



BUDGET The United States
Department of the Interior

JUSTIFICATIONS

and Performance Information
Fiscal Year 2010

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

NOTICE: These budget justifications are prepared for the Interior, Environment and Related Agencies Appropriations Subcommittees.

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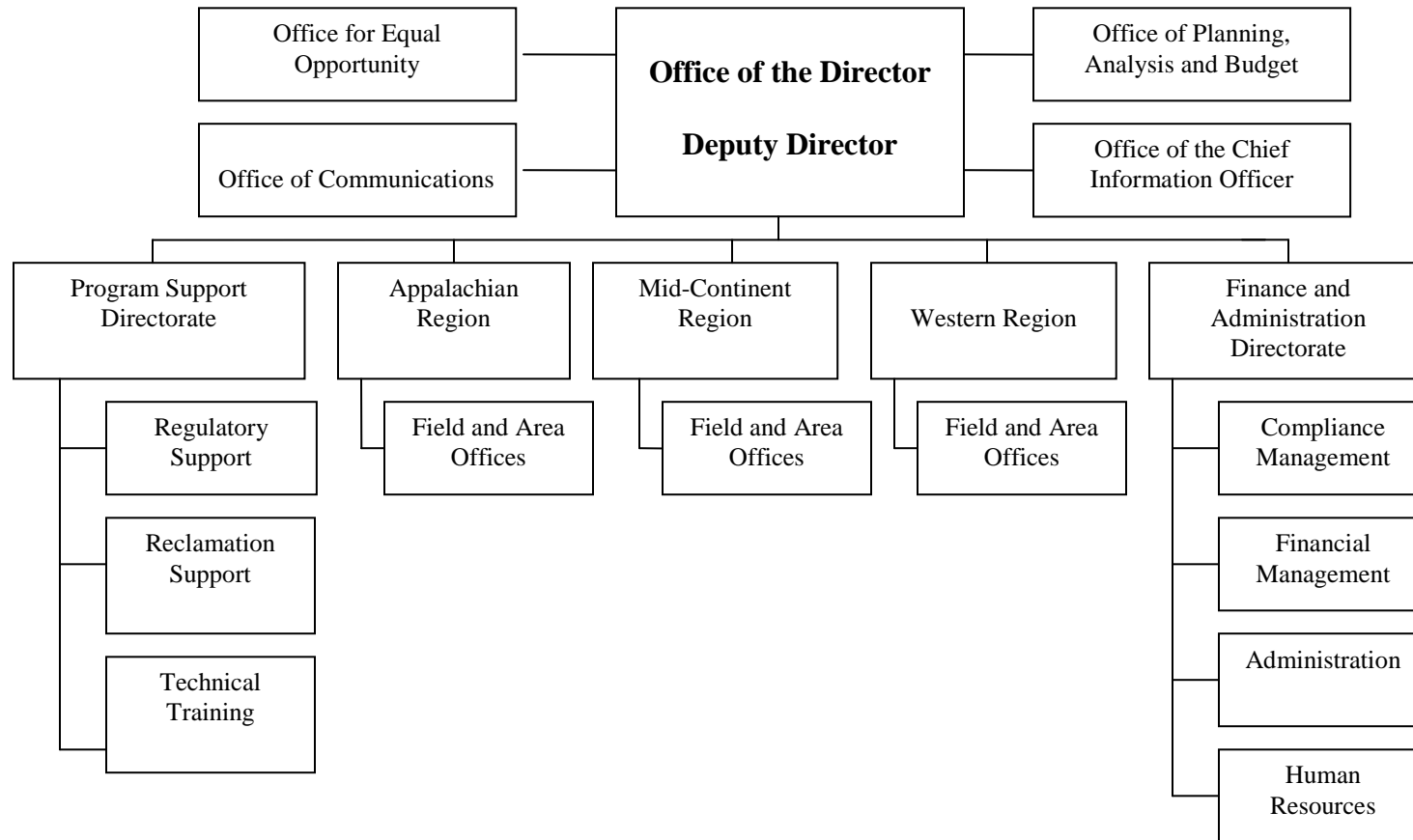
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GENERAL STATEMENT

Overview

The Office of Surface Mining Reclamation and Enforcement's (OSM) mission is to carry out the requirements of the Surface Mining Control and Reclamation Act (SMCRA) 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) mitigate 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 50 percent of the Nation's electricity. Each ton of coal must be permitted and regulated under SMCRA.

The SMCRA contemplates both the Regulatory and Abandoned Mine Land (AML) programs being administered by States and Tribes through delegated authority from the Secretary. About 97 percent of the Nation's coal production is regulated by States, while States and Tribes have carried out over 90 percent of the abandoned mine lands abatement work. Therefore, the major task of OSM is to help States and Tribes succeed by providing States and Tribes the funding, oversight, regulatory and policy framework, assistance, training and technical tools to have stable regulatory and AML programs that are effective and of high quality.

OSM's activities and related budget support the Presidential and Secretarial initiatives for responsible production of coal through the protection, preservation, and restoration of mined lands; restoration of lands left unreclaimed; and address climate impacts through reforestation of mined lands.

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

In order to strike the proper balance between environmental protection and the nation's need for coal, OSM strives to maintain a stable regulatory environment consistent with the Act that is administered through state programs. 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.

OSM also promotes the development and use of the best technologies in coal mining and reclamation to effectively: a) prevent catastrophic mining-related events impacting off-site public

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safety, property, or the natural environment, b) assure restoration of the land to productive long-term uses after mining, and c) minimize off-site environmental degradation; all while fostering the coal mining activity needed for the Nation's energy supply.

However, OSM cannot and does not do this alone. 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. State employees permit and regulate 97 percent of the Nation's coal production.

It is important to have properly mined coal and to see that land is reclaimed in accordance with land use plans established during the permitting process. State permitting actions and inspections of mine sites are among the most important ways to determine if the law is being implemented and to ensure a safe environment to both the public and land health during mining. In FY 2008, States completed 51,796 partial and 30,485 complete inspections for a total of 82,281 inspections. During these inspections, about 12 percent of the sites were identified as having off-site impacts, i.e., impacts that occurred off the permitted area with the potential to harm the environment or public. Off-site impacts identified on active sites are addressed through the inspection and enforcement processes. Likewise, it is important that the land is properly reclaimed and experts are needed to inspect and monitor work done to return the land to its intended use.

Another important aspect of State and Tribal regulatory work is having staff prepared to carry out new rules and regulations. OSM has long-standing controversial issues in dealing with valley fills and stream buffer zones. It is important to attract and retain highly skilled technical experts to address these issues during the permitting and enforcement processes to ensure compliance with policy and procedures. State regulatory programs are funded by matching grants—50 percent State and 50 percent Federal. However, States and Tribes have requested considerably more than the amounts available over past years. The FY 2008 enacted level provided for only 95 percent of the matching funding requested by States and Tribes. The current budget will fully support the 50 percent match requested by the States.

In addition, as authorized by the Energy Policy Act of 1992 and Section 710 (i) of SMCRA, OSM currently 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. The grant amounts are based on each Tribe's anticipated workload to develop Tribal 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 regulatory developmental activities. In addition, the Surface Mining Control and Reclamation Act Amendments of 2006 (Public Law 109-432) provides for 100 percent funding of the costs of developing, administering, and enforcing an approved Tribal program. In FY 2010, 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)**

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 SMCRA Amendments of 2006. These amendments 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 grants are funded by mandatory appropriations, and only those activities under SMCRA Section 402(g)(3)(A) – (D) remain discretionary. The discretionary activities include Federal Reclamation Programs, State and Federal Emergency Programs, and OSM operations. The new law also mandated new mandatory payments to States equivalent to their allocation under the AML Fund distribution formula.

Most importantly, the SMCRA Amendments of 2006 provide dramatically increased funding to States and Tribes. In FY 2007, the total discretionary appropriation to States and Tribes was \$145.3 million. The change to mandatory funding in FY 2008 provided \$274.3 million in funding. The amount distributed in FY 2009 was \$298.1 million and the amount projected for FY 2010 is \$232.4 million, which includes a reduction to certified States and Tribes noted below. Fixed costs contained in this request will maintain staff levels to support work associated with providing grants to the States and Tribes, monitoring the programmatic work and reporting accomplishments under this program. Accomplishments reported for this program are key to OSM's goal measure, "Number of Federal, private and tribal land and surface water acres reclaimed or mitigated from the effects of natural resource degradation from past mining."

OSM published a final rule on November 14, 2008, (73 FR 67576) implementing the AML program changes in the 2006 Amendments to SMCRA. This rule revises OSM's rules to be consistent with the Tax Relief and Health Care Act of 2006 (P.L. 109-432). The final rule covers changes to current regulations in three categories, it:

- Aligns our existing regulations to be consistent with the 2006 amendments to SMCRA as interpreted by the M opinion;
- Uses plain English to make the regulations easier to understand where no substantive change is intended; and
- Provides further guidance and clarification on implementation of the 2006 amendments where appropriate or needed.

The President's Budget framework for FY 2010 released on February 26, 2009, identified the elimination of payments to States and Tribes that have completed clean-up of abandoned coal mines as a cost savings measure. The Department will work with the Administration to propose legislation to address this issue and focus funding on remaining high-priority coal problems.

In addition, the increase in permanent funding available to the States and Tribes will allow OSM to begin phasing out Federal responsibility for AML emergency programs. Therefore, OSM's FY 2010 budget eliminates new funding for State Emergency Grants and Federal Emergency

Projects. Both of these programs have been funded by discretionary (current) appropriations. OSM anticipates funding will be available in FY 2010 from carryover to address immediate needs under the emergency programs during this transition.

Address Climate Impacts Reforestation of Mined Lands

The purpose of the reforestation initiative is to apply good science in forest reclamation since the world's forests are the primary means by which carbon is naturally sequestered and they have numerous other benefits.

Forests are critical to the ecological health of the Earth. They are the major sequesters of carbon and producers of oxygen, they moderate temperatures, and they provide many other environmental benefits. Deciduous forests (such as maple) contain far more biological diversity than conifer (evergreen) forests. The coal fields of the Eastern United States lie within the largest and oldest deciduous forests on Earth. Almost all of the land surface mined for coal within the Eastern United States and Pacific Northwest were forested until mined. While trees can grow very well on areas mined for coal, reclamation practiced over the past 30 years has emphasized creating smoothly graded slopes with heavy ground cover to protect against erosion. The few efforts at reestablishing trees have had little success. With the increases in surface coal mining, this has led to substantial forest fragmentation, loss of habitat for critical species (such as the Indiana Bat and Cerulean Warbler), and increased flooding due to higher peak runoff from reclaimed areas.

In 2004, OSM, in cooperation with several states and other partners, initiated the Appalachian Regional Reforestation Initiative (ARRI) to address the technical, legal, and cultural barriers to effective reforestation as a part of mined land reclamation. There are enormous environmental, cultural, and economic benefits to restoring trees to those areas that were forested before mining. These include:

- increased carbon sequestration so important to the climate change issue,
- increased land values and economic productivity for mined lands,
- reduction in peak storm flows that reduce flooding potential,
- restoration of habitat for threatened or endangered species, and
- improved water quality.

In addition, reforestation efforts have provided an opportunity to reintroduce the American chestnut, which is a part of America's heritage. The American Chestnut, towering over ten stories high and up to 15 feet in diameter, was king of the forest over much of the Eastern United States and an important part of our cultural heritage until destroyed by an Asian fungus blight in the first half of the twentieth century. Because of its role as both habitat and food source, it was an enormous ecological loss. Through partnership with the American Chestnut Foundation, coal mine reclamation plays a major role in the reintroduction of blight resistant American chestnuts across much of its former range since properly prepared mine sites not yet revegetated are ideal for successfully establishing new chestnut groves.

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Through ARRI, OSM has worked with states and others to remove the barriers to effective reforestation of mined land. Currently, ARRI has fostered partnerships enlisting 226 individuals from 118 different organizations who share its objectives. OSM will continue to support these efforts in FY 2010.

All of the above efforts have demonstrated that reforestation is a viable, economical, and beneficial choice for reclamation of mined lands. This has led to success in establishing forests on mined lands in recent years.

Mined land Reforestation

Starfire Mine, KY: Growth on non-compacted soil site

1 year



3 years



7 years



Budget Highlights

The 2010 Budget Request for OSM is \$159.4 million in current appropriations, a decrease of \$5.3 million from the FY 2009 enacted level. Changes include:

- Increase of \$1.9 million for fixed costs;
- Increase of \$5.8 million for State and Tribal regulatory grants;
- Decrease of \$6.3 million in State emergency grants;
- Decrease of \$5.2 million in Federal emergency projects; and
- Decrease of \$1.5 million in Federal reclamation program operations.

In addition, OSM will receive an estimated \$398.3 million in permanent appropriations to provide to the States and Tribes in support of the abandoned mine land program and to provide to United Mine Workers of America (UMWA) for health benefits. 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” Tab.

**Total 2010 Budget Request
(Dollars in thousands)**

Budget Authority	2008 Actual	2009 Enacted	2010 President’s Budget Request	2010 Request Change from 2009
Regulation & Technology	118,471	120,256	127,280	+7,024
Abandoned Mine Reclamation Fund	51,951	44,446	32,088	-12,358
Total, Discretionary	170,422	164,702	159,368	-5,334
Payments (or Grants) to States in Lieu of Coal Fee Receipts (Treasury Funds)	186,971	208,041	85,400	-122,641
Mandatory Grants to States and Tribes (AML Funds)	87,384	90,031	147,000	+56,969
Funds Transferred to UMWA Health Benefit Plans	167,165	124,049	165,900	+41,851
Total, Mandatory	441,520	422,121	398,300	-23,821
Total, OSM	611,942	586,823	557,668	-29,155

Mandatory Funding: See discussion of process under “Permanent Appropriations” Tab. FY 2010 payments or grants are projected as \$147.0 million from AML funds and \$85.4 million from Treasury Funds based on analysis as of 1/9/09. UMWA payments are based on current estimates as of 8/28/08. The FY 2009 figure is the current actual payment.

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The FY 2010 Budget will provide \$71.3 million (45 percent) of OSM's discretionary funding to the States and Tribes for regulatory grants. OSM will use the balance of the budget to provide technical assistance to the States, conduct its oversight responsibilities, implement the remainder of the Federal Reclamation Program, 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.

Fixed Costs

OSM's FY 2010 budget request supports 515 full-time equivalent employees (\$60 million); \$71.3 million in regulatory grants to States and Tribes; \$13.3 million in general services funding to pay for rent, working capital fund and other OSM-wide expenditures; \$2.5 million in project costs for high priority projects and watershed cooperative agreements; and \$12.3 million to support technical training, assistance, and services to States and Tribes, and other operating expenses. Fixed costs are important to retain our current employees and attract future employees with the skills needed to conduct our business. The current staffing level is essential to maintain the level of service necessary to support the Federal, State and Tribal reclamation and regulatory programs. Among other things, the current staffing level allows us to permit, inspect, and oversee coal mining operations; provide technical assistance and training to OSM, State, and Tribal employees; and provide and monitor grant funding for both the regulatory and reclamation programs.

In addition, fixed costs are necessary to pay for increases in rent, fuel, contracts, and DOI-wide shared services (from the Working Capital Fund). The FY 2010 budget request fully funds projected fixed cost increases for FY 2010.

OSM did not receive any funding through the American Recovery and Reinvestment Act of 2009. OSM has offered specialized resources in support of other DOI Bureaus in the implementation of their plans under the Act, such as construction contract support.

Performance Summary

OSM strives to improve planning, eliminate duplicative processes, and involve stakeholders. OSM deals with state and federal agencies, and tribal governments; and 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 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.

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's budget proposal provides funding requirements and associated performance measurements in accordance with the plan. See the "Goal Performance Tables" Tab.

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 its Business lines and the Department's goals. The "Goal Performance Tables" Tab contains all OSM performance goals and targeted measures for FY 2009 - 2010.

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 proposal 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 an oversight process where OSM assists the States in the administration, implementation and maintenance of their approved regulatory programs. Under this approach, performance agreements are worked out by consensus with each State, with the development of State-specific evaluation plans tailored to the unique conditions of each State's program.

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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.

Acid mine drainage is the number one water pollutant in the coal fields of the Appalachian area causing major environmental and public health problems. Funding of Watershed Cooperative Agreement Projects facilitates and enhances State and local partnerships to clean up acid mine drainage and improve the aquatic environment and quality of life for coalfield citizens. Many of the demonstration projects that have received funding since program inception are now either completed, under construction, or in design, with construction to commence soon.

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 and even accepts requests from citizens for Freedom of Information Act requests.

As mining and engineering information technology continues to grow rapidly, OSM continues to lead by providing and enhancing the most up-to-date information, technical training, technical assistance, and technology transfer. These programs greatly help the States and Tribes operate their respective regulatory and reclamation programs in fulfilling SMCRA's requirements.

Data Validation and Verification

OSM is confident that the data presented in this report 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 or the Administration's Program Assessment Rating Tool; 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.

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OSM collects information through various information systems primarily from multiple internal operations and from the 26 States and 4 Indian Tribes participating in OSM programs. Abandoned Mine Land Program information is generally collected through the Abandoned Mine Land Inventory System (AMLIS). AMLIS is a computer database 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, pre-SMCRA coal reclamation problems. Data collection methods are conducted in accordance with an agency policy directive, which was 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 recently automated the data collection from the 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.

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.

