance start of year	229	262	321
32.00 Obligated balance end of year	262	321	300
Budget authority and outlays net:			
40.00 Budget authority, gross	**27**	28	28
Outlays, gross:			
40.10 Outlays from new discretionary authority	21	24	24
40.11 Outlays from discretionary balances	20	4	4
40.20 Outlays, gross (total)	41	28	28
40.70 Budget authority, net (discretionary)	27	28	28
40.80 Outlays, net (discretionary)	41	28	28
Mandatory:			
40.90 Budget authority, gross	269	265	203
Outlays, gross			
41.00 Outlays from new mandatory authority	73	113	67
41.01 Outlays from mandatory balances	147	88	152
41.10 Outlays, gross (total)	220	201	219
41.60 Budget authority, net (mandatory)	269	265	203
41.70 Outlays, net (mandatory)	220	201	219
41.80 Budget authority, net (total)	296	293	231
Memorandum (non-add) entries			
50.00 Total investments, SOY: Federal securities: Par Value	2,708	2,752	2,771
50.01 Total investments, EOY: Federal securities: Par Value	2,752	2,771	2,702

Abandoned Mine Reclamation Fund

Program and Financing
(dollars in millions)

14-1803-0	2012 Actual	2013 Estimate	2014 Estimate
Obligations by program activity:			
00.01 Prior Balance Payments to non- Certified States	98	85	85
00.02Prior Balance Payments to Certified States and Tribes	110	19	19
00.03 In Lieu Payments to Certified States and Tribes	79	25	-19
09.00 Total new obligations (object class 41.0)	287	129	85
Budgetary Resources:			
Unobligated balance:			
10.00 Unobligated balance brought forward, Oct 1	1	--	--
10.21 Recoveries of prior year unpaid obligations	21	--	--
10.50 Unobligated balance (total)	22	--	--
Budget authority:			
Appropriations, discretionary:			
11.60 Appropriation, discretionary (total)	--	--	--
Appropriations, mandatory:			
12.00 Appropriation	265	129	85
12.60 Appropriation, mandatory (total)	265	129	85
19.00 Budget authority (total)	265	129	85
19.30 Total budgetary resources available	287	129	85
Memorandum (non-add) entries			
19.41 Unexpired unobligated balance, end of year	--	--	--
Change in obligated balance:			
Unpaid obligations:			
30.00 Unpaid obligations, brought forward, Oct 1	541	651	359
(gross)	287	129	85
30.10 Obligations incurred, unexpired accounts			
30.20 Outlays (gross)	-156	-421	-236
30.40 Recoveries of prior year unpaid obligations, unexpired	-21	--	--
30.50 Unpaid Obligations end of year	651	359	208

Memorandum(non-add) entries:			
31.00 Obligated balance, start of year	541	651	359
32.00 Obligated balance, end of year	651	359	208
Budget authority and outlays (net):			
Mandatory:			
40.90 Budget authority, gross	265	129	85
Outlays gross:			
Outlays, gross:			
41.00 Outlays from new mandatory authority	16	54	21
41.01 Outlays from mandatory balances	140	367	215
41.10 Outlays, gross (total)	156	421	268
41.60 Budget authority, net (mandatory)	265	129	85
41.70 Outlays, net (mandatory)	156	421	236
41.80 Budget authority, net (total)	265	129	85
41.90 Outlays, net (total)	156	421	236

Abandoned Mine Reclamation Fund

Program and Financing
(dollars in millions)

