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Office of Surface Mining Reclamation and Enforcement Proposes Revised Regulations to Reduce Federal Spending and Modernize its Cost Structure

–Proposed Rule will Update Decades-Old Method that Subsidizes Coal Companies–

(Washington, DC) – The Office of Surface Mining Reclamation and Enforcement (OSM) today announced it is proposing to modernize its cost structure, which has not been revised in over two decades. The proposed revisions will put OSM’s practices more in line with other sectors, recovering from the coal industry a larger portion of the cost that OSM incurs in reviewing, administering, and inspecting bureau-issued mining permits.

“This proposal is one of the Administration’s efforts to reduce Federal spending and ensure that the American taxpayer receives a fair return for providing services that benefit mine operators,” said OSM Director Joe Pizarchik. “In these tight fiscal times, it makes sense that coal companies that directly benefit from these permits pay for the services they receive from the government, and that we reduce the burden on the American taxpayer.”

OSM’s existing fees are authorized by the Surface Mining Control and Reclamation Act of 1977 and the Independent Offices Appropriations Act of 1952. Currently, OSM collects just two percent of the cost of handling mining permits, which means taxpayers subsidize nearly the entire cost.

The [proposed rule](#) will apply only to permits on lands where OSM is the regulatory authority for coal mine operations: Tennessee, Washington, and Indian lands. States administering their own surface coal mining regulatory programs will not be affected. OSM’s goals in revising its regulations are to: establish equitable fees for administering and handling permits; charge fees that do not exceed actual costs; and minimize the administrative burden of billing and collecting the fees.

In the proposed rule that will be published tomorrow in the *Federal Register*, OSM would institute a processing fee for the services it provides in reviewing permit applications, and an annual fee to recover permit administration and inspection services. OSM will charge applicants only for those services the bureau incurs when it reviews a permit application or action.

Members of the public will have until May 28, 2013, to provide input on the rule. Interested parties can submit written comments via the web at www.regulations.gov; by U.S. Mail to Mail Stop 252-SIB, 1951 Constitution Avenue NW, Washington, DC 20240; or through hand delivery.

Following the public comment period, OSM will evaluate the comments received and make a



decision on the final rule.

For more information on OSM, go to www.osmre.gov, or follow www.twitter.com/OSMRE.

OSM carries out the requirements of the Surface Mining Control and Reclamation Act of 1977 in cooperation with states and tribes. OSM's objectives are to ensure that coal mining activities are conducted in a manner that protects citizens and the environment during mining, to ensure that the land is restored to beneficial use after mining, and to mitigate the effects of past mining by aggressively pursuing reclamation of abandoned coal mines.

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