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, [~~\$120,156,000~~]*\$127,180,000* to remain available until September 30, [~~2010~~]*2011*: Provided, [That in fiscal year 2009 and hereafter the Secretary of the Interior, pursuant to regulations, may use directly or through grants to States, moneys collected [fiscal year 2008] for civil penalties assessed under section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977, to remain available until expended: *Provided further,*] 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.

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, including the purchase of not more than 10 passenger motor vehicles for replacement only, [\$52,946,000] \$32,088,000, 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 in Fiscal Year 2009 and hereafter the State of Maryland may set aside the greater of \$1,000,000 or 10 percent of the total of the grants made available to the State under title IV of the Act, if the amount set aside is deposited in an acid mine drainage abatement and treatment fund established under a State law, pursuant to which law the amount (together with all interest earned on the amount) is expended by the State to undertake acid mine drainage abatement and treatment projects, except that before any amounts greater than 10 percent of its title IV grants are deposited in an acid mine drainage abatement and treatment fund, the State of Maryland must first complete all Surface Mining Control and Reclamation Act priority one projects:] [Provided further, That of the unobligated balances available under this heading, \$8,500,000 are permanently rescinded:] 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.

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 Language Changes

Regulation and Technology:

Delete: Provided, That in fiscal year 2009 and thereafter the Secretary of the Interior, pursuant to regulations, may use directly

or through grants to States, moneys collected for civil penalties assessed under section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977, to remain available until expended:

Federal civil penalties collected under Section 518 of SMCRA are authorized for reclaiming lands mined and abandoned after passage of SMRCA on August 3, 1977. These funds are derived from civil monetary 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.

A change was made in the FY 2009 language to include that this provision will be available “thereafter” thus allowing OSM to continue with this practice in future years without submitting requests to Congress each year. Therefore, the language is not needed in subsequent years.

Abandoned Mine Reclamation Fund:

Delete: Provided further, That, In FY 2009 and hereafter, the State of Maryland may set aside the greater of \$1,000,000 or 10 percent of the total of the grants made available to the State under title IV of the Act, if the amount set aside is deposited in an acid mine drainage abatement and treatment fund established under a State law, pursuant to which law the amount (together with all interest earned on the amount) is expended by the State to undertake acid mine drainage abatement and treatment projects, except that before any amounts greater than 10 percent of its title IV grants are deposited in an acid mine drainage abatement and treatment fund, the State of Maryland must first complete all Surface Mining Control and Reclamation Act priority one projects.

This provision was needed, annually, because Maryland is a minimum program state with limited annual AML appropriations. This language has historically granted Maryland the flexibility to

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set aside the greater of 10% or up to \$1 million of their annual AML allocation. This appropriation language allowed Maryland to set aside adequate funds to generate sufficient interest to annually address the maintenance and operational costs of nine lime dosers in AMD-impacted streams, including the North Branch of the Potomac. This provision does not impact other state appropriations. No additional federal monies are allocated to Maryland as this bill language only provides Maryland with additional flexibility in the utilization of allocated funds.

The language “and hereafter” was included in FY 2009 to ensure the State of Maryland has the ability to use additional funding for this initiative in future years without having to submit requests to Congress each year.

Delete: Provided further, That of the unobligated balances available under this heading, \$8,500,000 are permanently rescinded.

This FY 2009 language represented a one-time deletion of unobligated carryover balances. Congress provided funding at the FY 2008 enacted level for the State emergency program and Federal emergency projects and related expenses. Therefore, language was added in FY 2009 to eliminate unobligated balances in the amount of \$8.5 million that would otherwise have been used to fund emergency program activities in the event there was no new funding appropriated in FY 2009.

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, [\$120,156,000] \$127,180,000 to remain available until September 30, [2010]2011: *Provided*, That *in fiscal year 2009 and hereafter* the Secretary of the Interior, pursuant to regulations, may use directly or through grants to States, moneys collected [fiscal year 2008] for civil penalties assessed under section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977, to remain available until expended: *Provided further*, 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.

- 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 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

1. For necessary expenses to carry out title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, as amended, including the purchase of not more than 10 passenger motor vehicles for replacement only, [\$52,946,000] \$32,088,000, 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:

- 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.

2. Provided further, That in Fiscal Year 2010 and hereafter the State of Maryland may set aside the greater of \$1,000,000 or 10 percent of the total of the grants made available to the State under title IV of the Act, if the amount set aside is deposited in an acid mine drainage abatement and treatment fund established under a State law, pursuant to which law the amount (together with all interest earned on the amount) is expended by the State to undertake acid mine drainage abatement and treatment projects, except that before any amounts greater than 10 percent of its title IV grants are deposited in an acid mine drainage abatement and treatment fund, the State of Maryland must first complete all Surface Mining Control and Reclamation Act priority one projects: 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.

●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.

Office of Surface Mining Reclamation and Enforcement

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

APPROPRIATION:	REGULATION AND TECHNOLOGY				ABANDONED MINE RECLAMATION FUND			
	FTE	\$\$	FTE	\$\$	FTE	\$\$	FTE	\$\$
FY 2008 ESTIMATE			341	120,256			184	44,446
FIXED COSTS & RELATED CHANGES:								
Adjustment for Pay Raise - Jan 09		355				180		
Adjustment for Pay Raise - Jan 10		543				279		
Adjustment for Worker's Compensation		50				27		
Adjustment for Unemployment Compensation		-1				-1		
Adjustment for GSA space rent rate		88				47		
Adjustment for Emplr Share of Fed Hlth Benft Plans		140				71		
Adjustment for Working Capital Fund		72				39		
TOTAL Adjustment for Fixed Costs		1,246		1,246		642		642
Program Changes				5,778				-13,000
Total Requirements (2010 budget request)			341	127,280		642	184	32,088

		REGULATION AND TECHNOLOGY					ABANDONED MINE RECLAMATION FUND					TOTAL		
Comparison by Business Lines		2008 Actual	2009 Enacted	Fixed Costs & Related Changes	Program Changes	2010 Budget Request	2008 Actual	2009 Enacted	Fixed Costs & Related Changes	Program Changes	2010 Budget Request	2009 Enacted	2010 Budget Request	Inc / Dec (-/+) From 2009
Environmental Restoration	\$\$	267	259	1	0	260	33,945	25,623	241	-13,000	12,864	25,882	13,124	-12,758
	FTE	1	1	0	0	1	90	90	0	0	80	91	81	-10
Environmental Protection	\$\$	87,425	88,425	568	5,778	94,771	0	0	0	0	0	88,425	94,771	6,346
	FTE	187	187	0	0	187	0	0	0	0	0	187	187	0
Technology Dev. & Transfer	\$\$	15,176	15,386	277	0	15,663	3,921	3,970	62	0	4,032	19,356	19,695	339
	FTE	91	91	0	0	91	20	20	0	0	20	111	111	0
Financial Management	\$\$	483	510	6	0	516	6,308	6,836	125	0	6,961	7,346	7,477	131
	FTE	2	2	0	0	2	41	41	0	0	41	43	43	0
Executive Dir. & Admin.	\$\$	15,120	15,676	394	0	16,070	7,777	8,017	214	0	8,231	23,693	24,301	608
	FTE	60	60	0	0	60	33	33	0	0	33	93	93	0
TOTAL	\$\$	118,471	120,256	1,246	5,778	127,280	51,951	44,446	642	-13,000	32,088	164,702	159,368	-5,334
	FTE	341	341	0	0	341	184	184	0	0	174	525	515	-10

Numbers may not add due to rounding.

Office of Surface Mining Reclamation and Enforcement

Justification of Fixed Costs and Related Changes: OSM

Regulation and Technology	2009 Budget	2009 Revised	2010 Fixed Costs Change
<u>Additional Operational Costs from 2009 and 2010 January Pay Raises</u>			
1. 2009 Pay Raise, 3 Quarters in 2009 Budget <i>Amount of pay raise absorbed</i>	+\$601	+\$589 [401]	NA NA
2. 2009 Pay Raise, 1 Quarter (Enacted 3.9%)	NA	NA	+\$355
3. 2010 Pay Raise (Assumed 3.5%)	NA	NA	+\$543
These adjustments are for an additional amount needed to fund estimated pay raises for federal employees.			
Line 1, 2009 Revised column is an update of 2009 budget estimates based upon the 2009 CR and the enacted 3.9% versus 2.9% request.			
Line 2 is the amount needed in 2010 to fund the enacted 3.9% January 2009 pay raise from October through December 2009.			
Line 3 is the amount needed in 2010 to fund the estimated 3.9% January 2010 pay raise from January through September 2010.			

	2009 Budget	2009 Revised	2010 Fixed Costs Change
<u>Other Fixed Cost Changes</u>			
One Less Pay Day <i>The number of paid days is constant.</i>	NA	-\$129	NA
Employer Share of Federal Health Benefit Plans <i>Amount of health benefits absorbed</i>	+\$49 [8]	+\$46 [11]	+\$140
Absorption reflects an update of based upon the 2009 CR. The adjustment is for changes in the Federal government's share of the cost of health insurance coverage for Federal employees. For 2010, the increase is estimated at 6.5%, the estimated increase for 2009.			
Workers Compensation Payments <i>Amount of workers compensation absorbed</i>	+\$7	+\$7	+\$50
The 2009 adjustment is for actual charges through June 2008 in the cost of compensating injured employees and dependents of employees who suffer accidental deaths while on duty. Costs for 2010 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 <i>Amount of unemployment compensation absorbed</i>	-\$2	-\$2	-\$1
The 2009 adjustment is for estimated changes in the costs of unemployment compensation claims to be paid to the Department of Labor, Unemployment Trust Fund, pursuant to Public Law 96-499.			
Rental Payments <i>Amount of rental payments absorbed</i>	+\$123	\$123 [9]	+\$88
The adjustment is for changes in the costs payable to General Services Administration 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 DHS.			
Departmental Working Capital Fund <i>Amount of WCF payments absorbed</i>	\$1,858 [44]	\$1,858 [21]	+\$72
The 2009 Revised absorption reflects changes in the working capital fund bill since the President's Budget. The 2010 change reflects expected changes in the charges for Department services and other services through the Working Capital fund. These charges are displayed in the budget Justification for Department Management.			

Office of Surface Mining Reclamation and Enforcement

Justification of Fixed Costs and Related Changes: OSM

Abandoned Mine Reclamation Fund	2009 Budget	2009 Revised	2010 Fixed Costs Change
<u>Additional Operational Costs from 2009 and 2010 January Pay Raises</u>			
1. 2009 Pay Raise, 3 Quarters in 2009 Budget <i>Amount of pay raise absorbed</i>	+\$326 [97]	+\$338 [231]	NA NA
2. 2009 Pay Raise, 1 Quarter (Enacted 3.9%)	NA	NA	+\$180
3. 2010 Pay Raise (Assumed 3.5%)	NA	NA	+\$279
<p>These adjustments are for an additional amount needed to fund estimated pay raises for federal employees.</p> <p>Line 1, 2009 Revised column is an update of 2009 budget estimates based upon the 2009 CR and the enacted 3.9% versus the 2.9% request.</p> <p>Line 2 is the amount needed in 2010 to fund the estimated 3.9% January 2009 pay raise from October through December 2009.</p> <p>Line 3 is the amount needed in 2010 to fund the estimated 3.9% January 2010 pay raise from January through September 2010.</p>			

	2009 Budget	2009 Revised	2010 Fixed Costs Change
<u>Other Fixed Cost Changes</u>			
One Less Pay Day <i>The number of paid days is constant.</i>	NA	-\$74	NA
Employer Share of Federal Health Benefit Plans <i>Amount of health benefits absorbed</i>	+\$27 [10]	+\$30 [7]	+\$71
<p>Absorption reflects an update of based upon the 2009 CR. The adjustment is for changes in the Federal government's share of the cost of health insurance coverage for Federal employees. The 2010, the increase is estimated at 6.5% the estimated increase for 2009.</p>			
Workers Compensation Payments <i>Amount of workers compensation absorbed</i>	+\$3	+\$3	+\$27
<p>The 2009 adjustment is for actual charges through June 2008 in the costs of compensating injured employees and dependents of employees who suffer accidental deaths while on duty. Costs for 2010 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.</p>			
Unemployment Compensation Payments <i>Amount of unemployment compensation absorbed</i>	-\$1	-\$1	-\$1
<p>The 2009 adjustment is for estimated changes in the costs of unemployment compensation claims to be paid to the Department Labor, unemployment Trust Fund, pursuant to Public Law 96-499.</p>			
Rental Payments <i>Amount of rental payments absorbed</i>	+\$66	+\$66 [5]	+\$47
<p>The adjustment is for changes in the costs payable to General Services Administration 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 DHS.</p>			

Office of Surface Mining Reclamation and Enforcement

	2009 Budget	2009 Revised	2010 Fixed Costs Change
Departmental Working Capital Fund	\$1,000	\$1,000	+\$39
<i>Amount of WCF payments absorbed</i>	[24]	[12]	
<p>The 2009 Revised absorption reflects changes in the working capital fund bill since the President's Budget. The 2010 change reflects expected changes in the charges for the Department services and other services through the Working Capital fund. These charges are displayed in the Budget Justification for Department Management.</p>			

Office of Surface Mining Reclamation and Enforcement

Goal Performance Table											
End Outcome Goal 1.1: Resource Protection – Improve Health of Watersheds, Landscapes, and Marine Resources											
End Outcome Measure / Intermediate or PART Measure / PART Efficiency or other Outcome Measure	Type	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
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) (PART)	F	6,965	6,533	6,983	6,658	6,900	9,909	6,900	7,700	+800	12,400
Total Actual/Projected Costs (\$000)		\$199,723	\$185,336	\$199,515	\$206,985	\$206,808	\$206,808	\$213,726	\$257,399	\$43,673	-----
Actual/Projected Cost per GPRA Acre (in dollars)		\$28,675	\$28,369	\$28,571	\$31,088	\$29,972	\$21,106	\$30,975	\$33,428	\$2,454	-----
Comments		The 2008 results were higher than the target due to an increase in the number of problems addressed. In FY2007 306 problems were addressed compared to 334 in FY2008. This resulted in a 50% increase over the FY2007 actual acres reclaimed. While the level of mandatory funding will increase significantly in 2010 there is a 2-3 year lag between when a project is funded and completion, due in part to the complexity of reclaiming the site and time to award construction contracts. Consequently the number of acres reclaimed does not increase proportionally to the increase in available funding in FY2010. The increase in the target goal in FY2010 is attributed to the increased mandatory funding distributed to non-certified states in FY2008. It should be noted that the SMCRA Amendments of 2006 do not change the scope of the AML reclamation program and related acres reclaimed.									
Contributing Programs:		FY2009: Includes all discretionary funding under Resource Protection (\$35,455), and mandatory funding to non-certified States (\$178.3 million). FY 2010: Includes all discretionary funding under Resource Protection (\$24,999), and mandatory funding to non-certified States (\$232.4 million)									
Number of active partnering and leveraging agreements. (BUR)	C	74	110	55	53	15	18	15	13	-2	14
Comments		The FY2010 target reflects the current and projected economic uncertainties. Watershed groups are facing difficulties in raising matching funds to support projects.									
The amount of increased funds derived from active partnering and leveraging agreements. (BUR)	A	8,179,634	27,692,333	5,800,000	28,963,461	3,750,000	5,548,452	3,750,000	3,125,000	-625,000	3,375,000
Comments		The FY2010 target reflects the current and projected economic uncertainties. Watershed groups are facing difficulties in raising matching funds to support projects. The ratio of leveraged funds to projects is slightly less than FY 2008 at 2.4:1									
Customer service rate in the quality of technical assistance. (Applies to both the Resource Protection and Resource Use Goals.) (BUR)	A	100%	99%	99.6%	99%	94%	96%	95%	95%	0%	95%

Office of Surface Mining Reclamation and Enforcement

Goal Performance Table											
End Outcome Goal 1.1: Resource Protection – Improve Health of Watersheds, Landscapes, and Marine Resources											
End Outcome Measure / Intermediate or PART Measure / PART Efficiency or other Outcome Measure	Type	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
Percent satisfaction with the scientific and technical products and assistance. (Applies to both the Resource Protection and Resource Use Goals.) (BUR)	A	97%	93%	89.3%	92%	92%	92%	94%	94%	0%	94%
Customer effectiveness rate in the quality of technical training – NTTP. (Applies to both the Resource Protection and Resource Use Goals.) (BUR)	A	97%	98%	97%	96%	93%	96%	93%	93%	0%	93%
Number of students trained – NTTP. (Applies to both the Resource Protection and Resource Use Goals.) (BUR)	A	916	957	1,446	1,746	1,200	1,426	1,200	1,000	-200	1,000
Comments		The FY2010 target goal reflects that the cost for travel has substantially increased and the availability of resources to teach courses has decreased.									
Customer satisfaction rate for TIPS training. (Applies to both the Resource Protection and Resource Use Goals.) (BUR)	A	90%	91%	91%	90%	90%	97%	90%	93%	+3%	93%
Increase the number of permits reporting by e-filing. (BUR)	C	44%	58%	64%	69%	70%	73%	75%	80%	+5%	90%
AML Fee Collection rate. (BUR)	A	99.9%	99.9%	99.9%	99.9%	99%	99.9%	99%	99%	0%	99%
Provide appropriate grant funding within 60 days of a complete grant application for abandoned mine lands grants (PART-EFFICIENCY)	A E	UNK	UNK	100%	100%	90%	100%	90%	93%	+3%	96%
Comments		This measure was established in FY 2007. Trend data shows performance at 100%. OSM will review the program and revise targets as needed.									

