



# OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

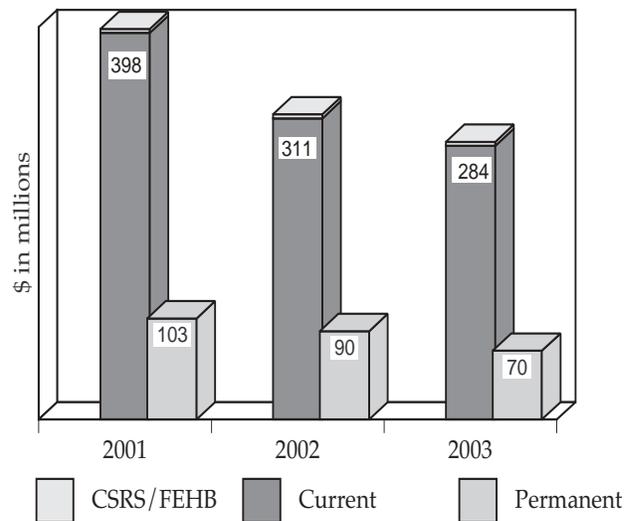
**Mission** – The Office of Surface Mining Reclamation and Enforcement was established in 1977 to carry out the requirements of the Surface Mining Control and Reclamation Act in cooperation with States and Indian Tribes. The OSM’s primary objectives are to ensure that coal mining activities are conducted in a manner that protects citizens and the environment during mining, ensure that the land is restored to beneficial use following mining, and mitigate the effects of past mining by aggressively pursuing reclamation of abandoned coal mines.

**Program Overview** – The OSM carries out its mandates by providing grants to primacy States and Tribes to carry out their own regulatory and reclamation programs consistent with OSM standards; administers regulatory and reclamation programs on Federal and tribal lands and in “nonprimacy” States; works closely with States and Tribes to implement its results-oriented regulatory oversight system; and provides technical information and tools to help States and tribal partners to develop sufficient knowledge, expertise, and capability to meet their responsibilities under SMCRA.

In the last few years, OSM has focused on innovative approaches to implementing SMCRA. The OSM has shifted its approach to State programs from direct oversight and review to measuring on-the-ground results. To maximize reclamation from available funding, OSM has implemented creative approaches and incentives to encourage reclamation of abandoned mine sites. Efforts to address acid mine drainage in the Appalachian coal region, encourage re-mining, and enhance abandoned mine lands reclamation have been successful in enabling OSM to leverage and stretch its resources to reclaim lands and waters that otherwise might never be restored.

**Budget Overview** – The 2003 request for OSM is \$283.6 million, including \$4.2 million for a government-wide legislative proposal to shift to agencies the full cost of the CSRS pension system and the Federal employee health benefits program for current CSRS employees. Without the legislative proposal, the request is \$279.4 million, a net decrease of \$27.1 million below the 2002 enacted level.

OSM Funding



The 2003 proposal reduces regular Abandoned Mine Land reclamation grants to States by \$17.0 million to \$142.1 million; however \$2.0 million in carryover funds from the Federal AML emergency program will be transferred to the AML state grant program, resulting in a total state grant level of \$144.1 million.

The budget makes a one-time reduction of \$10.9 million in the Abandoned Mine Land Federal emergency program and eliminates \$500,000 for the Pennsylvania acid mine demonstration project. The request also includes \$1.9 million for uncontrollable cost increases and takes advantage of savings in travel costs. The proposal provides an increase of \$2.0 million to support the State of West Virginia’s surface mining regulatory program.

**Regulation and Technology** – The goal of the Regulation and Technology program is to implement Title V of SMCRA by providing oversight and technical support for the regulation of active mining. Total funding requested for the regulatory program is \$108.1 million, which includes \$2.7 million for the government-wide legislative proposal to shift the full cost of the Federal

---

government's pension system and employee health benefits program for current CSRS employees. Without the pension and health benefits legislative proposal, the 2003 request is \$105.4 million. This is a net increase of \$2.3 million from the amount provided in 2002.

The 24 primacy States receive Federal matching grants to fund 50 percent of their administration of State regulatory programs under SMCRA. State regulatory grants will be funded at \$57.6 million. This includes a \$2.0 million increase to provide continuing support for the State of West Virginia surface mining program. In 2000, OSM received a supplemental appropriation to address long-standing problems with the State's regulatory program and thereby avoid a Federal takeover. Since funding from the supplemental appropriation will be depleted by the end of 2002, the 2003 increase is needed to sustain efforts to resolve these problems.

**Abandoned Mine Lands Fund** – In 2003, OSM will continue its commitment to environmental restoration while protecting the public by reclaiming lands disturbed by pre-SMRCA mining but not yet reclaimed. The 2003 request will support OSM's abandoned mine land reclamation activities, which include State and tribal reclamation grants and high-priority Federal reclamation efforts.

The proposed funding level of \$175.5 million includes \$1.5 million for the government-wide legislative proposal to shift the full cost of the Federal government's pension system and employee health benefits program for current CSRS employees. Without the pension and health benefits legislative proposal, the 2003 request is \$174.0 million. This is a net decrease of \$29.4 million below the amounts provided in 2002.

State reclamation grants will be funded at \$144.1 million, including \$142.1 million in appropriated funds and \$2.0 million that will be transferred from Federal emergency reclamation carryover balances. This funding level will result in the reclamation of 6,900 acres of disturbed land and other hazards that threaten human health and wel-

fare and environmental quality. The 2003 request also includes a one-time reduction of \$10.9 million in the AML Federal emergency program, as there are sufficient carryover funds available to meet anticipated program needs in 2003.