14-1803-4	2012 Actual	2013 Estimate	2014 Estimate
Obligations by program activity:			
00.03 In Lieu Payments to Certified States and Tribes	--	--	-43
09.00 Total new obligations (object class 41.0)	--	--	-43
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary	--	--	--
11.60 Appropriation, discretionary (total)			
Appropriations, mandatory:			
12.00 Appropriation	--	--	-43
12.60 Appropriations, mandatory (total)	--	--	-43
19.00 Budget authority (total)	--	--	-43
19.30 Total budgetary resources available	--	--	-43
Change in obligated balance:			
Unpaid obligations:			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	--	--	--
30.10 Obligations incurred, unexpired accounts	--	--	-43
30.20 Outlays (gross)	--	--	32
30.50 Unpaid obligations, end of year	--	--	-11
31.00 Obligated balance, start of year			
32.00 Obligated balance, end of year	--	--	-11
Budget authority and outlays, net:			
Mandatory:			
40.90 Budget authority, gross	--	--	-43
Outlays, gross:			
41.00 Outlays from new mandatory authority	--	--	-32
41.60 Budget authority, net (mandatory)	---	--	-43
41.70 Outlays, net (mandatory)	--	--	-32
41.80 Budget authority, net (total)	--	--	-43
41.90 Outlays, net (total)	--	--	-32

Abandoned Mine Reclamation Fund

Program and Financing
(dollars in millions)

14-1804-0	2012 Actual	2013 Estimate	2014 Estimate
Obligations by program activity:			
00.01 Direct program activity	206	141	180
09.00 Total new obligations (object class 25.2)	206	141	180
Budgetary resources:			
Budget authority:			
Appropriations, mandatory (total):			
12.00 Appropriation	206	141	180
12.60 Appropriations, mandatory (total)	206	141	180
19.30 Total budgetary resources available	206	141	180
Change in obligated balance:			
30.00 Un paid Obligations brought forward , Oct 1	--	--	--
30.10 Obligations incurred, unexpired accounts	206	141	180
30.20 Outlays (gross)	--206	-141	-180
Budget authority and outlays, net:			
Mandatory:			
40.90 Budget authority, gross	206	141	180
Outlays (gross:			
41.00 Outlays from new mandatory authority	206	141	180
41.60 Budget authority, net (mandatory)	206	141	180
41.70 Outlays, net (mandatory)	206	141	180
41.80 Budget authority, net (total)	206	141	180
41.90 Outlays, net (total)	206	141	180

Summary of Requirements by Object Class
Regulation and Technology

Program and Financing
(dollars in millions)

	FY 2012 Estimate		DOI-wide Changes		Program Changes		FY 2013 Request	
Object Class	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
11 Personnel Compensation								
11.1 Full-time Permanent	344	33					369	33
11.X All other salaries								
Total Personnel Compensation	344	33	0	0	+25	0	369	33
Other Object Classes								
12.1 Personnel Benefits		7						7
21.0 Travel and transportation of persons		2						2
23.1 Rental Payments to GSA		4						4
23.2 Rental Payments to Others		1						1
25.2 Other Services		6						6
26.0 Supplies and materials		2						2
31.0 Equipment		1						1
41.0 Grants, subsidies and contributions		67				-10		57
99.0 Subtotal, obligations, Direct obligations		123				-10		113
Reimbursable obligations								
11.1 Personnel compensation: Full-time permanent								
99.0 Subtotal, obligations, Reimbursable								
99.5 Below reporting threshold								
99.9 Total requirements	344	123	0	0	+25	-10	369	113

Summary of Requirements by Object Class
Abandoned Mine Reclamation Fund

Program and Financing
(dollars in millions)

	FY 2012 Estimate		DOI-wide Changes		Program Changes		FY 2013 Request	
Object Class	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
11 Personnel Compensation								
11.1 Full-Time Permanent	159	17					159	17
Total Personnel Compensation	159	17					159	17
Other Objects								
12.1 Personnel Benefits		3						3
21.0 Travel and trans of persons		1						1
23.1 Rental Payments to GSA		2						2
23.3 Communications, utilities and misc.		1						1
25.2 Other Services		6						6
31.0 Equipment		1						1
41.0 Grants, subsidies and Contributions		264				+10		274
99.9 Below reporting threshold								
Total Requirements	**159**	**295**				**+10**	**159**	**305**

Regulation and Technology
Object Classification
(dollars in millions)