Office of Surface Mining Reclamation and Enforcement

Goal Performance Table											
End Outcome Goal 2.1: Resource Use – Manage or Influence Resource Use to Enhance Public Benefit, Responsible Development, and Economic Value											
End Outcome Measure / Intermediate or PART Measure / PART Efficiency or other Outcome Measure	Type	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
Percent of active coal mining sites that are free of off-site impacts. (SP) (PART)	C	93% (6,364 of 6,872 sites)	89% (7,436 of 8,335 sites)	92% (7,454 of 8,142 sites)	90.2% (7,103 of 7,877 sites)	93% (7,122 of 7,658 sites)	88% (6,864 of 7,784 sites)	93% (7,122 of 7,658 sites)	88% (6,800 of 7,716 sites)	-5%	89%
Total Actual/Projected Costs (\$000)		\$105,813	\$118,487	\$113,684	\$99,669	\$118,375	\$118,375	\$120,169	\$127,192	\$7,023	----
Actual/Projected Cost per Inspectable Unit (in dollars)		\$15,398	\$14,216	\$13,963	\$12,653	\$15,458	\$15,120	\$15,692	\$16,484	\$792	----
Comments		The results cover mining activities in 26 States/ 4 Tribes and represent the total number of inspectable units free of off-site impacts over the total number of inspectable units. The FY2008 actual is lower than the planned level. Actual data is a compilation of all States and Tribes actions and the additional actions sited may be attributed to the increased use of Geographic Information System technology to verify permit boundaries and better documentation of off-site impacts by both OSM and States. The FY2009 target, which was set in the Fall of 2008, remains at 93%. However, the FY2010 target is adjusted based on field input on the number of off-site impacts anticipated to occur in the future.									
Percent of mined acreage reclaimed). (SP) (PART)	F	UNK	48% (1,535,201 of 3,225,161 acres)	48% (1,534,301 of 3,225,261 acres)	53.4% (1,928,521 of 3,609,121 acres)	45% (1,786,515 of 3,970,033 acres)	83% (2,044,886 of 2,467,139 acres)	75% (1,786,515 of 3,970,033 acres)	75% (1,786,515 of 3,970,033 acres)	0%	75%
Total Actual/Projected Costs (\$000)		UNK	\$118,487	\$113,684	\$99,669	\$118,375	\$118,375	\$120,169	\$127,192	\$7,023	----
Actual/Projected Cost per Inspectable Unit (in dollars)		UNK	\$77	\$74	\$56	\$66	\$58	\$59	\$62	\$3	----
Comments		Upon completion of each phase of mining, the “mined” acreage must meet certain reclamation standards. Prior to 2007, reclaimed acreage under all phases was reported as one total. With the clarification in reporting reclaimed acreage, the different reclamation accomplishments for each phase are now captured, which impacts the numerator of acreage reclaimed. A potential factor influencing the 2008 actual ratio is an operator’s delay in reclaiming the site in order to continue mining marginal coal. Data was reviewed and FY2010 target revised based on short-term downward projections for the coal industry. OSM will continue to review and modify targets as needed.									

Office of Surface Mining Reclamation and Enforcement

Goal Performance Table											
End Outcome Goal 2.1: Resource Use – Manage or Influence Resource Use to Enhance Public Benefit, Responsible Development, and Economic Value											
End Outcome Measure / Intermediate or PART Measure / PART Efficiency or other Outcome Measure	Type	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
Number of acres where reclamation goals are achieved as evidenced by release from Phase III Performance Bonds. (PART)	C	49,054	53,353	49,796	51,105	50,000	48,828	50,000	45,000	-5,000	45,000
Comments		Upon completion of each phase of mining, the “mined” acreage must meet certain reclamation standards. Prior to 2007, reclaimed acreage under all phases was reported as one total. With the clarification in reporting reclaimed acreage, the different reclamation accomplishments for each phase are now captured, which impacts the numerator of acreage reclaimed. A potential factor influencing the 2008 actual ratio is an operator’s delay in reclaiming the site in order to continue mining marginal coal. Data was reviewed and target revised based on short-term downward projections for the coal industry. OSM will continue to review and modify targets as needed.									
Number of acres released from Phase I & II Performance Bonds. (PART)	C	90,040	88,869	89,894	110,198	80,000	89,047	80,000	80,000	0	80,000
Comments		Upon completion of each phase of mining, the “mined” acreage must meet certain reclamation standards. Prior to 2007, reclaimed acreage under all phases was reported as one total. With the clarification in reporting reclaimed acreage, the different reclamation accomplishments for each phase are now captured, which impacts the numerator of acreage reclaimed. A potential factor influencing the 2008 actual ratio is an operator’s delay in reclaiming the site in order to continue mining marginal coal. Data was reviewed and target revised based on short-term downward projections for the coal industry. OSM will continue to review and modify targets as needed.									
Customer service rate in the quality of technical assistance. (Applies to both the Resource Protection and Resource Use Goals.) (BUR)	A	100%	99%	99.6%	99%	94%	96%	95%	95%	0%	95%
Percent satisfaction with the scientific and technical products and assistance. (Applies to both the Resource Protection and Resource Use Goals.) (BUR)	A	97%	93%	89.3%	92%	92%	92%	94%	94%	0%	94%
Customer effectiveness rate in the quality of technical training – NTTP. (Applies to both the Resource Protection and Resource Use Goals.) (BUR)	A	97%	98%	97%	96%	93%	96%	93%	93%	0%	93%

Office of Surface Mining Reclamation and Enforcement

Goal Performance Table											
End Outcome Goal 2.1: Resource Use – Manage or Influence Resource Use to Enhance Public Benefit, Responsible Development, and Economic Value											
End Outcome Measure / Intermediate or PART Measure / PART Efficiency or other Outcome Measure	Type	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
Number of students trained – NTTTP. (Applies to both the Resource Protection and Resource Use Goals.) (BUR)	A	916	957	1,446	1,746	1,200	1,426	1,200	1,000	-200	1,000
Comments	A decrease in the target goal reflects that the cost for travel has substantially increased and the availability of resources to teach courses has decreased.										
Customer satisfaction rate for TIPS training. (Applies to both the Resource Protection and Resource Use Goals.) (BUR)	A	90%	91%	91%	90%	90%	97%	90%	93%	+3%	93%
Comments	Program managers recommend changes due to prior year accomplishments										
Customer satisfaction in the quality and timeliness of AVS provided services. (BUR)	A	98%	97%	97%	98%	95%	98%	95%	96%	+1%	96%
Comments	Program managers recommend changes due to prior year accomplishments										
Provide appropriate grant funding within 60 days of a complete grant application for regulatory grants (PART-EFFICIENCY)	A E	UNK	UNK	100%	90%	90%	100%	90%	93%	+3%	96%
Comments	This measure was established in FY 2007. Trend data shows performance at 100%. OSM will review the program and revise targets as needed.										
Completion of the technical review of Federal/Indian Land permit actions within 90 days (PART-EFFICIENCY)	A E	UNK	UNK	96%	97%	80%	90%	80%	81%	+1%	81%
Comments	This measure was established in FY 2007. Measure will continue to be reviewed and targets adjusted as trend data becomes available.										

Office of Surface Mining Reclamation and Enforcement

Goal Performance Table											
End Outcome Goal 4.1: Serving Communities – Improve Protection of Lives, Resources, and Property											
End Outcome Measure / Intermediate or PART Measure / PART Efficiency or other Outcome Measure	Type	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
Number of people with reduced exposure potential to safety risks from abandoned mine lands. (PART)	F	160,257	2.244 million	393,728	270,102	160,000	255,640	160,000	160,000	0	160,000
Comments		This measure is the counterpoint to the “AML acres reclaimed” performance measure (see Resource Protection “Federal, private, and tribal land and surface water acres reclaimed or mitigated from the effects of natural resource degradation from past mining”). The calculation of this measure correlates to the “AML acres reclaimed” performance measure by measuring the number of people on or near the abandoned mine land that has been reclaimed. The number has fluctuated in the past because the current methodology allows for two options to count the number of people with reduced exposure to safety risks – (1) States can choose to enter data or (2) if a State does not enter data then a Census generated figure is used in the calculation.									
Number of people directly affected (Emergencies abated). (PART)	A	11,400	8,975	32,601	43,580	8,300	68,764	8,300	16,700	+8,400	16,700
Percentage of declared emergencies abated within six months. (PART-EFFICIENCY)	A E	98%	96%	97.8%	98.5%	95%	99.7%	95%	95%	0%	95%

Office of Surface Mining Reclamation and Enforcement

Target Codes:	
SP = Key Strategic Plan measure	UNK = Prior year data unavailable
PART = Program Assessment Rating Tool measures	TBD = Targets have not yet been determined
BUR = Bureau specific measures	NA = Long-term targets are inappropriate to determine at this time
Type Codes:	
C = Cumulative	F = Future
A = Annual	E = Efficiency

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, C, E or F. 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 2008 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 2008 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.

F - Future-result performance measures (“Future” measures)

For these performance measures, the 2008 budget request reflects an investment towards a result that may take multiple applications over time and/or contributions from other efforts to realize. “Future” performance measures are similar to “cumulative” performance measures in that the time to achieve results extends beyond a single budget year reflecting either a delayed effect or the contributions from multiple years. One of the characteristics that distinguish “cumulative” from “future” performance measures is whether or not the level of achievement can be reflected in a target value in the same year as the budget year with the funding effecting the achievement.

E - Efficiency performance measures (“Efficiency” measures)

For these performance measures, the 2008 budget request level reflects the improvements in program outcomes for a given level of resource use.

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 \$127,280,000 (including an estimated \$100,000 in civil penalty collections); an increase of \$7,024,000 over the FY 2009 enacted level.

Abandoned Mine Land

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 reclamation. The request is \$32,088,000; a net decrease of \$12,358,000 from the FY 2009 enacted level.

**Summary of FY 2009 Enacted Level and FY 2010 Request
By Appropriation and Business Line
(dollars in thousands)**

Regulation and Technology	FY 2009 Enacted	FY 2010 Request	Change from 2009
Environmental Restoration	259	260	1
Environmental Protection	88,425	94,771	6,346
Technology Development & Transfer	15,386	15,663	277
Financial Management	510	516	6
Executive Direction	15,676	16,070	394
Total Appropriation	120,256	127,280	7,024

Abandoned Mine Reclamation Fund	FY 2009 Enacted	FY 2010 Request	Change from 2009
Environmental Restoration	25,623	12,864	-12,759
Technology Development & Transfer	3,970	4,032	62
Financial Management	6,836	6,961	125
Executive Direction	8,017	8,231	214
Total Appropriation	44,446	32,088	-12,358

**Budget at a Glance
(Dollars in Thousands)**

	2010				
	2008 Enacted	2009 Enacted	Fixed Costs Changes	Program Changes	Request
Discretionary					
Appropriation: Regulation and Technology	118,471	120,256	1,246	5,778	127,280
Environmental Restoration	267	259	1	0	260
<i>Federal Program Operations</i>	267	259	1	0	260
Environmental Protection	87,425	88,425	568	5,778	94,771
<i>State and Tribal Funding</i>	64,536	65,536	0	5,778	71,314
<i>Increase State & Tribal Funding</i>		[1,000]	0	[5,778]	[5,778]
<i>State Program Evaluation</i>	8,387	8,387	243	0	8,630
<i>Federal Programs</i>	5,845	5,845	136	0	5,981
<i>Federal Lands</i>	1,521	1,521	19	0	1,540
<i>Indian Lands</i>	2,400	2,400	61	0	2,461
<i>Program Development and Maintenance</i>	4,736	4,736	109	0	4,845
Technology, Development & Transfer	15,176	15,386	277	0	15,663
<i>Technical Assistance</i>	10,804	10,918	151	0	11,069
<i>Training</i>	2,635	2,686	67	0	2,753
<i>Technology Transfer</i>	1,737	1,782	59	0	1,841
Financial Management	483	510	6	0	516
<i>Revenue Management</i>	388	415	3	0	418
<i>Grants Financial Management</i>	95	95	3	0	98
Executive Direction and Administration	15,120	15,676	394	0	16,070
<i>Executive Direction</i>	2,548	2,605	77	0	2,682
<i>Administrative Support</i>	4,260	4,341	109	0	4,450
<i>General Services</i>	8,312	8,730	208	0	8,938

Office of Surface Mining Reclamation and Enforcement

**Budget at a Glance
(Dollars in Thousands)**

	2010				
	2008 Enacted	2009 Enacted	Fixed Costs Changes	Program Changes	Request
Discretionary					
Appropriation: Abandoned Mine Reclamation Fund	51,951	44,446	642	-13,000	32,088
Environmental Restoration	33,945	25,623	241	-13,000	12,864
State and Tribal Funding - Emergency Grants*	11,003	6,333	0	-6,333	0
Rescission of Unobligated Balances		[-4,670]			0
Eliminate State & Tribal Emergency Grants				[-6,333]	[-6,333]
State Program Evaluation	2,588	2,641	69	0	2,710
Federal Reclamation Programs - Projects	11,523	7,693	0	-5,170	2,523
• Federally-Managed Emergency Projects	[9,000]	[9,000]			0
Rescission of Unobligated Balances		[-3,830]			
Eliminate Federally-Managed Emergency Projects			0	[-5,170]	[-5,170]
• High-Priority Projects	[972]	[972]			[972]
• Watershed Projects	[1,551]	[1,551]			[1,551]
Federal Reclamation Program - Operations	5,681	5,755	106	-1,497	4,364
Reduce Federal Program Operations				[-1,497]	[-1,497]
Program Development and Maintenance	3,150	3,201	66	0	3,267
Technology, Development & Transfer	3,921	3,970	62	0	4,032
Technical Assistance	1,574	1,599	33	0	1,632
Training	829	844	17	0	861
Technology Transfer	1,518	1,527	12	0	1,539
Financial Management	6,308	6,836	125	0	6,961
Fee Compliance	6,219	6,744	122	0	6,866
Revenue Management	0	0	0	0	0
Grants Financial Management	89	92	3	0	95
Executive Direction and Administration	7,777	8,017	214	0	8,231
Executive Direction	1,350	1,385	43	0	1,428
Administrative Support	2,237	2,283	59	0	2,342
General Services	4,190	4,349	112	0	4,461
Total, Discretionary Funding	170,422	164,702	1,888	-7,222	159,368

Explanatory Note on the Elimination of the State Emergency Grant and Federally-Managed Emergency Project Funding: OSM's FY 2009 enacted budget required unobligated balances for State and Federal emergency funding to be reduced by \$8.5 million. The FY 2008 enacted levels were \$11 million for State emergency grants and \$9 million for Federal emergency projects. The reductions were taken proportionately. Therefore, the FY 2009 funding level shown above for State emergency grants is \$6.333 million (\$11.003m - \$4.670m) and the Federal emergency project funding level is \$5.170 million (\$9.000m - \$3.830m). The FY 2010 budget proposal eliminates funding for both of these activities as shown in the FY 2010 Program Changes column.

**Budget at a Glance
(Dollars in Thousands)**

	2010				
	2008 Enacted	2009 Enacted	Fixed Costs Changes	Program Changes	Request
Mandatory					
Payments to States in Lieu of Coal Fee Receipts (Treasury Funds)	186,971	208,041	0	0	85,400
<i>Prior Balance Replacement</i>	186,971	186,971	0	0	187,000
<i>Less Payments to Certified States and Tribes Certified in Lieu Fund</i>	0	21,070	0	0	-101,600
<i>Less Payments to Certified States and Tribes</i>					39,900
					-39,900
Mandatory Grants to States & Tribes (AML Funds)	87,384	90,031	0	0	147,000
<i>State & Tribal Share</i>	31,807	27,832	0	0	42,800
<i>Historic Coal Fund</i>	45,801	52,518	0	0	91,500
<i>Minimum Program</i>	9,776	9,681	0	0	12,700
Payments to United Mine Workers of America Health Benefit Plans (AML Fund Interest)	100,394	61,224	0	0	102,100
Payments to United Mine Workers of America Health Benefit Plans (AML Fund, prior RAMP balance)	66,771	62,825	0	0	63,800
Total, Mandatory Funding	441,520	422,121	0	0	398,300

Explanatory Note on Mandatory Payments for State AML Grants: Mandatory appropriations for grants to States with remaining abandoned coal mine reclamation problems are estimated at \$232.4 million in FY 2010 (\$85.4 m from Treasury Funds and \$147.0 m from AML Funds). In FY 2009, both non-certified States (those States with remaining abandoned coal mine reclamation problems) and certified States and Tribes (those States and Tribes that have been certified as having completed reclamation of their abandoned coal mines) were provided funding. Consistent with the President's Budget released in February, this proposal eliminates mandatory payments from the Treasury to certified States and Tribes because they do not contribute to the reclamation of abandoned coal mined lands. The total estimated budget reduction in Treasury payments for FY 2010 is \$141.5 million, which includes \$101.6 in prior balance replacement funds and \$39.9 million in certified in lieu funds (current year payments). The Department will work with the Administration to propose action to address this issue.

ENVIRONMENTAL RESTORATION
(Dollars in Thousands)

		2008 Actual	2009 Enacted	2010			Change from 2009 (+/-)
				Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request	
Regulation & Technology *	\$\$\$	267	259	1	0	260	1
	FTE	1	1	0	0	1	0
Abandoned Mine Land**	\$\$\$	33,945	25,623	241	-13,000	12,864	-12,759
	FTE	90	90	0	0	80	-10
TOTAL	\$\$\$	34,212	25,882	242	-13,000	13,124	-12,758
	FTE	91	90	0	-10	80	-10

*FY 2008 includes civil penalty collections of \$111,000. FY 2009 and 2010 include estimated civil penalty collections of \$100,000 for each year.