The proposed budget continues available funding for the successful Appalachian Clean Streams program at \$10.0 million to empower partners in affected communities to address important local acid mine drainage pollution. Acid mine drainage from abandoned coal mines continues to be a major source of water pollution nationwide, and in Appalachia acid mine drainage is the leading cause of aquatic habitat destruction impacting many native species, such as brook trout. The Appalachian Clean Streams program has been particularly effective in fostering community partnerships and maximizing efficiency in the use of local resources in restoring water resources damaged by acid mine drainage.

**Administrative Initiatives and Uncontrollable Costs** – The budget provides an increase of \$1.9 million for uncontrollable costs. A total of \$902,000 of the 2003 pay raise will be absorbed through efficiencies and the reprioritization of administrative activities. Additionally, OSM will realize \$200,000 savings in travel costs and \$76,000 in general services efficiencies.

**Government Performance and Results Act** – The reclamation projects funded in 2003 will facilitate OSM's compliance with GPRA. Continued clean streams grants will allow OSM to continue to transfer responsibility to States and Tribes for restoration and improvement of water quality of streams affected by acid mine drainage.

The Department is currently revising its strategic plan. Performance goals, measures, and targets presented in OSM's 2003 annual performance plan and last year's plan will be reviewed for consistency with the revised Departmental strategic plan. As a result of that review, it may be necessary or appropriate to modify portions of the 2002 or 2003 plans.

**SUMMARY OF BUREAU APPROPRIATIONS**  
(all dollar amounts in thousands)

*Comparison of 2003 Request with 2002 Enacted (without the CSRS/FEHB legislative proposal):*

	2002 Enacted		2003 Request		Change from 2002	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Regulation and Technology .....	415	103,075	415	105,367	0	+2,292
Abandoned Mine Reclamation Fund .....	222	203,455	222	174,035	0	-29,420
Subtotal, Appropriations .....	637	306,530	637	279,402	0	-27,128
Permanents and Trusts						
Abandoned Mine Reclamation Fund Transfer .....	0	90,278	0	70,000	0	-20,278
Subtotal, Permanents and Trusts .....	0	90,278	0	70,000	0	-20,278
TOTAL, OFFICE OF SURFACE MINING .....	637	396,808	637	349,402	0	-47,406

*Comparison of 2003 Request with 2002 Enacted (with the CSRS/FEHB legislative proposal):*

	2002 Enacted		2003 Request		Change from 2002	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Regulation and Technology .....	415	105,971	415	108,098	0	+2,127
Abandoned Mine Reclamation Fund .....	222	204,692	222	175,494	0	-29,198
Subtotal, Appropriations .....	637	310,663	637	283,592	0	-27,071
Permanents and Trusts .....	0	90,278	0	70,000	0	-20,278
TOTAL, OFFICE OF SURFACE MINING .....	637	400,941	637	353,592	0	-47,349

**HIGHLIGHTS OF BUDGET CHANGES**  
By Appropriation Activity/Subactivity

**APPROPRIATION: Regulation and Technology**

	<u>2001 Actual</u>	<u>2002 Enacted</u>	<u>2003 Request</u>	<u>Change from 2002 Enacted</u>
Environmental Restoration .....	431	435	437	+2
Environmental Protection .....	76,274	77,741	79,159	+1,418
Technology Development & Transfer ...	11,820	12,151	12,593	+442
Financial Management .....	536	477	485	+8
Executive Direction & Administration ...	11,793	12,271	12,693	+422
TOTAL (without CSRS/FEHB) .....	100,854	103,075	105,367	+2,292
CSRS/FEHB legislative proposal .....	2,827	2,896	2,731	-165
TOTAL (with CSRS/FEHB) .....	103,681	105,971	108,098	+2,127

## Highlights of Budget Changes

Uncontrollable Costs	<u>Amount</u> [+1,880]
Environmental Protection	+1,418
<p>A net \$1,000 increase is requested for State regulatory grants. A \$2,000 increase for the State of West Virginia is offset by a \$1,000 decrease for other grants. Uncontrollable costs total \$737 of which \$418 are funded and \$319 are absorbed.</p>	

### APPROPRIATION: Abandoned Mine Reclamation Fund

	<u>2001 Actual</u>	<u>2002 Enacted</u>	<u>2003 Request</u>	<u>Change from 2002 Enacted</u>
Environmental Restoration .....	199,270	186,697	156,987	-29,710
Environmental Protection .....	0	0	0	0
Technology Development & Transfer ...	3,591	4,136	4,164	+28
Financial Management .....	5,402	6,070	6,179	+109
Executive Direction & Administration ...	6,302	6,552	6,705	+153
TOTAL (without CSRS/FEHB) .....	214,565	203,455	174,035	-29,420
CSRS/FEHB legislative proposal .....	1,207	1,237	1,459	+222
TOTAL (with CSRS/FEHB) .....	215,772	204,692	175,494	+29,198

## Highlights of Budget Changes

Uncontrollable Costs	<u>Amount</u> [+886]
Environmental Restoration	-29,710
<p>A \$17,000 reduction is taken for regular State reclamation grants. A \$500 reduction is taken for an acid mine drainage demonstration project in Pennsylvania. A \$10,946 reduction is taken for the Federal emergency program. A \$1,271 reduction is taken for Federal high priority projects. A \$200 reduction for savings in travel costs is realized. Uncontrollable costs total \$363 of which \$207 are funded and \$156 are absorbed.</p>	
Executive Direction	+153
<p>A \$76 reduction for efficiencies in general services. Uncontrollable costs total \$282 of which \$229 are funded and \$53 are absorbed.</p>	