14-1801-0-1-302	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Direct Obligations:			
Personnel Compensation:			
1111 Full-time permanent	31	33	34
1113 Positions other than full-time permanent	*	*	*
1115 Other Personnel Compensation	*	*	*
1119 Total Personnel Compensation	-	-	-
1121 Personnel Benefits	8	7	7
1130 Benefits for former Personnel	*	*	*
1210 Travel and Transportation of Persons	1	2	2
1220 Transportation of Things	*	*	*
1231 Rental Payments to GSA	4	4	4
1232 Rental Payments to Others	1	1	1
1233 Communications, Utilities and Misc. Charges	*	*	*
1240 Printing and Reproduction	*	*	*
1251 Advisory and assistance services	*	*	*
1252 Other Services	7	6	7
1257 Operation and maintenance of equipment	*	*	*
1260 Supplies and Materials	1	2	2
1310 Equipment	2	1	1
1410 Grants, Subsidies and Contributions	69	68	57
1420 Insurance Claims	*	*	*
1430 Interest and Dividends	*	*	*
1990Subtotal, Direct Obligations	*124*	*124*	*115*
Reimbursable Obligations:			
2111 Full-time permanent (Reimbursable)	*	*	2
2252 Other Services	*	*	*
9995 Below reporting threshold			
9999 Total Obligations	**124**	**124**	**117**

Abandoned Mine Reclamation Fund
Object Classification
(dollars in millions)

14-5015-0-1-302	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Direct Obligations:			
Personnel Compensation:			
1111 Full-time permanent	13	17	17
1113 Positions other than full-time permanent	*	*	*
1115 Other Personnel Compensation	*	*	*
1119 Total Personnel Compensation	-	-	-
1121 Personnel Benefits	3	3	3
1210 Travel and Transportation of Persons	1	1	1
1231 Rental Payments to GSA	1	2	2
1232 Rental Payments to Others	1	*	*
1233 Communications, Utilities and Misc. Charges	*	1	1
1252 Other Services from non-Federal sources	55	3	3
1310 Equipment	1	1	1
1410 Grants, Subsidies and Contributions	230	265	203
9999 Total Obligations	*305*	*293*	*231*

Abandoned Mine Reclamation Fund
Object Classification
(dollars in millions)

14-1803-0	FY 2012 Actual	FY 2013 Estimate	FY2014 Estimate
Direct Obligations:			
14.10 Direct obligations: Grants, Subsidies and Contributions	287	129	85

Abandoned Mine Reclamation Fund
Object Classification
(dollars in millions)

01008141803 4	FY 2012 Actual	FY 2013 Estimate	FY2014 Estimate
Direct Obligations:			
14.10 Direct obligations: Grants, subsidies and contributions	--	--	-43

Abandoned Mine Reclamation Fund
Object Classification
(dollars in millions)

14-1804-0	FY 2012 Actual	FY 2013 Estimate	FY2014 Estimate
Direct Obligations:			
12.52 Direct obligations: Other services	206	141	180

Exhibit C

DEPARTMENT OF THE INTERIOR
Office of Surface Mining Reclamation and Enforcement
Employee Count by Grade

	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Executive Level ……	1	1	1
SES…….……..	7	7	7
subtotal……	8	8	8
GS/GM-15……..	27	27	27
GS/GM-14……..	47	47	50
GS/GM-13……..	134	134	138
GS-12……..	135	135	141
GS-11……..	29	29	29
GS-10……..			
GS-9……..	30	30	32
GS-8……..	7	7	7
GS-7……..	29	29	31
GS-6……..	9	9	9
GS-5……..	10	10	12
GS-4……..	26	26	26
GS-3……..	13	13	13
GS-2……..	1	1	1
subtotal……...	497	497	516
Total employment (actual/projected) at end of fiscal year……..	505	505	524

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

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AML Reclamation Accomplishments