**The FY 2009 enacted budget reduced unobligated balances for this account by \$8.5 million but did not impact current year budget authority.

FTE rate does not include potential 1 reimbursable for contract work with other Bureaus in FY 2010.

The fixed costs changes of \$242,000 will provide cost of living increase for the projected 80 full-time equivalent employees (FTE) to implement the programs described in this section, as well as the grant program for the permanent appropriations.

In addition to the current appropriations above, OSM will receive an estimated \$398.3 million in permanent appropriations for prior balance replacement (Treasury funds), grants to States and Tribes (AML funds) and payments to the United Mine Workers of America retiree health benefit plans. The permanent appropriations were included as part of the Surface Mining Control and Reclamation Act Amendments of 2006 (Public Law 109-432). See Permanent Appropriations Tab for discussion.

Summary of 2010 Program Changes

Request Component	(\$000)	FTE
State and Tribal Funding		
Decrease in Emergency Funding	-6,333	0
<u>Federal Reclamation Program</u>		
Decrease in Federally-Managed Emergency Projects	-5,170	0
Decrease in Operations	-1,497	-10

Justification of Program Changes

State and Tribal Funding – Emergency Grants (-\$6,333,000): This budget proposal eliminates funding for this Program because of the increase in mandatory funds provided to States by the SMCRA Amendments of 2006. The FY 2009 State grants for emergencies was \$9.7 million based on States' requests. If spending in the program continues as it has, OSM expects that during FY 2010 it will have carryover funding to support State emergency projects that occur during the fiscal year. As discussed under the General Statement, the mandatory spending brought about by the SMCRA Amendments of 2006 will provide more funding to States and will allow them to address more high priority problems, including those with immediate hazards (emergencies). With the elimination of funding for this program, OSM will work with the States to implement policies to allow for a transition in 2010 to ensure future situations that require immediate attention will be covered under State funding.

Federal Emergency Project Funding (-\$5,170,000): This budget proposal eliminates funding for this Program because of the increase in mandatory funds provided to States by the SMCRA Amendments of 2006. OSM has managed emergency abatement projects in States and on Tribal lands where the State or Tribe has no approved regulatory program and in those States that have not been delegated this authority, protecting lives, resources and property and providing immediate relief from abandoned mine hazards that threaten public health and safety. For fiscal years 2002 through 2006, OSM averaged nationwide about \$8.7 million in emergency project expenditures on 201 declared projects, primarily in the Appalachian Region. The anticipated need for FY 2009 is \$8.2 million. OSM expects to have funding available in FY 2010 due to carryover of funds not expended in prior years. The mandatory funding to States will allow them to address more high priority problems including those with immediate hazards (emergencies). With the elimination of funding for this program, OSM will work with the States that have AML programs to implement policies to allow for a transition in 2010 to ensure future situations that impact health and safety will be covered under State funding.

For States without AML programs, OSM will continue its responsibility to address emergency projects in FY 2010 with carryover funding; needs are estimated at \$200,000. Once carryover funding for Federal program emergencies is depleted, OSM will address immediate hazards (emergencies) under its Federal High-Priority Project activity.

Federal Reclamation Program Operations (-\$1,497,000): This budget proposal reduces funding for this activity due to reductions in funding of State and Tribal emergency grants and Federal emergency projects. As Federal involvement in emergency programs is phased out, operation costs will decrease. This reduction of \$1.497 million includes an estimated reduction of 10 FTE; however, that reduction may not be fully realized in FY 2010 due to carryover funding being available for Federal emergency projects. OSM will use available carryover funding to cover potential shortfalls so that operations are maintained during this transition year.

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

The Environmental Restoration business line funds operations and projects for the abandoned mine land program (AML). The program addresses threats to public health, safety, and general welfare through the reclamation of environmental hazards caused by past mining practices. Through this business line OSM has historically provided emergency project funds to States and Tribes for administering their approved AML emergency programs. OSM also 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/water pollution problems.

The total magnitude of the abandoned mine problem is difficult to assess, but 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, and general welfare), or priority 3 (environmental hazards). Since 1977, about 250,000 equivalent acres of priority 1 and 2 health and safety, and environmental-related coal problems have been reclaimed.

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. 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 cleanups not only improve our environment, but also safeguard people and property. In addition, these communities are revitalized through the creation of jobs associated with reclamation projects.

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 grants have moved to permanent appropriations, and only those activities under Section 402(g)(3)(A) – (D) remain discretionary.

A Reassessment of the Abandoned Mine Lands Grants Program was conducted in FY 2007 under the Program Assessment Rating Tool process. The Reassessment concluded that the program meets its objectives of reclaiming and restoring land, and water degraded by coal mining activities conducted prior to 1977, and the program's performance measures address important aspects of AML reclamation. OSM received a rating of "Moderately Effective" under the review.

**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.

ENVIRONMENTAL RESTORATION ENCOMPASSES

State and Tribal Funding

State Program Evaluation

Federal Reclamation Program

- *Program Operations*
- *High Priority Projects*
- *Watershed Cooperative Agreements*
- *Outcrop and Underground Fire Control*
- *Civil Penalty Reclamation*
- *Bond Forfeiture Reclamation*

Program Development and Maintenance

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 2010 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 conversation 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. 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.

Office of Surface Mining Reclamation and Enforcement

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.

Office of Surface Mining Reclamation and Enforcement

Table 1– Justification of Program and Performance, Environmental Restoration
 Summary Increases/Decreases for FY 2010
 (Dollars in Thousands)

Program Activity		Regulation & Technology			Abandoned Mine Lands			Total			Inc/Dec (+/-)	
		2008 Actual	2009 Enacted	2010 Request	2008 Actual	2009 Enacted	2010 Request	2008 Actual	2009 Enacted	2010 Request		
State and Tribal Funding - State Emergency Grants	\$\$\$	0	0	0	11,003	6,333	0	11,003	6,333	0	-6,333	
	FTE	0	0	0	0	0	0	0	0	0	0	
State Program Evaluation	\$\$\$	0	0	0	2,588	2,641	2,710	2,588	2,641	2,710	+69	
	FTE	0	0	0	23	23	23	23	23	23	0	
Federal Reclamation Program	Projects:	111*	100	100	2,523	2,523	2,523	2,636	2,623	2,623	0	
	<i>High-Priority Watershed</i>	\$\$\$			972 1,551	972 1,551	972 1,551					
	<i>Federally Managed State and Federal Emergencies</i>	\$\$\$	0	0	0	9,000	5,170	0	9,000	5,170	0	-5,170
	Operations	\$\$\$	156	159	160	5,681	5,755	4,364	5,837	5,914	4,524	-1,390
		FTE	1	1	1	45	45	35	46	45	35	-10
	Program Dev/Maintenance	\$\$\$	0	0	0	3,150	3,201	3,267	3,150	3,201	3,267	+66
	FTE	0	0	0	22	22	22	22	22	22	0	
TOTAL	\$\$\$	267	259	260	33,945	25,623	12,864	34,212	25,882	13,124	-12,758	
	FTE	1	1	1	90	90	80	91	90	80	-10	

* FY 2008 includes civil penalty collections of \$111,000. Fiscal Years 2009 and 2010 include estimated civil penalty collections of \$100,000 for each year.

NOTE: Federal FTE figures for the Federally-managed State Emergencies are reflected under the Federal Reclamation Programs - Operations. FTE Does not include reimbursables.

2010 PROGRAM PERFORMANCE ESTIMATES

Abandoned Mine Land Fund

The Surface Mining Control and Reclamation Act (SMCRA) established the Abandoned Mine Reclamation Fund (AML Fund) to finance the restoration of land mined and abandoned prior to August 1977. Coal mining had disturbed more than one million acres of land, resulting in significant health and safety problems for coalfield citizens and the public in general. An adequate AML Fund is essential to ensure that these problems are abated by providing the financial resources for State, Tribal, and Federal reclamation efforts. Although substantial progress has been made, approximately \$3 billion of priority 1 and 2 problems that threaten public health and safety remain unreclaimed.

The AML Fund receives revenues through the collection of coal production fees. OSM's authority to collect the fee was extended through September 30, 2021, by the Surface Mining Control and Reclamation Act Amendments of 2006. The fee structure was also modified by the Act. From fiscal year 2008 through fiscal year 2012, the fee rate is 31.5 cents/ton of surface-mined coal; 13.5 cents/ton of coal mined underground; and 9 cents/ton of lignite; or ten percent of the value of the coal at the mine, if that is less. Fees are paid by operators of active mines. Payment of required fees is ensured by the fee compliance activities of the Financial Management business line.

The SMCRA Amendments of 2006 also provide for the mandatory distribution of fees collected to States and Tribes with approved AML programs. Details on the mandatory distribution are contained under the Permanent Appropriations section of this budget request.

The FY 2010 budget, from the AML Fund for Environmental Restoration, will cover discretionary spending for the following activities listed below and presented in detail in this section.

- State Program Evaluation;
- Federal Reclamation Program Operations;
- High-priority coal projects under the Federal Reclamation Program in States and Tribes without approved AML programs;
- Watershed cooperative agreements administered by OSM; 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.

1. State and Tribal Funding

As discussed above, the distribution of funding to States and Tribes for reclamation changed in FY 2008. Under the SMCRA Amendments of 2006, States and Tribes will be receiving mandatory funding based on a new distribution and may continue to fund Clean Streams projects as provided for under the new law. The increase in funding available to the States and Tribes under mandatory grants will allow OSM to begin phasing out Federal responsibility for AML emergency programs. Therefore, OSM's FY 2010 budget eliminates new funding for State Emergency Grants and Federal Emergency Projects. In FY 2010, available funding from carryover will be used to cover immediate needs as we go through this transition. Therefore, a description of this program is contained below.

State Emergency Program Grants

Under provisions of SMCRA, each State AML Reclamation Program may request authority from OSM to administer an AML Emergency Response Program within its borders. 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. Funding for State emergency program operations and emergency abatement projects originates in the Federal Share portion of the AML allocation and is provided to States from the AML Fund. The following fifteen States operate their own emergency programs: Alabama, Alaska, Arkansas, Illinois, Indiana, Iowa, Kansas, Missouri, Montana, North Dakota, Ohio, Oklahoma, Texas, Virginia, and West Virginia.

As discussed above, OSM's FY 2010 budget eliminates new funding for State Emergency Grants because these States received dramatic increases in mandatory funding through the SMCRA Amendments of 2006. For FY 2010, OSM will use available carryover funding to support immediate needs as we go through this transition.

2. 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, which is based on principles of excellence, recognizes that evaluation involves an ongoing relationship between OSM and the State or Tribal agencies - which have the autonomy to run

their programs. OSM is responsible for assisting in program enhancement while monitoring compliance with SMCRA.

This evaluation system does not require that each program be reviewed each year in each of the six areas covered under the principles of excellence. 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 programmatic 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.

3. Federal Reclamation Program

Funding of \$4.5 million is provided for operations associated with the elimination of the environmental hazards associated with past mining in non-primacy States. An additional \$1.551 million is provided for Watershed Cooperative Agreement Projects and \$0.972 million is provided for high priority projects.

This program activity also funds OSM's administration of projects funded by federal civil penalties collected from operators and projects funded from bonds forfeited by operators of federally permitted sites.

a. Federal Emergency Projects

OSM manages emergency abatement projects in States and on Tribal lands where the State or Tribe has no approved regulatory program and is therefore ineligible for an AML program (California, Georgia, Idaho, Massachusetts, Michigan, North Carolina, Oregon, Rhode Island, South Dakota, and Washington) and where the State or Tribe has determined it does not want to have an emergency reclamation program (Colorado, Kentucky, Louisiana, Maryland, Mississippi, New Mexico, Pennsylvania, Tennessee, Utah, and Wyoming). Many coal-producing States, including two with high numbers of emergencies, Pennsylvania and Kentucky, do not have an approved emergency program.

Emergency work provides immediate relief from abandoned mine hazards that threaten public health and safety on federal and Indian lands in States without their own emergency program.

Office of Surface Mining Reclamation and Enforcement

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 where there is frequent human activity, 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 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.

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 an emergency exists, OSM conducts remedial action as quickly as possible to abate the emergency situation.

During FY 2008, the Appalachian Region declared 140 emergencies. Most of the emergencies occurred in Pennsylvania and Kentucky requiring \$5.4 million. Kentucky had 42 declared emergency projects that included: 16 subsidence events, 1 portal opening, abating 4 mine drainage problems, extinguishing 1 underground mine fire, 9 refuse fire abatements, 3 highwalls and stabilizing 9 landslides. In Pennsylvania, OSM declared 98 emergencies comprised of: 2 hazardous gas problems, 82 subsidence problems, 5 portals, 3 vertical openings, 5 mine drainage problems, and 2 landslides. In addition, one project related to subsidence was investigated in Maryland.

During FY 2008, the Western Region declared 6 emergencies. The emergencies included a road subsidence in Colorado, and 5 newly opened mine shafts in Washington. One of the open shafts was on County park land, and the other 4 were on private land. The Western Region spent \$68,730 on emergencies in FY 2008.

As previously discussed, OSM's FY 2010 request eliminates funding for federally-administered emergency programs because of the increase in mandatory funds provided by the SMCRA Amendments of 2006. For FY 2010, OSM will use available carryover funds to support immediate needs as we go through this transition. During this transition, States and Tribes will need to prepare to address projects requiring immediate attention (emergencies). OSM will work with the States and Tribes to ensure that processes are in place to allow high priority projects needing immediate attention (emergencies) to be addressed quickly.

b. Program Operations

OSM performs the work related to emergency reclamation occurrences on federal and Tribal lands and in States without an emergency program. This 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 abandoned coal mining? Time is of the essence; in some instances, abatement activities begin within hours of OSM's initial investigation.

Once the determination is made that the site is eligible for funding as an emergency 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.

c. Federal High-Priority Projects

OSM manages projects in States and on Tribal lands where the State/Tribe is ineligible for an AML program.

In the Appalachian Region, \$218,678 was expended to correct highwall problems on a large abandoned strip mine area in Georgia. In the Western Region, one project, located in Washington, involved the closure of four shafts on private land. In Washington, 10 new mine features were inventoried on private land. A cooperative project in California with the CA Department of Conservation (CA DOC) was funded to reclaim four coal and 4 clay/sand mine hazards in a state park. OSM provided \$40,000 to CA DOC to reclaim the coal mine hazards. The CA DOC will fund reclamation of the clay and sand mine hazards. Total expenditures on high priority projects for the Western region were \$346,740.

The SMCRA Amendments of 2006 authorized the funding of an AML program grant with minimum program funding for Tennessee. Therefore, OSM will not be implementing any new high priority projects in Tennessee; rather, it will support high priority needs in other States.

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 2009 budget request includes \$1.55 million for Watershed Cooperative Agreements, and \$0.15 million for program management, maintenance and assistance in this area. 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 grassroots level of 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 some recent examples of projects funded under the Watershed Cooperative Agreement Program (WCAP):

Pennsylvania Watershed Cooperative Agreement Project - In 2008, The Evergreen Conservancy, in conjunction with the Susquehanna River Basin Commission, the Indiana County Conservation District, and the Office of Surface Mining, constructed the Bear Run Phase I passive treatment system to remove dissolved iron from an abandoned underground mine discharge with an average flow of 239 gpm. Construction of this project removes about 33% of the iron loading entering Bear Run from multiple discharges. Upper reaches of Bear Run have excellent populations of Brook Trout, and the goal is to re-establish a native Brook Trout population throughout the 19 square mile watershed. Restoration of the severely impacted South Branch of Bear Run is an eight phase project being accomplished through a comprehensive plan. Phase's I and III are completed and Phase II is under construction. Phase I was funded by a \$100,000 grant from Pennsylvania's Growing Greener Program and \$30,000 from OSM's Watershed Cooperative Agreement Program.

Dempsey Borehole AMD Treatment Project - The Dempsey Borehole acid mine drainage treatment project is located near the Town of Fayetteville, West Virginia, on Laurel Creek of the New River. The project addressed an artesian flow from an abandoned underground mine that experienced a blowout in the late 1970's.

The West Virginia Department of Environmental Protection (WVDEP) initially proposed to address the Dempsey Borehole as a high priority health and safety abandoned mine land project to abate existing flooding problems and prevent a catastrophic sudden release of water from the mine working through an abandoned drilled borehole. An artesian flow (high in iron) from the mine workings several hundred feet below the surface was discharging through the borehole and flooding the public road, then discharging directly into Dempsey Branch. The Plateau Action Network (PAN) partnered with the WVDEP through a watershed cooperative agreement to direct the water discharging from the damaged borehole, through an oxidizing tower, and into a pond for settlement of the iron. PAN also planted trees in the reclaimed area to improve aquatic habitat. This cooperative effort not only addressed the health and safety issues of the abandoned mine land problem, but allowed for improvements in stream quality, biological improvements, and visibly improved aesthetics in the watershed.

The Waal West AML/AMD Project, Iowa - This site consisted of approximately 20 acres of highly eroded spoils. High-walls, large erosion gullies, acidic spoil material, and sparse vegetation were indicative of the effects of past coal mining activities. The acidic soil was highly erodible, rain water run-off cut deep gullies through the spoil, transporting large volumes of acid mine drainage material to the surrounding area, killing vegetation and damaging downstream habitat. The acid forming materials were deposited into the Muchakinock Creek.

