



# Applicant/Violator System Office System Advisory Memorandum

**SAM # 11 DATE: October 3, 2016**

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## **Subject: APPLICANT, PERMITTEE, and OPERATOR INFORMATION**

This System Advisory Memorandum provides guidance on information applicants, operators, and permittees connected to a surface coal mining and reclamation operation must provide to regulatory authorities and entry requirements for entering this information into the Applicant/Violator System (AVS). This SAM replaces previous SAM # 12, with the same title, dated February 25, 2013.

Section 507 of the Surface Mining Control and Reclamation Act of 1977, as amended (SMCRA or the Act), authorizes the collection of applicant and operator information. The effective and efficient operation of the AVS to assist regulatory authorities in implementing section 510(c) and other provisions of the Act requires the entry and maintenance of this information in the system. Regulatory authorities are required to enter into the AVS the information disclosed by and collected from applicants, operators, and permittees and to maintain (update) this information.

## **INITIAL DATA ENTRY**

Regulatory authorities are required to enter this information into the AVS under 30 CFR 773.8.

### **Applicants and Operators**

Under 30 CFR 778.11(c), an applicant is required to provide the name, address, telephone number, position title, the date the person began functioning in the position, relationship to the applicant, percentage of ownership, and location in the business' organizational structure for each of their and their operators':

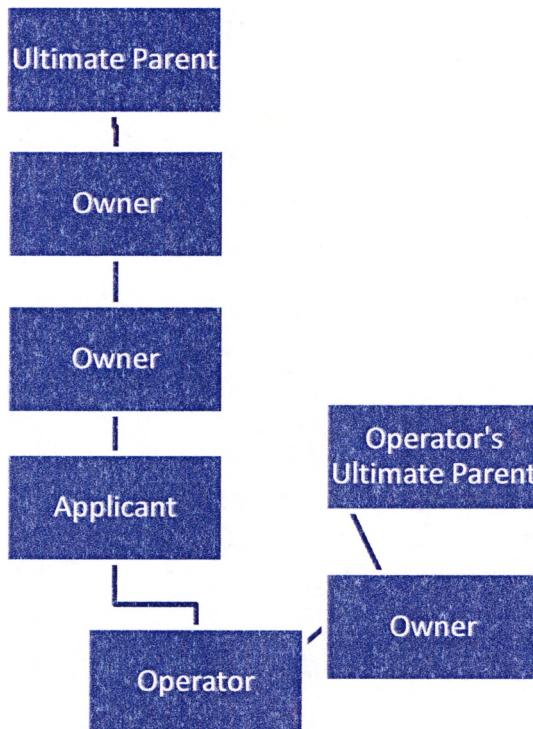
- Officers,
- Partners,
- Members,
- Directors,
- Persons performing a function similar to a director, and
- Persons who owns, of record, 10 percent or more of the applicant or operator.

### **Applicants and Operators who are Subsidiaries**

Under 30 CFR 778.11(b)(4), a permit application must include the organizational

structure information for each business entity in the applicant's and operator's organizational structure, up to and including the ultimate parent entity of the applicant and operator. For every business entity, the applicant must provide the required information for each:

- President,
- Chief Executive Officer,
- Director (or persons in similar positions), and
- Every person who owns, of record, 10 percent or more of the entity.



This means that applicants and operators who are subsidiaries of another business are required to identify in an application the president, chief executive officer, directors (or persons in similar positions), and 10 percent or more owners of each entity that owns 10 percent or more of the applicant or operator. If that entity is owned 10 percent or more by another entity or entities, the same information is required for that entity, and so on upward, until the ultimate parent entity and its president, chief executive officer, directors (or persons in similar positions), and owners of record of 10 percent or more are identified. The regulatory authority is required to enter and update this information into AVS under 30 CFR 773.8.

The example on the left illustrates one possible organizational structure showing multiple levels included in this reporting requirement.

Federal program information requirements at 30 CFR 778.11 closely mirror the requirements found under Section 507 of SMCRA; however, regulatory authorities are encouraged to follow their regulatory requirements which may allow gathering additional information.

## **MAINTENANCE**

After a permit is issued and the applicant is now the permittee, the regulatory authority must enter and maintain in the AVS any changes to the information relating to the permittee that was initially provided under 30 CFR 778.11 within 30 days after receiving notice of changes (30 CFR 774.11(a)(3)).

### **For more information**

If you have questions regarding organizational structure information for applicants, permittees, and operators in the AVS or how to enter and maintain data, please contact your AVS User Assistance Liaison at 1.800.643.9748.

**Signed:** Stephanie L. Varvell

**Stephanie L. Varvell, Chief  
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