Historical Data Through September 30, 2012

Priority 1, 2, and 3 Problems

Problem Type	*Units*	*Number of Units*	*GPRA Acres*	*Cost of Completed Reclamation*	*Remaining Reclamation Costs*
Bench	Acres	665	665	2,916,523	14,327,003
Clogged Streams	Miles	454	2,270	50,936,081	66,511,550
Clogged Stream Lands	Acres	19,273	19,273	192,895,895	215,755,065
Dangerous Highwalls	Feet	2,975,895	42,513	388,335,413	758,341,646
Dangerous Impoundments	Count	1,284	6,420	42,095,467	27,478,011
Industrial/Residential Waste (Priority 1 & 2)	Acres	1,379	1,379	7,125,832	12,143,497
Dangerous Piles & Embankments	Acres	19,775	19,775	232,651,966	274,163,334
Dangerous Slides	Acres	3,617	3,617	166,870,980	95,676,951
Equipment/Facilities	Count	717	72	6,373,837	5,161,281
Gases: Hazardous Explosive	Count	40	40	518,150	2,369,002
Gobs (Coal waste piles)	Acres	6,653	6,553	81,760,925	70,245,605
Highwalls	Feet	207,272	2,073	15,691,175	1,242,125,563
Hazardous Equipment & Facilities	Count	4,848	485	28,597,861	25,175,452
Haul Road	Acres	553	553	4,123,426	4,137,354
Hazardous Water Body	Count	1,536	7,680	40,501,642	59,781,387
Industrial/Residential Waste (Priority 3)	Acres	1,379	1,379	7,125,832	12,143,497
Mine Opening	Count	968	97	3,961,472	14,021,219
Other	------	107,501,619	107,501,619	7,672,791	24,098,542
Polluted Water: Agricultural & Industrial	Count	467	2,335	35,748,066	109,233,103
Polluted Water: Human Consumption	Count	40,543	202,715	243,519,804	3,844,661,339
Portals	Count	10,680	1,068	50,061,494	31,736,776
Pits	Acres	2,542	2,542	16,007,676	42,970,326
Subsidence	Acres	6,663	6,663	312,680,585	576,488,330
Spoil Area	Acres	85,344	85,344	75,861,100	337,784,655
Surface Burning	Acres	1,485	1,485	49,657,456	19,567,089
Slurry	Acres	2,443	2,443	24,723,769	6,445,197
Slump	Acres	459	459	5,382,214	99,238,239
Underground Mine Fire	Acres	1,687	1,687	94,148,542	842,666,205
Vertical Opening	Count	138,605	13,861	36,695,050	24,549,154
Water Problems	Gal/Min	7,129,568	7,129,568	18,578,172	203,964,636
Total		118,168,413	115,066,633	2,243,219,196	9,062,961,008

*** Not converted to GPRA acres.**

Note: *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). Includes 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.*

Source: Abandoned Mine Land Inventory System (AMLIS).

By State and Tribe Funding Data
FY 2012 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	
Alabama				1,270	20	1,290
Alaska					345	345
Arkansas				149		149
California						
Colorado				1,507	874	2,381
Georgia						
Illinois				2,890	147	3,037
Indiana				2,001		2,001
Iowa	50			37		87
Kansas	381			115		496
Kentucky				11,275	1,485	12,760
Louisiana				176		176
Maryland				685		685
Michigan		1,864				1,864
Mississippi				196		196
Missouri				213		213
Montana				930	636	1,566
New Mexico				521	329	850
North Dakota				474	394	868
Ohio				800		800
Oklahoma	120			724	413	1,257
Oregon						
Pennsylvania			16	11,582		11,598
Rhode Island						
South Dakota						
Tennessee						
Texas				1,929		1,929
Utah				243	1,831	2,074
Virginia				3,526		3,526
Washington		241	97			338
West Virginia				12,389		12,389
Wyoming				1,295	860	2,155
Cherokee Nation		370				370
Crow					416	416
Hopi					421	421
Navajo					1,165	1,165
N. Cheyenne						
Total	551	2,475	113	54,927	9,336	67,402