Reclamation activities included removing the high-walls, neutralizing of the acid forming material prior to re-vegetation activities, rerouting water through a terrace system and ponds, and creating approved wetlands before water is discharged into the downstream creek that empties into the South Skunk River. A new pond was constructed directly in treated spoil materials. The Izaak Walton League (Ikes) a partner in the reclamation project will now develop fish habitat structures and place them in a public fishing pond and construct a fishing dock. Nest boxes and a bird viewing blind will be constructed and placed on the sites. A walking trail will be developed and trees will be planted. Educational signs giving an interpretation of the area, the effects of mining and subsequent reclamation activities, will be shared with the general public by the Ikes members.

The Westercamp AML/AMD Project, Iowa - This site consisted of approximately 32 acres of highly eroded acidic spoils materials with deep gullies, vertical openings, subsided areas, an active polluted spring and clogged stream. During rain events the acidic sediment was carried downstream killing vegetation and damaging aquatic life and wildlife habitat as it entered the nearby Muchakinock Creek. The site was last mined in the early 1950's.

The reclamation activities were accomplished through a partnership effort with the Mahaska Soil and Water Conservation District (SWCD) and Pathfinders Resource Conservation and Development Area, Inc. (RC&D). These reclamation activities included the grading of the spoil

piles, conditioning the soil, and the establishment of vegetative ground cover. Agricultural limestone was incorporated into the top 12 inches of the subgrade to neutralize the acidic spoil material. Terraces were constructed, and grasses and forbs were planted to help control erosion of acidic spoil by surface water runoff. The vertical openings were backfilled and closed. The spring water was treated to reduce the amount of acid mine drainage entering the Muchakinock Creek.

High Point Landslide, Tennessee - The High Point Landslide resulted from post-SMCRA mining that occurred on an OSM issued permit. The landslide occurred after the OSM permit was released. The project work scope of this FY 2008 watershed cooperative agreement consists of constructing a diversion ditch above the landslide to divert surface drainage away from the landslide area, and thereby reduce saturation of the landslide mass. The diversion design will incorporate a designed geo-synthetic clay liner. All associated disturbances will be revegetated upon diversion construction completion. Under the cooperative agreement being managed by the Tennessee Department of Environment & Conservation (TDEC), the construction contract for this reclamation work was awarded for \$39,605 in December 2008.

e. Outcrop and Underground Fire Control Projects

Pursuant to Public Law 83-738, as amended by Public Law 102-486 (Energy Policy Act of 1992), project funds are provided to control or extinguish outcrop and underground fires. Funds for this purpose are provided by the Regulation and Technology appropriation to control or extinguish coal fires. OSM costs of administering these projects are included in the AML budget request. These projects are not eligible for funding under the AML program. Coal outcrops are ignited by forest/brush fires, lightning, and campfires and occur mostly in the western States. The purpose of these projects is to prevent injury and loss of life, protect public health, conserve natural resources and protect public and private property. This program was originally authorized under the former Bureau of Mines and subsequently transferred to OSM.

Examples of projects funded include: In FY 2008, a new coal outcrop cooperative agreement was awarded to North Dakota in the amount of \$14,887 to suppress coal outcrop fires in the same part of the State. The fires are a potential hazard to grasslands and structures. In early FY 2007, the Navajo Nation completed extinguishing the Shonto coal outcrop fire on Navajo Nation Partition Land. Total cost of the project was slightly over \$700,000. Navajo AML partnered with the Hopi AML Program and Peabody Western Coal Company in the completion of this coal fire project to reduce costs and make the project feasible. The project involved excavating and extinguishing coal and creating a barrier against the seam to prevent future coal fire(s). This is the third underground coal outcrop fire addressed by the Navajo AML Program to date.

f. Civil Penalty Reclamation Projects

Federal civil penalties collected under Section 518 of SMCRA are authorized for reclaiming lands mined and abandoned after passage of SMRCA on August 3, 1977. These funds are derived from civil monetary 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.

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Since the major coal producing States administer their own programs, civil penalty revenues available to OSM have decreased to levels that are not sufficient for all emergency post act reclamation needs. Examples of assistance provided with these funds in 2008 include:

OSM provided \$60,000 of Federal Civil Penalty Funding to assist Indiana in the reclamation of the McCawith Energy, Rainbow Mine. A total of \$425,000 was forfeited to the State, and reclamation of a portion of the site was completed in 2006-2007 at a cost of \$548,000. Afterwards, there remained 80 acres of refuse, spoil, pits, unstable slopes and barren areas. The potential for a catastrophic failure of a large impoundment on site was of particular concern. The bid amount for remaining reclamation was \$969,000. Indiana designed the reclamation project, which included pit dewatering, burying refuse, grading spoil, and excavation and placement of cover material. Erosion control structures were constructed, positive drainage established, and the site was reclaimed to pasture and hay land use. The State constructed a dam ensuring against impoundment failure. The project was completed in 2008.

OSM provided \$8,700 of Federal Civil Penalty Funding to assist Arkansas in the reclamation of the Scott Branch H.E.S., Inc, Scott Branch. A total of \$44,465 was forfeited to the State in 2000, and reclamation of a portion of the site was completed in 2003. Additional work was completed in 2005. After reclamation of this site, an Acid Mine Drainage (AMD) seep appeared in the buried material north of the sediment pond access road. This seep drained into a ditch and through a culvert under the access road and entered into the pond. The bid amount for the remaining reclamation was \$10,660. Utilizing the civil penalty funds, the State installed limestone amendments to the eroded/exposed AMD material. The project was completed in 2008.

The Commonwealth of Pennsylvania was granted \$18,000 for design of an active treatment system for two untreated Acid Mine Drainage seeps on a Bond Forfeiture site (Delta Mining, Bashore Mine). These seeps are degrading the entire length of Shafer Run which runs approximately two miles to the re-emerging fishery on the Casselman River. Design costs are needed to convert two existing sediment ponds into limestone beds, and to divert one of the seeps with a cut-off trench. A chemical treatment system will be constructed for both discharges. Both the Casselman River Watershed Association and the Somerset Conservation District have viewed the site and expressed interest in taking over site maintenance. This project is an opportunity to clean up the entire Shafer Run tributary and benefit a significant fishery on the Casselman River. A project consultant has been selected and the design is anticipated to be completed in May or June 2009 with construction to follow soon thereafter.

OSM provided Tennessee's Department of Environment & Conservation \$64,000 in civil penalty money to correct acid mine drainage (AMD) issues that developed on previously reclaimed bond forfeitures (A&W Reclamation Project). A total of 72 acres were involved with three abandoned mine sites whose reclamation bonds were subsequently forfeited.

g. *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 programs. Forfeited funds are site-specific and cannot be used to reclaim other sites or for other purposes. 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 FY2009, OSM anticipates reclaiming 22 acres associated with underground mining and 8.5 acres of abandoned haul roads from newly forfeited performance bonds at cost of \$170,000. OSM also expects to perform maintenance work on approximately 312 acres from the balance of funds available at 22 previously forfeited sites at cost of \$191,254. In both instances, the reclamation will consist of highwall eliminations, backfill and grading, establishing drainage control, revegetation, tree planting and reconstruction of a passive treatment system. In FY 2010, it is not anticipated that OSM will forfeit any performance bonds. However, OSM expects to continue performing maintenance work on approximately 40 acres from previously forfeited sites at a cost of \$55,500. The work on these sites involves establishing erosion control, drainage control, revegetation, and tree planting. For both fiscal years the costs will vary on each site depending on the type and extent of work that needs to be performed.

4. Program Development and Maintenance

This program activity provides \$3.2 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

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decisions in a collegial manner. Examples of activities are: (1) working with States/Tribes to develop improved strategic plan measurements for the AML program; (2) participating with EPA in conducting a Brownfields workshop for States and local watershed organizations; (3) holding meetings/workshops with the State/Tribal grantees to provide training for new employees to keep them abreast of policies and procedures and to solicit their input on issues in the grants program; and (4) working with the National Association of Abandoned Mine Land Programs (NAAML) to decide winners of the annual AML Reclamation Awards.

Since August 2007, OSM has worked with the Tennessee Department of Environment and Conservation (TDEC) through correspondence, discussions, and meetings toward submitting a revised and streamlined approved Abandoned Mine Land Reclamation (AMLR) Plan that includes all changes mandated by Federal law and regulations related to Title IV of SMCRA which have occurred since 1984. In January 2009, TDEC agreed to have an informal draft of the revised AMLR Plan to OSM by April 15, 2009.

OSM completed four amendments in FY 2007. This level is expected to increase during FY 2009 and 2010 as programs are reviewed and revised to incorporate provisions under the SMCRA Amendments of 2006.

During FY 2008, the State Reclamation Plan amendment activity was as follows:

Table 2 – State Reclamation Plan Activity FY 2008				
<i>Number of Amendments</i>				
	Pending Oct. 1, 2007	Received FY 2008	Completed FY 2008	Pending Sept. 30, 2008
Total	2	2	2	1

a. AML Inventory

OSM manages the National AML Inventory, which serves as a planning and evaluation tool for the States, Tribes, and OSM. The States and Tribes also use the inventory to assist them in planning to make funding decisions and to report program accomplishments. The inventory is maintained on a computer system known as the Abandoned Mine Land Inventory System (AMLIS). AMLIS is the system OSM uses to record and report AML Program accomplishments under GPRA.

In accordance with the requirements of SMCRA, AMLIS contains data for known eligible Priority 1 and 2, pre-SMCRA coal reclamation problems. Each problem is classified as unfunded, funded or completed. The 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.

A WEB based version of AMLIS was deployed in FY 2003 and is currently being enhanced to, among other things, implement requirements of the SMCRA Amendments of 2006. It enables the public to readily access information in OSM's Abandoned Mine Land Inventory via OSM's website at <http://www.osmre.gov/aml/AMLIS/AMLIS.shtm>. They 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. States, Indian Tribes, and OSM have access to electronically enter and modify information in AMLIS.

b. Grants Management

OSM supports and participates in the Administration's E-Government initiative, and Health and Human Services' government-wide electronic grants announcement and application system (Grants.gov), and the Department of the Interior's grants simplification efforts based on Public Law 106-107. OSM is now using DOI's 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 the system 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. The day-to-day grants and program management is performed in regional/field offices. 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 published a final rule on November 14, 2008, (73 FR 67576) implementing the AML program changes in the SMCRA Amendments of 2006. This rule revises OSM's rules to be consistent with the Tax Relief and Health Care Act of 2006 (P.L. 109-432). The final rule covers changes to current regulations in three categories, it:

- Aligns our existing regulations to be consistent with the 2006 amendments to SMCRA as interpreted by the M opinion;
- Uses plain English to make the regulations easier to understand where no substantive change is intended; and
- Provides further guidance and clarification on implementation of the 2006 amendments where appropriate or needed.

2009 PLANNED PROGRAM PERFORMANCE

In 2009, the planned activities in the Environmental Restoration program activity include:

- Through grants provided to States and Tribes, 6,900 equivalent acres of abandoned coal mine sites will be reclaimed. This includes completion of several projects started in States and on Indian Lands in earlier years.
- Continue partnerships and related reclamation by awarding approximately 15 watershed cooperative agreements.
- Continue to use funds from civil penalty projects to reclaim eligible sites.
- Continue partnerships with other organizations such as VISTA and EPA Brownfield sites.
- Achieve performance targets as shown on the goal performance table at the end of this section.

2008 PROGRAM ACCOMPLISHMENTS

In 2008, the major accomplishments in the Environmental Restoration program activity include:

- OSM initiated a rulemaking process to formally incorporate the program provisions from the 2006 amendments to SMCRA. This was completed in early FY 2009.
- OSM awarded 18 watershed cooperative agreements in 6 States.
- Supported 22 watershed interns.
- Declared over 140 emergencies under the Federal Emergency Program.
- Provided grants to States and Tribes, both mandatory funding and emergency funding.
- Supported the National Fish Habitat Action Plan, authorized through the National Fish Habitat Conservation Act, to address the nationwide crisis of fish habitat loss and degradation. Two AML projects were included as part of the “10 Waters to Watch” for 2008:
 - **Aaron Run (Maryland)**. This mountain stream is the last tributary to enter the Savage River before the Savage empties into the Potomac River headwaters. While relatively small, Aaron Run has a disproportionate impact on fish populations in the Savage River. Maryland fisheries experts estimate that fish populations may increase up to 60% once the acidic chemical input from Aaron Run is neutralized.

- o **Williams Run (Pennsylvania).** Aquatic habitat in Williams Run has been severely damaged by acid mine drainage (AMD). Water conditions were degraded with a very low pH, no alkalinity, and both iron and aluminum contamination. This point-source pollution left the stream uninhabitable for brook trout and other aquatic life. This restoration is expected to provide a unique remote trout fishing opportunity on public lands managed by the Pennsylvania Game Commission. Williams Run tributaries are already home to wild brook trout populations, and restoration of the Williams Run mainstem will add another 9 miles of healthy stream habitat.

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ENVIRONMENTAL RESTORATION

Program Performance Overview											
End Outcome Goal 1.1: Resource Protection – Improve Health of Watersheds, Landscapes, and Marine Resources											
End Outcome Measure / Intermediate or PART Measure / PART Efficiency or other Outcome Measure	Type	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
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) (PART)	F	6,965	6,533	6,983	6,658	6,900	9,909	6,900	7,700	+800	12,400
Total Actual/Projected Costs (\$000)		\$199,723	\$185,336	\$199,515	\$206,985	\$206,808	\$206,808	\$213,726	\$257,399	\$43,673	-----
Actual/Projected Cost per GPRA Acre (in dollars)		\$28,675	\$28,369	\$28,571	\$31,088	\$29,972	\$21,106	\$30,975	\$33,428	\$2,454	-----
Comments		The 2008 results were higher than the target due to an increase in the number of problems addressed. In FY 2007, 306 problems were addressed compared to 334 in FY 2008. This resulted in a 50% increase over the FY 2007 actual acres reclaimed. While the level of mandatory funding will increase significantly in 2010 there is a 2-3 year lag between when a project is funded and completion, due in part to the complexity of reclaiming the site and time to award construction contracts. Consequently the number of acres reclaimed does not increase proportionally to the increase in available funding in FY 2010. The increase in the target goal in FY2010 is attributed to the increased mandatory funding distributed to non-certified states in FY2008. It should be noted that the SMCRA Amendments of 2006 do not change the scope of the AML reclamation program and related acres reclaimed.									
Contributing Programs:		FY2009: Includes all discretionary funding under Resource Protection (\$35,455), and mandatory funding to non-certified States (\$178.3 million). FY 2010: Includes all discretionary funding under Resource Protection (\$24,999), and mandatory funding to non-certified States (\$232.4 million)									
Number of active partnering and leveraging agreements. (BUR)	C	74	110	55	53	15	18	15	13	-2	14
Comments		The FY2010 target reflects the current and projected economic uncertainties. Watershed groups are facing difficulties in raising matching funds to support projects.									

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Program Performance Overview											
End Outcome Goal 1.1: Resource Protection – Improve Health of Watersheds, Landscapes, and Marine Resources											
End Outcome Measure / Intermediate or PART Measure / PART Efficiency or other Outcome Measure	Type	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
The amount of increased funds derived from active partnering and leveraging agreements. (BUR)	A	8,179,634	27,692,333	5,800,000	28,963,461	3,750,000	6,098,316	3,750,000	3,125,000	-625,000	3,375,000
Comments		The FY2010 target reflects the current and projected economic uncertainties. Watershed groups are facing difficulties in raising matching funds to support projects. The ratio of leveraged funds to projects continues at 2.4:1									
Provide appropriate grant funding within 60 days of a complete grant application for abandoned mine lands grants (PART-EFFICIENCY)	A E	UNK	UNK	100%	100%	90%	100%	90%	93%	+3%	96%
Comments		This measure was established in FY 2007. Trend data shows performance at 100%. OSM will review the program and revise targets as needed.									
Program Performance Overview											
End Outcome Goal 4.1: Serving Communities – Improve Protection of Lives, Resources, and Property											
End Outcome Measure / Intermediate or PART Measure / PART Efficiency or other Outcome Measure	Type	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
Number of people with reduced exposure potential to safety risks from abandoned mine lands. (PART)	F	160,257	2.244 million	393,728	270,102	160,000	255,846	160,000	160,000	0	160,000
Comments		This measure is the counterpoint to the “AML acres reclaimed” performance measure (see Resource Protection “Federal, private, and tribal land and surface water acres reclaimed or mitigated from the effects of natural resource degradation from past mining”). The calculation of this measure correlates to the “AML acres reclaimed” performance measure by measuring the number of people on or near the abandoned mine land that has been reclaimed. The number has fluctuated in the past because the current methodology allows for two options to count the number of people with reduced exposure to safety risks – (1) States can choose to enter data or (2) if a State does not enter data then a Census generated figure is used in the calculation.									
Number of people directly affected (Emergencies abated). (PART)	A	11,400	8,975	32,601	43,580	8,300	68,764	8,300	16,700	+8,400	16,700
Percentage of declared emergencies abated within six months. (PART-EFFICIENCY)	A E	98%	96%	97.8%	98.5%	95%	99.7%	95%	95%	0%	95%
Target Codes: SP = Key Strategic Plan measure; PART = Program Assessment Rating Tool measure; BUR = Bureau specific measure; UNK = Prior year data unavailable; NA = Long-term targets are inappropriate to determine at this time. Type Codes: C=Cumulative; A=Annual; F=Future; E= Efficiency											

ENVIRONMENTAL PROTECTION

(Dollars in Thousands)

		2008 Actual	2009 Enacted	2010			Change from 2009 (+/-)
				Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request	
Regulation & Technology	\$\$\$	87,425	88,425	568	5,778	94,771	+6,346
	FTE	187	187	0	0	187	0
Abandoned Mine Land	\$\$\$	0	0	0	0	0	0
	FTE	0	0	0	0	0	0
TOTAL	\$\$\$	87,425	88,425	568	5,778	94,771	+6,346
	FTE	187	187	0	0	187	0

The fixed costs changes of \$568,000 will provide cost of living increases for the projected 187 full-time equivalent employees (FTE) to implement the programs described in this section.

