

Applicant/Violator System Office System Advisory Memorandum



SAM # 7 DATE: October 3, 2016

Subject: ORGANIZATIONAL FAMILY TREE MAINTENANCE: INTERSTATE and STATE COMPANIES

This System Advisory Memorandum (SAM) revises previous SAM #7, dated November 30, 2012, on this same subject. The purpose of this SAM is to provide guidance and establish procedures governing the maintenance of entity organizational family tree (Entity OFT) information in the Applicant/Violator System (AVS).

Definitions

The following definitions apply to this guidance.

Interstate Businesses hold surface coal mining permits in more than one State. Any organization in the AVS with no applications or permits is treated as an interstate organization.

State Businesses hold surface coal mining permits in only one State.

Organizational Family Tree – An organizational family tree is the structure of a business' relationships and associations as shown in AVS. An Entity OFT is comprised of owners, shareholders, officers, directors, partners, managers, members, and subsidiaries of the business. These relationships and associations comprise the information required to be disclosed by applicants for permits under section 507(b)(4) of the Surface Mining Control and Reclamation Act of 1977, as amended, and provided for by Federal regulation under 30 CFR 778.11.

Guidance

The following guidance governs the responsibilities for updating Entity OFT information in the AVS. This guidance addresses (1) interstate business entities, (2) state business entities, and (3) interstate parent entities with wholly-owned state subsidiaries.

Interstate Business Entities

The AVS Office team updates and maintains Entity OFT data in the AVS for Interstate business entities. We perform this function to eliminate multiple and conflicting entries on Entity OFTs that would compromise accuracy and impair system efficiency.

- Based on an agreement between OSMRE and the Interstate Mining Compact Commission on behalf of the State Regulatory Authorities, the AVS Office team updates and maintains relationship information on Entity OFTs in the AVS for parent and wholly-owned interstate subsidiaries including beginning and ending dates. We also correct erroneous data based on notice and appropriate documentation.
- The AVSO team establishes a point of contact with a representative for each interstate business. All updates from the business must originate from the official point of contact. Information submitted to the AVS office from a State Regulatory Authority is confirmed through the business point of contact before updates are made to the AVS. Interstate businesses must also provide state -required update information to the regulatory authority. Submission of information to the AVS office does not substitute for the submission of information to the state regulatory authority.
- The AVSO team maintains files that ensure credible documentation is provided to support any changes. We will not accept requests for changes where the documentation is less sufficient than what would be required by a regulatory authority.
- All documented and confirmed updates are entered into the AVS within 10 business days of receiving the information and the appropriate regulatory authorities are notified that changes were made.
- If a regulatory authority receives relationship/association information for an interstate business or organization, they should compare the information to that in the AVS. If the information is not reflected in the AVS, the regulatory authority should forward the information to the AVS office for review, confirmation and potential update.
- Entity OFTs for interstate businesses in the AVS are locked. This feature in the AVS prevents the creation of duplicate or conflicting information in the system and ensures documentation of all interstate updates is maintained in one location.

State Business Entities

The regulatory authority with jurisdiction over an issued permit has the exclusive authority to create, update, and maintain Entity OFTs in the AVS for a state permittee. Regulatory authorities maintain the accuracy and completeness of this information to ensure the efficient and effective operation of the AVS.

- Each regulatory authority maintains the Entity OFT information in the AVS for all state business entities in its jurisdiction.
- We will notify the appropriate regulatory authority if the AVS Office should become aware of a relationship to a state business entity that is not in the AVS.
- Regulatory authorities can update or correct the relationship/association description of any entity to a state business entity.

Interstate Parent Entities with Wholly-Owned State Subsidiaries

Both the AVS Office and regulatory authorities have AVS maintenance responsibilities for interstate parent entities with wholly-owned state subsidiaries.

- The AVS Office updates and maintains the Entity OFTs for interstate parent entities whose wholly-owned subsidiaries are state permittees.
- The regulatory authority with jurisdiction over the permit(s) held by a state subsidiary updates and maintains the Entity OFTs for the wholly-owned state subsidiary of an interstate parent entity.

If you have questions regarding the procedures for maintaining interstate and intrastate relationship and association information, please contact your AVS User Assistance Liaison at 1-800-643-9748, or the AVS User Guide at <http://www.osmre.gov/programs/avs.shtm>.

Signed: Stephanie L. Varvell

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