Summary of 2010 Program Changes

Request Component	(\$000)	FTE
<u>State and Tribal Funding</u>		
• Increase in State and Tribal Funding	+5,778	0
Total Program Changes	+5,778	0

Justification of 2010 Program Changes

State and Tribal Funding (+\$5,778,000):

The FY 2010 Budget requests an additional \$5.778 million to States and Tribes in grants to ensure adequate funding of State regulatory programs and to enhance tribal primacy over coal regulation. This increase fully funds States and Tribes requests and supports the balance of coal production and the restoration of mined lands.

Ensure State Regulatory Grant Funding (50% Match)

OSM's mission is to carry out the requirements of the Surface Mining Control and Reclamation Act in cooperation with the States and Tribes. Over a billion tons of coal are produced each year in the U. S., which provides 50 percent of the Nation's electricity. For the first time, OSM's budget proposal of \$71.314 million for State and Tribal funding will fully support the States and Tribes funding requests.

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It is important to have properly mined coal and to see that land is reclaimed in accordance with land use plans established during the permitting process. State permitting actions and inspections of mine sites are among the most important ways to determine if the law is being implemented and to ensure a safe environment to both the public and land health during mining. There has been an increasing gap between the identified needs of the States and Tribes and the amount granted for those needs. Just as with the Federal government, state regulatory programs are personnel intensive, with salaries and benefits constituting upwards of 80 percent of total program costs. States must have sufficient staff to complete permitting, inspection and enforcement actions needed to ensure that mining is conducted in a way that protects citizens of the coalfields while protecting land and water resources. Another important aspect is that of coal production. Coal production is projected to increase with continued production at a positive level in future years due to an anticipated increase in export demand. Properly regulating the current and future levels of activity will require adequate funding for State and Tribal regulatory staff.

This additional funding will also enhance Tribal Primacy. The Surface Mining Control and Reclamation Act Amendments of 2006 provide for Tribes to apply for, and obtain approval of, Tribal programs regulating in whole, or in part, surface coal mining and reclamation operations on reservation land under their jurisdiction. The legislation also provides for 100 percent funding of the costs of developing, administering, and enforcing an approved Tribal program. The Navajo Nation is preparing its application package for primacy and will be coordinating the package with its Tribal Council before submitting to OSM. We anticipate the application from the Navajo Nation in 2009. The Crow and Hopi Tribes are also considering submitting application packages in 2010 or later. They will be seeking additional funding to support preparing their application packages.

As shown in the following chart and graph, funding levels for the States and Tribes have been below their requests for some time. Just recently, appropriation levels have caught up to the requests and this budget request will allow for full funding of those requests.

Office of Surface Mining Reclamation and Enforcement

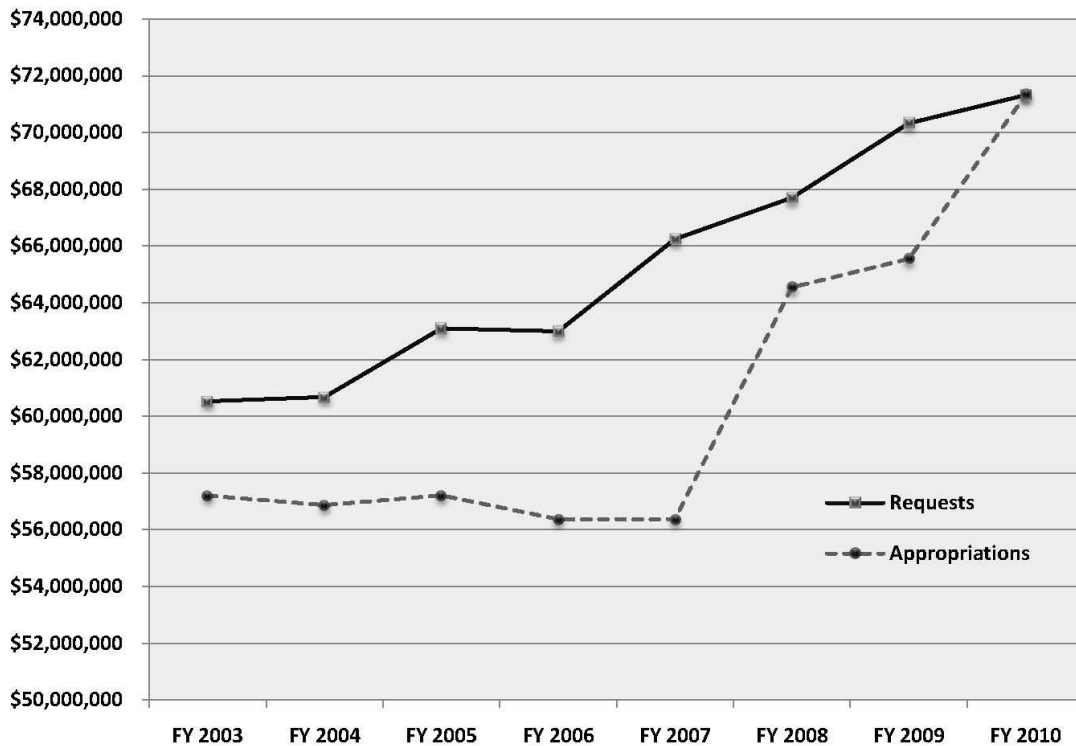
**Office of Surface Mining
History of Regulatory Grant Funding and Requests FY 2003-2010**
(dollars in thousands)

	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
Appropriations	\$57,201	\$56,866	\$57,207	\$56,365	\$56,365	\$64,536	\$65,536	\$71,314
Year-to-year Change		(\$335)	\$341	(\$842)	0	\$8,171	\$1,000	\$5,778
State/Tribal Requests	\$60,528	\$60,676	\$63,095	\$62,996	\$66,239	\$67,694	\$70,324	\$71,314
% of Request Funded	94%	94%	91%	89%	85%	95%	93%	100 %

Data Sources:

Appropriations: FY 2003-2009 enacted budgets; FY 2010 budget request.
Requests are based on estimates received from States and Tribes.

**Regulatory Grants (FY 2003 - FY 2010)
Appropriations, State and Tribal Requests**



**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 public health, safety, and general welfare from the adverse affects of current mining, and restoration of land at the conclusion of mining. Current coal mining operations include over 4.4 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 \$8.5 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.

The regulatory grants, state evaluation, and Federal programs have been reviewed under the Program Assessment Rating Tool process and all programs were determined to be “Effective.” OSM will continue to work with the States and Tribes to obtain more detailed data to represent the performance measures established, and will continue to review baseline data and target for all performance measures.

***ENVIRONMENTAL PROTECTION
ENCOMPASSES:***

State and Tribal Funding

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

Federal Program

Federal Lands Program

Indian Lands Program

State Program Evaluation

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 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 mineral 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.

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 re-mining efforts, and to ensure that contemporaneous reclamation is occurring. OSM will continue to practice cooperative conversation 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

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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 2010, the President's Budget requests \$71.3 million to fund 24 State regulatory programs at the maximum 50 percent federal match level and one Tribal regulatory program at 100 percent. Additionally, this amount will provide full funding for up to 14 federal lands cooperative agreements with States and full funding of two or three Tribal regulatory program development grants.

The FY 2010 budget request includes \$8.6 million to continue its State program oversight activities and \$6.0 million to fund regulatory programs in non-primacy States such as Tennessee and Washington. Also included in the FY 2010 budget request is \$1.5 million for OSM to regulate federal lands, \$2.5 million for regulatory programs on Indian Lands, and \$4.8 million for program development and maintenance to ensure that regulatory standards adequately reflect changes in technologies and program needs.

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 2010 and support this budget request.

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**Table 3 – Justification of Program and Performance
Environmental Protection**

Summary Increases/Decreases for FY 2010
(Dollars in Thousands)

Program Activity		Regulation & Technology			Abandoned Mine Lands			Total			Inc/Dec (+/-)
		2008 Actual	2009 Enacted	2010 Request	2008 Actual	2009 Enacted	2010 Request	2008 Actual	2009 Enacted	2010 Request	
State and Tribal Funding	\$\$\$	64,536	65,536	71,314	0	0	0	64,536	65,536	71,314	+5,778
	FTE	0	0	0				0	0	0	0
State Program Evaluation	\$\$\$	8,387	8,387	8,630	0	0	0	8,387	8,387	8,630	+243
	FTE	80	80	80				80	80	80	0
Federal Programs	\$\$\$	5,845	5,845	5,981	0	0	0	5,845	5,845	5,981	+136
	FTE	45	45	45				45	45	45	0
Federal Lands	\$\$\$	1,521	1,521	1,540	0	0	0	1,521	1,521	1,540	+19
	FTE	6	6	6				6	6	6	0
Indian Lands	\$\$\$	2,400	2,400	2,461	0	0	0	2,400	2,400	2,461	+61
	FTE	20	20	20				20	20	20	0
Program Dev/Maintenance	\$\$\$	4,736	4,736	4,845	0	0	0	4,736	4,736	4,845	+109
	FTE	36	36	36				36	36	36	0
TOTAL	\$\$\$	87,425	88,425	94,771	0	0	0	87,425	88,425	94,771	+6,436
	FTE	187	187	187				187	187	187	0

2010 PROGRAM PERFORMANCE ESTIMATES

1. State and Tribal Funding

The \$71.3 million requested for FY 2010 for State and Tribal Funding will fully fund the State and Tribal requests for FY 2010. 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. 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 a 50-percent match of federal funds to primacy States in the form of Administration and Enforcement Grants results in the highest benefit and the lowest cost to the Federal Government. If a State were to relinquish primacy, OSM would have to hire sufficient numbers and types of federal employees to implement the program. The cost to the Federal Government would be significantly higher.

b. State Regulatory Activities

Activities of State regulatory authorities include: permit review and issuance, with reliance on 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.

c. Cooperative Agreement Funding

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.

Currently, the following 14 States have entered into cooperative agreements with OSM to administer most surface coal mining requirements 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 FY 2007. Applications for tribal primacy could be submitted by tribes during the 2009-2010 budget and continued in 2008.

**Table 4 – Fiscal Year 2010 State and Tribal Regulatory Funding Estimates
(Federal dollars only)**

The amounts below are based on the FY 2009 funding levels and FY 2010 State and Tribal grant requests (18-month estimates). They represent 50% of the costs to regulate surface coal mining on non-federal lands and 100% of the costs on federal and tribal Lands. Actual grant awards will be based on historical expenditures, justifications by the States, and OSM evaluations.

State	Non-Federal Lands (Federal Share)	Federal Lands	Total
Alabama	1,407,541	20,000	1,427,541
Alaska	274,460	0	274,460
Arkansas	148,160	0	148,160
Colorado	1,074,285	1,483,536	2,557,821
Illinois	2,686,543	310,280	2,996,823
Indiana	2,163,848	0	2,163,848
Iowa	95,788	0	95,788
Kansas	153,332	0	153,332
Kentucky	12,352,627	1,270,200	13,622,827
Louisiana	195,804	0	195,804
Maryland	775,593	0	775,593
Mississippi	159,863	0	159,863
Missouri	229,701	0	229,701
Montana	437,786	888,838	1,326,624
New Mexico	493,272	390,728	884,000
North Dakota	561,359	240,582	801,941
Ohio	3,120,361	217,056	3,337,417
Oklahoma	997,448	186,522	1,183,970
Pennsylvania	14,012,087	0	14,012,087
Texas	1,829,815	0	1,829,815
Utah	741,217	1,504,895	2,246,112
Virginia	4,102,460	0	4,102,460
West Virginia	12,238,047	0	12,238,047
Wyoming	577,896	1,715,341	2,293,237
State Totals	60,829,293	8,227,978	69,057,271
Crow	0	358,688	358,688
Hopi	0	475,470	475,470
Navajo	0	1,422,571	1,422,571
TOTALS	\$60,829,293	\$10,484,707	\$71,314,000

2. State Program Evaluation

State Program Evaluation activities ensure the efficient operation of State regulatory programs.

a. Oversight Strategy

OSM's current oversight strategy focuses on whether the public protection requirements and environmental protection standards of SMCRA are being met, with primary focus on end results and the on-the-ground success of States in meeting SMCRA's environmental protection goals. This includes prompt and effective reclamation of coal mine land and public participation in the regulatory program.

OSM conducts oversight under a results-oriented strategy that emphasizes cooperative problem solving with the States, evaluations tailored to State-specific conditions, and the development of performance agreements. This strategy has promoted a more positive attitude and spirit of cooperation that lets OSM work cooperatively with the States to improve State program implementation. OSM continues to review and refine its oversight strategy to provide clarity in guidance and consistency in oversight and evaluation.

b. OSM-State Performance Agreements

OSM's oversight directive outlines the performance agreement as a framework for OSM and the State to agree on a plan to conduct oversight activities. Joint efforts to prepare workable performance agreements also maintain and improve the relationship between OSM and the State, fostering shared responsibilities and a more open discussion of difficult issues.

Inspections are identified in performance agreements and are planned and conducted to collect data relative to the oversight directive and the annual evaluation report. Many reviews are designed to investigate previously identified areas of concern. Inspections often are the means to collect the data. Joint inspections with the States provide the opportunity for OSM's Field Offices to work cooperatively with the States and industry to resolve problems.

c. Public Participation

OSM's oversight directive provides great flexibility to conduct oversight activities in a manner consistent with the needs of individual State programs. Central to identifying potential needs and oversight topics are the views of the public. Periodic meetings are held by OSM Field Offices to identify public concerns regarding coal mining regulatory programs.

d. 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. OSM's policy gives its regional and field managers discretion and flexibility to be proactive and to prioritize and selectively target their inspections to focus on those topics and activities that present the best opportunity for

environmental improvement or the best means of evaluating the impact of program implementation on society and the environment. For example, inspections may focus on high-priority problems such as acid mine drainage, impoundments and other problem areas, as well as current coal mining operations and abandoned mine sites awaiting reclamation. This policy allows for the most effective use of available resources.

Consistent with the intent of SMCRA that States take the lead in regulating coal mining, States performed 82,281 inspections in 2008. OSM conducted 1,401 oversight inspections in primacy States during that year. See Table 5.

The projected FY 2009 and 2010 oversight inspection workload will be about the same as in FY 2008. The actual number will be adjusted 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.

In addition, the Applicant Violator System (AVS) Office continues to promote the use of alternative enforcement to compel compliance with SMCRA through outreach and marketing efforts. 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 through FY 2010.

e. Ten Day Notices

The primary emphasis of inspections is to identify issues and resolve them before they become problems and to evaluate whether SMCRA's environmental protection and reclamation goals are being achieved. When a federal inspection reveals violations of State programs (other than imminent danger of significant environmental harm or danger to the public, both of which require immediate issuance of a cessation order) and the State does not take prompt action, a Ten-Day Notice (TDN) is issued to the State. All such notices require written responses from the State regarding the actions taken to resolve the alleged violations, or a statement of good cause for not taking such action. A federal review, which may include a field inspection, is conducted following a TDN when the State does not act or show good cause for not doing so. If the review or inspection shows that a violation exists, and the State fails to take appropriate action, a federal enforcement action may be taken. While OSM does not second-guess States on judgment calls, the agency's ability to take enforcement actions to address isolated State program violations is far less drastic, disruptive, and costly than a federal takeover.

The inspection component also includes the process for addressing citizen requests for a federal inspection. Citizen requests received by OSM in primacy States are referred directly to the State regulatory authority using the TDN process, unless there is evidence that imminent danger of significant environmental harm or immediate danger to the public exists. In such cases, OSM will immediately conduct a Federal inspection. The State official and citizen requestor are notified prior to the inspection and given the opportunity to accompany the inspector when a federal inspection is conducted.

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Table 5 provides FY 2008 data on the number of state inspections and OSM oversight inspections conducted in primacy states. State data is for the time period of July 1, 2007, through June 30, 2008.

Table 5 – FY 2008 Primacy State and OSM Inspections				
	STATE			OSM TOTAL
	PARTIAL	COMPLETE	TOTAL	
Alabama	368	2,328	2,696	19
Alaska	52	13	65	0
Arkansas	76	32	108	3
Colorado	255	168	423	7
Illinois	795	397	1,192	93
Indiana	959	713	1,672	73
Iowa	0	8	8	0
Kansas	72	34	106	5
Kentucky	14,723	7,683	22,406	329
Louisiana	16	8	24	5
Maryland	616	339	955	21
Mississippi	8	4	12	3
Missouri	75	52	127	10
Montana	82	84	166	6
New Mexico	88	40	128	2
North Dakota	565	130	695	15
Ohio	2,411	1,198	3,609	209
Oklahoma	302	246	548	12
Pennsylvania	10,558	6,691	17,249	214
Texas	252	123	375	3
Utah	187	121	308	12
Virginia	2,765	1,838	4,603	93
West Virginia	16,309	8,092	24,401	262
Wyoming	262	143	405	5
Total	51,796	30,485	82,281	1,401

3. Federal Programs

Federal 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.

Tennessee is the largest Federal program in terms of the number of permits. The two mines in the state of Washington are not currently producing, 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. The following bullets highlight key characteristics of two of the largest Federal programs, Tennessee and Washington:

- Tennessee: There are 21 active coal producing sites, 22 active non-producing sites, (tipples, preparation plants, etc.), 126 mine sites that are inactive, (either in temporary cessation or undergoing reclamation activities), and 182 abandoned sites in Tennessee. Coal production has stabilized in recent years at approximately 3 million tons annually. While OSM has discussed the possible return of primacy to Tennessee with State officials on numerous occasions over the years, there continues to be no interest shown in assuming the program.
- 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. The company has secured a long-term contract for coal from Wyoming. OSM is working with the company to revise reclamation schedules so that all reclamation will be accomplished as soon as possible. TransAlta is preparing a new permit application for an adjacent area with potentially more favorable mining costs.

The John Henry No. 1 Mine, covers 480 acres near the City of Black Diamond. From 1986 through 1999, production reached 300,000 tons per year. Since 1999 there has been minimal production. The Company continues to pursue contracts and went into temporary cessation in 2008.

Table 6 provides inspection and enforcement data for Federal program States during FY 2008.

Table 6 – FY 2008 Federal Program States Inspection / Violation Data					
STATE	INSPECTIONS			NOV'S	FTA CO'S
	COMPLETE	PARTIAL	TOTAL	VIOLATIONS	VIOLATIONS
Tennessee	585	951	1,536	64	16
Washington	9	17	26	0	0
TOTALS	594	968	1,562	64	16

4. Federal Lands Program

This program activity includes direct OSM regulatory activities on Federal lands in States without cooperative agreements, implementation of cooperative agreements with primacy States to regulate coal mining on Federal lands within their borders, preparation of mining plan decision documents under the Mineral Leasing Act, and processing valid existing rights claims that involve certain Federal Lands. The \$1.5 million requested for this activity supports the Department’s Resource Use goal area by promoting responsible coal extraction using technology to minimize the impact of operations on people, structures, and the environment. As part of this program activity, OSM consults and coordinates with State Historic Preservation Offices, the U.S. 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 Corp of Engineers (COE). The processing of mining plan decision documents constitutes the largest part of the workload under this program activity.

Table 7 provides projected mining plan decision document workload data.

Table 7 – Mining Plan Decision Document Workload on Leased Federal Coal, by Fiscal Year		
Mining Plans and Modifications to Existing Mining Plans		
Activity	FY 2008 Actual	FY 2009 Projected
In progress prior FY	6	10
Anticipated current FY	8	11
Total FY Workload	14	19
Completed in FY	4	11
Balance, end of FY	10	10

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 permitting or 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. The Black Mesa Complex, which includes the Black Mesa and Kayenta mining operations, 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. One surface mine in Montana mines coal owned by the Crow Tribe and a haul road supporting reclamation operations at a New Mexico mine crosses the Ute Mountain Ute Reservation. The Crow, Northern Cheyenne and Hopi Tribes, and the Navajo Nation are evaluating coal properties for future development. The Indian lands mines are among the largest in the United States, with a total of about 101,500 acres regulated by OSM.

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OSM coordinates closely with Indian Tribes. 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. To aid in meeting trust responsibilities, OSM, BIA, BLM and MMS sponsor a continuing Indian Trust Responsibilities and Federal Obligations training program.

Table 8 – FY 2008 Indian Lands Inspection Data				
TRIBE	INSPECTIONS			NOV'S
	COMPLETE	PARTIAL	TOTAL	VIOLATIONS
Crow Tribe	4	10	14	0
Hopi Tribe	4	0	4	0
Navajo Nation	69	44	113	20
Ute Tribe	4	8	12	0
TOTALS	81	62	143	20

Table 9 – Permit and Permit Revision Workload where OSM is the Regulatory Authority, by Fiscal Year				
Activity	Federal Programs (Non-Primacy States)		Indian Lands	
	FY 2008 Actual	FY 2009 Projected	FY 2008 Actual	FY 2009 Projected
In progress previous FY	35	35	42	51
Anticipated current FY	24	25	57	60
Total FY workload	59	60	99	111
Completed in FY	24	30	48	65
Balance, end of FY	35	30	51	46

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, records of compliance, and economic analyses for all rules prepared by OSM. OSM also maintains the administrative record for rules and coordinates rule publication with the Office of the Federal Register.

Rulemaking Associated with State Programs: OSM assists States with development, administration, implementation, and maintenance of their approved regulatory 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. During FY 2008, OSM published 13 proposed and 16 final rules for State programs.

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 does not approve the proposed change. This activity represents a significant workload for OSM staff.

During FY 2008, the State Program Amendment activity was identified as follows:

Table 10 – FY 2008 State Program Amendment Activity				
<i>Number of Amendments</i>				
Amendment Type	Pending Oct. 1, 2007	Received FY 2008	Completed FY 2008	Pending Sept. 30, 2008
Pre-Submission Assistance	0	9	8	1
Formal	13	15	14	14
Total	13	24	22	15

OSM Rulemaking Initiatives: Before developing a formal proposed rule, OSM involves interested parties. Stakeholder participation results in improved regulatory proposals. During FY 2008, OSM published one final rule with several components in the Federal Register: Ownership and Control; Permit and Application Information; Transfer, Assignment, or Sale of Permit Rights (72 FR 68000, December 3, 2007). OSM also published two proposed rules: Remining Incentives (73 FR 24120, May 1, 2008); and revisions to the Abandoned Mine Land (AML) Program to reflect the SMCRA Amendments of 2006 (June 20, 2008; 73 FR 35214). The latter proposed rule is described in the Environmental Restoration chapter.

OSM published two final rules during FY 2009. The proposed rule concerning the AML program mentioned in the previous paragraph was published in final form on November 14, 2008 (73 FR 67577) and a final rule concerning excess spoil, coal mine waste, and buffers for perennial and intermittent streams was published on December 12, 2008 (73 FR 75814).

Key rulemaking initiatives for which OSM anticipates activity in the remainder of FY 2009 and in FY 2010 are described below.

Coal Combustion By-Products: In keeping with recommendations from the National Academy of Sciences in a report published in 2006, OSM intends to propose regulations pertaining to the use of coal combustion by-products (CCBs) in the reclamation of coal mining operations that are permitted under Title V of SMCRA or in the reclamation of abandoned coal mine sites funded under Title IV of SMCRA. In response to an advanced notice of proposed rulemaking published March 14, 2007 (72 FR 12026), we received in excess of 1,900 comments. The draft proposed rule is currently under review by the Department, with a decision anticipated sometime during 2009.

Remining Incentives: On May 1, 2008, OSM proposed regulations that would give coal-mine operators incentive to remine and reclaim abandoned coal mine refuse sites. Under the proposed rule, the fees that coal mine operators pay for each ton of coal produced from remining an abandoned coal mine refuse site would be waived if all refuse is removed for reprocessing off site. The rule is authorized by SMCRA Amendments of 2006, which is part of the Tax Relief

and Health Care Act of 2006. Under the rule, the fee waiver will provide an incentive for coal mine operators to undertake remining and reclamation operations while at the same time imposing few additional regulatory requirements on operators or on states who wish to implement the incentive. The incentive is designed to attain the goal of SMCRA to achieve more reclamation than would be achieved without the incentives. The rule will be reviewed during FY 2009.

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, 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 analysis, 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 permits), and 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.

2009 PLANNED PROGRAM PERFORMANCE

In 2009, the planned activities in the Environmental Protection program activity include:

- Continue to assist Tribes in development of Tribal programs and review and make timely decisions on Tribal program submissions.
- Review and evaluate all State Programs and Tribal inspections in accordance with established performance plans.
- Propose and publish rulemakings as described under OSM rulemaking initiatives above. Two final rules were published at the beginning of the fiscal year -- one in November 2008 and one in December 2008.
- Continue to carry out the requirements of the law in inspections and enforcement. Anticipate the same rate of complete and partial inspections and oversight reviews as in FY 2008.
- Achieve the performance measures as shown on the next page.

2008 PROGRAM PERFORMANCE ACCOMPLISHMENTS

In 2008, the major accomplishments in the Environmental Protection program activity included:

- Published one final rule and two proposed rules.
- Performed over 30,450 complete mine inspections and almost 51,800 partial inspections, in cooperation with State authorities, to ensure coal mines are operated safely and in accordance with environmental laws.
- Formed new partnerships among community groups, both state and federal agencies and industry; spreading commitment and adding new sources of support, enabling an expanded agenda for community improvement.
- Achieved performance targets for measures identified on next page.

Office of Surface Mining Reclamation and Enforcement

ENVIRONMENTAL PROTECTION

Program Performance Overview											
End Outcome Goal 2.1: Resource Use – Manage or Influence Resource Use to Enhance Public Benefit, Responsible Development, and Economic Value											
End Outcome Measure / Intermediate or PART Measure / PART Efficiency or other Outcome Measure	Type	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
Percent of active coal mining sites that are free of off-site impacts. (SP) (PART)	C	93% (6,364 of 6,872 sites)	89% (7,436 of 8,335 sites)	92% (7,454 of 8,142 sites)	90.2% (7,103 of 7,877 sites)	93% (7,122 of 7,658 sites)	88% (6,864 of 7,784 sites)	93% (7,122 of 7,658 sites)	88% (6,800 of 7,716 sites)	-5%	89%
Total Actual/Projected Costs (\$000)		\$105,813	\$118,487	\$113,684	\$99,669	\$118,375	\$118,375	\$120,169	\$127,192	\$7,023	-----
Actual/Projected Cost per Inspectable Unit (in dollars)		\$15,398	\$14,216	\$13,963	\$12,653	\$15,458	\$15,120	\$15,692	\$16,484	\$792	-----
Comments		The results cover mining activities in 26 States/ 4 Tribes and represent the total number of inspectable units free of off-site impacts over the total number of inspectable units. The FY2008 actual is lower than the planned level. Actual data is a compilation of all States and Tribes actions and the additional actions sited may be attributed to the increased use of Geographic Information System technology to verify permit boundaries and better documentation of off-site impacts by both OSM and States. The FY 2009 target, which was set in the Fall of 2008, remains at 93%. However, the FY 2010 target is adjusted based on field input on the number of off-site impacts anticipated to occur in the future.									
Percent of mined acreage reclaimed). (SP) (PART)	F	UNK	48% (1,535,201 of 3,225,161 acres)	47% (1,534,301 of 3,225,261 acres)	53.4% (1,928,521 of 3,609,121 acres)	45% (1,786,515 of 3,970,033 acres)	83% (2,044,886 of 2,467,139 acres)	75% (1,786,515 of 3,970,033 acres)	75% (1,786,515 of 3,970,033 acres)	0%	75%
Total Actual/Projected Costs (\$000)		UNK	\$118,487	\$113,684	\$99,669	\$118,375	\$118,375	\$120,169	\$127,192	\$7,023	-----
Actual/Projected Cost per Inspectable Unit (in dollars)		UNK	\$77	\$74	\$56	\$66	\$58	\$59	\$62	\$3	-----

Office of Surface Mining Reclamation and Enforcement

Program Performance Overview											
End Outcome Goal 2.1: Resource Use – Manage or Influence Resource Use to Enhance Public Benefit, Responsible Development, and Economic Value											
End Outcome Measure / Intermediate or PART Measure / PART Efficiency or other Outcome Measure	Type	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
Comments		Upon completion of each phase of mining, the “mined” acreage must meet certain reclamation standards. Prior to 2007, reclaimed acreage under all phases was reported as one total. With the clarification in reporting reclaimed acreage, the different reclamation accomplishments for each phase are now captured, which impacts the numerator of acreage reclaimed. A potential factor influencing the 2008 actual ratio is an operator’s delay in reclaiming the site in order to continue mining marginal coal. Data was reviewed and FY2010 target revised based on short-term downward projections for the coal industry. OSM will continue to review and modify targets as needed.									
Number of acres where reclamation goals are achieved as evidenced by release from Phase III Performance Bonds. (PART)	C	49,054	53,353	49,796	51,105	50,000	48,828	50,000	45,000	-5,000	45,000
Comments		Upon completion of each phase of mining, the “mined” acreage must meet certain reclamation standards. Prior to 2007, reclaimed acreage under all phases was reported as one total. With the clarification in reporting reclaimed acreage, the different reclamation accomplishments for each phase are now captured, which impacts the numerator of acreage reclaimed. A potential factor influencing the 2008 actual ratio is an operator’s delay in reclaiming the site in order to continue mining marginal coal. Data was reviewed and target revised based on short-term downward projections for the coal industry. OSM will continue to review and modify targets as needed.									
Number of acres released from Phase I & II Performance Bonds. (PART)	C	90,040	88,869	89,894	110,198	80,000	89,047	80,000	80,000	0	80,000
Comments		Upon completion of each phase of mining, the “mined” acreage must meet certain reclamation standards. Prior to 2007, reclaimed acreage under all phases was reported as one total. With the clarification in reporting reclaimed acreage, the different reclamation accomplishments for each phase are now captured, which impacts the numerator of acreage reclaimed. A potential factor influencing the 2008 actual ratio is an operator’s delay in reclaiming the site in order to continue mining marginal coal. Data was reviewed and target revised based on short-term downward projections for the coal industry. OSM will continue to review and modify targets as needed.									
Provide appropriate grant funding within 60 days of a complete grant application for regulatory grants (PART-EFFICIENCY)	A E	UNK	UNK	100%	90%	90%	100%	90%	93%	+3%	96%
Comments		This measure was established in FY 2007. Trend data shows performance at 100%. OSM will review the program and revise targets as needed.									

Office of Surface Mining Reclamation and Enforcement

Program Performance Overview											
End Outcome Goal 2.1: Resource Use – Manage or Influence Resource Use to Enhance Public Benefit, Responsible Development, and Economic Value											
End Outcome Measure / Intermediate or PART Measure / PART Efficiency or other Outcome Measure	Type	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
Completion of the technical review of Federal/Indian Land permit actions within 90 days (PART-EFFICIENCY)	A E	UNK	UNK	96%	97%	80%	90%	80%	81%	+1%	81%
Comments		This measure was established in FY 2007. Measure will continue to be reviewed and targets adjusted as trend data becomes available.									
Target Codes: SP = Key Strategic Plan measure; PART = Program Assessment Rating Tool measure; BUR = Bureau specific measure; UNK = Prior year data unavailable; NA = Long-term targets are inappropriate to determine at this time. Type Codes: C=Cumulative; A=Annual; F=Future; E= Efficiency											

TECHNOLOGY DEVELOPMENT AND TRANSFER

(Dollars in Thousands)

		2008 Actual	2009 Enacted	2010			Change from 2009 (+/-)
				Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request	
Regulation & Technology	\$\$\$	15,176	15,386	277	0	15,663	+277
	FTE	91	91	0	0	91	0
Abandoned Mine Land	\$\$\$	3,921	3,970	62	0	4,032	+62
	FTE	20	20	0	0	20	0
TOTAL	\$\$\$	19,097	19,356	339	0	19,695	+339
	FTE	111	111	0	0	111	0

The fixed costs changes of \$339,000 will provide cost of living increases for the projected 111 FTE to implement the programs described in this section.

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 in order to effectively implement SMCRA. Thus, this program activity is an integral component and supports accomplishment of OSM's Environmental Restoration and Environmental Protection business lines goals.

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 the SMCRA.

In 2009 and 2010, OSM will continue to promote 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

***TECHNOLOGY DEVELOPMENT & TRANSFER
ENCOMPASSES:***

Technology Development

Technology Transfer

Technical Training

Technical Innovation and Professional Services (TIPS)

Applicant Violator System (AVS)

(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 throughout FY 2009 and FY 2010. 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 Surface Mining program in carrying out the 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 2010, 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 (NTP), 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 2010 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 2010 request for this business line is \$19.7 million. The request includes \$12.7 million for Technical Assistance (including the Applicant Violator System support); \$3.6 million for Technical Training; and \$3.4 million for Technology Transfer efforts to meet the annual goals set forth above.

Included in the FY 2010 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.

Office of Surface Mining Reclamation and Enforcement

**Table 11 – Justification of Program and Performance
Technology Development and Transfer
Summary Increases/Decreases for FY 2010
(Dollars in Thousands)**

Program Activity		Regulation & Technology			Abandoned Mine Lands			Total			Inc/Dec (+/-)
		2008 Actual	2009 Enacted	2010 Request	2008 Actual	2009 Enacted	2010 Request	2008 Actual	2009 Enacted	2010 Request	
Technical Assistance	\$\$\$	10,804	10,918	11,069	1,574	1,599	1,632	12,378	12,517	12,701	+184
	FTE	50	49	49	10	10	10	60	59	59	0
Technical Training	\$\$\$	2,635	2,686	2,753	829	844	861	3,464	3,530	3,614	+84
	FTE	22	22	22	6	6	6	28	28	28	0
Technology Transfer	\$\$\$	1,737	1,782	1,841	1,518	1,527	1,539	3,255	3,309	3,380	+71
	FTE	20	20	20	4	4	4	24	24	24	0
TOTAL	\$\$\$	15,176	15,386	15,663	3,921	3,970	4,032	19,097	19,356	19,695	+339
	FTE	92	91	91	20	20	20	112	111	111	0

2010 PROGRAM PERFORMANCE ESTIMATES

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.

OSM's stakeholders (States, Tribes, 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 provides direct technical support and ongoing efforts in other business lines. Many activities not yet conducted in FY 2009 will identify the needs for activities in FY 2010. 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 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 activities such as permit review, citizen complaint evaluation, and cumulative hydrologic impact assessment take place where OSM is the regulatory authority.

Technical assistance is provided for AML project design and monitoring where OSM is responsible for AML emergency and priority projects. These types of endeavors are integral parts of the Environmental Protection and Restoration business lines and are not included in the TDT program activity.

OSM intends to meet or exceed its projected goal of 95 percent customer service rate for technical assistance efforts in FY 2009 and raise the goal to 96 percent in FY 2010. 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; soil substitution, coal combustion by-product placement; reclamation bonding sufficiency and bond release; threatened and endangered species; 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 2009-2010 include:

Underground Mine Mapping: OSM and the States have actively inventoried AML features over the past years using the best available information and technologies. The inventory includes information about the location, size and type of AML feature and the priority for reclamation under the SMCRA AML program. Detailed mine maps are necessary in order to adequately evaluate the threat posed by these mines to the public, infrastructure and the environment. OSM will continue to work with the States in setting priorities for mapping activities in FY 2009 and 2010.

Blasting: In FY 2008, OSM affirmed state interest and in FY 2009 began development of a national certified blaster tracking system in coordination with the Interstate Mining Compact Commission. The tracking system will provide the status of certified individuals authorized to handle and detonate explosives on coal mines. The tracking system will help States and OSM regulatory authorities internally track certified blasters, facilitate reciprocity of certifications between States and OSM, and deal with blasters who have performance issues. OSM will also continue to develop a national blaster certification question pool as a resource to develop certification tests.

Designating Areas Unsuited 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. They also involve litigation support if a takings claim is subsequently filed against the Federal Government.

Acid Mine Drainage: 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 technical staff resources are focused on advancing and applying the best science to remediate AMD from abandoned pre-SMCRA mines and to prevent active mines from contributing additional new sources of AMD.

During FY 2009 and FY 2010, 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 AMD. One current project is a comprehensive review of passive treatment technology literature for coal mine drainage. Passive treatment now includes a collection of anaerobic, aerobic, microbiological and limestone based techniques. These technologies have been applied to hundreds of coal mine discharges with a wide range of chemical composition and flow, sometimes with mixed results. The goal of the review is to provide a current analysis of coal mine drainage design criteria and expected performance.

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 Pools: Over two centuries of extensive underground mines in Appalachian coal fields have left miles of interconnected, flooded workings, called “mine pools.” The water level in these mine pools may rise and overflow into streams, or the pools could potentially “blowout” with rapid and sometimes catastrophic discharges of large amounts of stored mine water, endangering life, property, and surface stream water quality. At the request of West Virginia, Pennsylvania, and Maryland, OSM is currently monitoring four mine pools that encompass more than 200 square miles of underground mines. Long-term monitoring wells drilled into the pools to evaluate such parameters as overburden infiltration, barrier leakage, and changing water level rates, potential discharge locations, water quality prediction/evolution are necessary to develop an effective hydrologic model of the pools. OSM will provide assistance in the form of mine pool modeling to the states during FY 2009 and 2010 and identify various means to predict and minimize impacts.

Gas Well Development Leads to Mine Blowout: In February 2008, a discharge of rapid-flowing, high-volume water suddenly came from the reclaimed mine portals and behind a home of resident of Delbarton, West Virginia and caused flooding and temporary closure

of State route 65. West Virginia Department of Environmental Protection requested OSM help in the investigation. The investigation found that drilling for gas wells miles away led to the blowout. With the increased gas drilling, the finding has ramifications throughout the Appalachian region and the State regulatory authorities were made aware of this possibility.

Bond Approval and Administration: To ensure that bonds are sufficient to reclaim forfeited sites on lands OSM has or shares regulatory authority responsibilities, OSM calculates bond amounts using engineering and science-based reclamation cost estimates. OSM also evaluates bond mechanisms posted with OSM to ensure legal, financial, and regulatory requirements are met. OSM provides technical assistance and training on bonding activities, including the newly revised bond calculator software, and provides technical review of any issues identified in a State program's bonding activities.

c. National Mine Map Repository (NMMR)

OSM maintains the NMMR authorized under the former Bureau of Mines and subsequently transferred to OSM in the mid-1980's. This repository, located in OSM's Appalachian Regional Office in Pittsburgh, Pennsylvania, with a satellite repository for Anthracite coal mines of eastern Pennsylvania in Wilkes-Barre, Pennsylvania, maintains the only national inventory of maps of more than 300,000 abandoned coal and non-coal underground mines 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 uncommon projects to a national collection for assisting in large interstate projects. OSM customers include State regulatory and reclamation staff, local government agencies, developers, engineering and mining companies, architects, universities, law firms, environmental consultants, pollution control boards, realtors, law-enforcement agencies, historical societies, and homeowners. Some of the costs for this program are paid out of offsetting receipts from the sale of maps.

Staffs from the NMMR and the regional offices are involved in several related important initiatives to improve mine map acquisition, archiving, and availability. These initiatives include OSM and the State-sponsored regional workshops focusing on digital imaging, processing and the presentation of map images. In addition, the NMMR map index is now searchable by the public on the Internet. The increased awareness of the value of historical mine maps has resulted in a large influx of new maps to the NMMR collection from public and private sources.

d. Permitting

Western Region Coal Mine GIS: An Internet Map Server system has been implemented for five western mines that allows OSM Western Region users to access high resolution satellite imagery of each mine permit. As additional image acquisitions are made, users will be able to compare changes in each mine over time. The system will streamline regulatory inspection, tracking, and permitting.

Tennessee GIS: Establishment of the Knoxville Field Office Geographic Information System directly supports the programmatic spatial information needs of administering SMCRA in Tennessee and also supports OSM's goal to prevent environmental impacts in the coal fields. The storage and maintenance of geographic data for coal mining operations conducted in Tennessee, allows effective and efficient access to the data for technical reviews of permit applications, enhanced analysis of the inspection process, promotion of assessment by outside parties of federal actions, access to and sharing of environmental data necessary in the analysis of potential impacts of surface coal mining operations, and better information to the public to promote understanding.

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 processes related to the SMCRA. 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. One method is by acquiring limited quantities of items, placing them into the states, tribes, and OSM offices for testing, and supporting the use of those that are successful through information and training throughout the country. With TIPS support, additional offices may elect to choose these new technologies, at their own cost, to achieve their program goals. TIPS refers to this strategy as "seeding technology" where planting a few seeds of technological resources may lead to an increase in effective solutions relative to SMCRA issues.

Currently the assistance consists of Windows-based computers at state, tribal, and OSM offices with access to the licensed servers via the Internet and OSM Wide Area Network. The 26 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.

Examples of OSM TIPS related initiatives include:

CAD Team: During FY2008, TIPS completed the update of six courses to accommodate release changes to software. The TIPS Carlson Mining course was re-developed for the classroom, and three on-site courses were developed and instructed, two in Illinois, and one in West Virginia. The CAD team, responsible for course instruction, development, and tools, evaluated and prepared the latest software distribution for release, and continued to evaluate Autodesk's Civil 3D and Map Guide Server software packages along with Autodesk's Design Review. During 2008, TIPS also funded the travel and attendance for 11 SMCRA personnel to Autodesk University. Lastly, to disseminate

essential CAD information, web pages were designed and incorporated into the TIPS website.

FY2009 activities include; attendance of nine SMCRA personnel to Autodesk University, development and instruction of five onsite classes, development of two new courses, distribution of 2009 software, and update of four of the existing courses incorporating new software releases.

National Coal Mining Geospatial Committee: Under the TIPS Program, OSM created the National Coal Mining Geospatial Committee (NCMGC) in late FY 2005 to promote the use of geospatial technology in implementing SMCRA. Committee members represent the geospatial technology interests of the States, tribes, and OSM offices, and include representation from the Interstate Mining Compact Commission, National Association of Abandoned Mine Lands Programs, and the Western Interstate Energy Board.

In FY 2009, the NCMGC will hold an annual planning meeting; participate in an OSM Management Geospatial Strategic Planning Meeting to determine whether OSM will develop a bureau-wide geospatial plan in concert with its SMCRA business partners; financially support the work of the Coal Mining Spatial Data Standards ASTM Task Group as it continues its work on establishing spatial data standards for selected coal mining features to be shared among SMCRA business partners; provide advanced geospatial training of selected SMCRA Geospatial Data Stewards; and conduct outreach to encourage participation in the use of geospatial technology among SMCRA organizations.

Remote Sensing Program: During FY 2008, TIPS continued to acquire and use high resolution satellite imagery to support on-the-ground SMCRA activities. Remote sensing project activities included a pilot project to determine the best methods for acquisition and delivery of image data, products and services for OSM's regulatory program. Examples of projects underway include: determining which remote image data products and services support virtual inspection; evaluating the feasibility of using high resolution remote sensing technology to develop a habitat assessment protocol for the endangered Indiana bat; using high resolution satellite imagery for quantifying percent of vegetative cover on reclaimed surface mines as a source to estimate vegetation cover for bond release requirements. In addition, OSM staff used high resolution satellite imagery along with other geospatial tools to assist in the inventory of abandoned mine land (AML) sites and identification of areas where there is potential for re-mining over a pilot study area in Virginia. The use of remotely sensed imagery to support on-the-ground SMCRA activities will continue in FY 2010.

Mobile Computing Program: OSM TIPS continues to provide support to state programs newly-adopting e-permitting and mobile inspection technologies. During FY 2008, OSM conducted mobile computing and on-site mobile (ArcPad and TerraSync) computing on-the-job training nationwide. The Navajo and New Mexico AML programs and Montana regulatory program all collaborated with TIPS during FY 2008 to integrate GIS and mobile computing technologies into their program by using Real-Time Kinematic (RTK) Global Positioning System (GPS) equipment and software to georeference minesites into established coordinate systems. And finally, OSM assisted Pennsylvania in testing appropriate GPS equipment for heavy tree canopy areas being evaluated for subsidence and stream flow diminution.

For FY2009, TIPS mobile computing activities will provide: GPS processing software through Internet check-out; new technology, including GPS equipment, ruggedized field computers, and field GIS software; and high-accuracy GPS for GIS data collection systems on a check-out basis nationwide.



Montana reclamation engineer and GPS equipment expert use RTK GPS radio.

f. Reclamation Support Activities

Enhanced Contemporaneous Reclamation Evaluation: Inspectors from OSM, with assistance from technical specialists, are using GPS units to on-site locate boundaries and input data in the field, as the areas are being reclaimed. The field data (slopes, topsoil depths, etc) are subsequently downloaded into a GIS under development for each mine.

g. 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 an applicant's mining and violation history in order to determine the applicant's eligibility to engage in surface coal mining operations.

During 2008 the AVS Office processed 2,997 requests for data evaluations from State and Federal regulatory authorities and state abandoned mine land program officials to assist the regulators with spotting permit eligibility problems. OSM also collected or settled payments of Federal civil penalties and reclamation fees in the amount of \$1,214,814 from entities trying to remedy violation information contained in the AVS.

In addition to its primary mission, the AVS Office completed several major accomplishments. A web-based version of AVS was deployed in FY 2007 which enables the public to readily access information about surface coal mine operations. Since deployment of the web-based application, the AVS Office has implemented several system improvements based on user feedback, and OSM will continue to work with system users to identify and implement improvements during FY 2010.

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; providing investigative assistance to regulatory authorities on complex ownership and control issues.

Customer surveys are used to document the responsiveness of AVS services provided to its customers and OSM received a customer satisfaction rating of 98% during FY 2008, or three percent over its goal of 95% for that year.

2. Technical Training

Technical Training provides OSM, State, and Tribal staff the necessary knowledge and skills to implement the Surface Mining program. This activity supports the Department's Resource Use and Resource Protection goals.

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 received serves to update technical expertise and fosters consistent application of standards. Training is provided in each of the disciplines involved in implementation of SMCRA, which include engineering, hydrology, blasting, agronomy, and botany. The program also ensures training is available to enable OSM and State staff to maintain the ability to gather and present information as an expert with the most recent data available. In addition, periodic training is needed to disseminate the latest technological and the other changes in regulatory and associated reclamation activities.

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, 20 have fewer than 50 employees and another 5 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.

Partnering for Results: The National Technical Training Program helps OSM, State, and Tribal personnel contribute to meeting our joint GPRA goals of providing on-the-ground protection during active mining and re-mediation of abandoned mines by enhancing the technical skills of staff and increasing their knowledge of technical subjects related to mining. The most important indicator of this performance is how effective students and their managers believe training courses are in contributing to on-the-job performance. The following textbox provides comments received on student evaluations from employees and supervisors.

As an AML employee, they may on rare occasion be subpoenaed to testify about potential AML site inspections. Therefore, this course [Evidence Preparation and Testimony] is essential to understanding good data collection and recording to support a final eligibility determination. SUPERVISOR

Attending the Enforcement Tools and Applications course assisted my employee in being more confident that his work products are more accurate and efficient. SUPERVISOR

A student who attended the Forensic Hydrologic Investigation course stated the course gave him a broader understanding of how to approach complex hydrologic issues as related to active or past mining activity in our coal region. STUDENT

After attending the Historical Archeological Resources Refresher, the ramifications of changes to SMCRA procedures resulting from the court decision regarding the Historical Preservation Act were clarified. STUDENT

Meeting Office Specific Needs of Mining and Reclamation Staff through Special Sessions: In addition to regularly scheduled FY 2008 courses, NTTP offered a number of special course sessions of the Passive Treatment for Ohio and for Pennsylvania, and Effective Writing for Kentucky.

In 2009, we will hold special sessions of the AML Projects course for Montana, a session of the Excess Spoil Handling and Disposal course for Kentucky, a session of Erosion and Control for Kentucky, and a session of Underground Mining for Kentucky. For FY 2010, we will select sessions to address the needs identified during surveys conducted in FY 2009.

New Course Offerings: Under development is an intensive new course on Field Investigations for field staff with less than a year's experience with SMCRA programs. The course will provide participants with a comprehensive historical perspective on how SMCRA came about and how it is implemented through primacy programs. Students will learn how the SMCRA programs evolved from early days of conflict to partnerships of technical assistance with the States and Tribes that assure that citizens and the environment are protected during mining and that legacy problems of abandoned mines are addressed through sound remediation processes and techniques. Students will learn inspection essentials including the fundamentals of soil and water testing, engineering design, blasting, grading, communications and conflict resolutions, erosion and sediment control, mine plan review, legal basics, enforcement procedures, and AML project management basics. This is a two week course and about half the time will be spent on mine sites learning basic inspection and investigation skills. The dry run for the course will be held in late summer with the pilot scheduled for early fall 2009.

Several courses are also under revision including Administration of Reclamation Projects, Alternative Enforcement Procedures, Passive Treatment, and Underground Mining Technology. Modules are being added to several courses including Erosion and Sediment Control, Excess Spoil Handling, and Soils and Revegetation to include the latest best practices for reforestation and geomorphic reclamation.

Benchmarking, Forums and Workshops: Some training needs are best met in benchmarking (best practice) meetings, forums, and workshops where there are free-flowing discussions of unresolved issues, best practices, and exchanges that promote transfer of new technologies and development of shared solutions. Building on the success of the previous benchmarking sessions and forums, a number were held in 2008 including: surface and groundwater databases benchmarking, acid mine pool discharge workshop, mid-continent acid-mine drainage workshop, sediment control workshop, and a large conference on reforestation. A benchmarking workshop on electronic permitting and mobile computing is scheduled for summer 2009.

Plans for FY 2009 and 2010: NTTP received approximately 2,000 requests for spaces in FY 2009, and anticipates it will receive another 100 requests for special sessions, and 200 for the geomorphic forum and electronic-permitting benchmarking during the year. The NTTP Steering Committee, made up of OSM and State Managers, will determine

how additional new classes will be added to the 50 existing regular classes already scheduled. In addition to these classes, NTTP staff will work with the IMCC on benchmarking workshops and with OSM regional offices on various topics like reforestation and geomorphology.

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 1,800 State and Tribal regulatory and reclamation staff, as well as the 530 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 30-50 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 will review courses based on student, supervisor, and instructor feedback, and revise or add courses accordingly.

Additional Outreach for Program Strategic Planning: To assure that NTTP is meeting customer needs with quality instruction we will conduct outreach with both regulatory and reclamation program heads for the purpose of succession planning to determine how their staffing needs for training will change over the next five years. In addition, we will conduct outreach with instructors for both the NTTP and TIPS program (which teaches highly technical software applications) to determine if we will have sufficient high quality instructors available to meet program needs. We will use the results of this outreach to make plans for the program for the next five years.

b. TIPS Software Application Training

Every year the TIPS training program educates hundreds of students in the use of software in SCMRA-based mining and reclamation applications. During FY 2008, over 400 students from State, Tribal, and OSM offices attended 32 instructor-led, state-of-the-art scientific and engineering TIPS training classes, and customer's provided a 97% effectiveness rating for TIPS training classes. Training in the use of advanced analytical software, and access to and training with the newest tools ensures that SMCRA responsibilities are done using the best off-the-shelf technology available. In addition, 85 on-line courses provide students with just-in-time-training or an introduction to the more technical GIS, Remote Sensing, and Mobile Computing classes.

TIPS is positioned to assist the state and tribal agencies as the Abandoned Mine Land Reauthorization and Tribal Primacy initiatives are implemented, and new employees are

hired. TIPS Training program is delivering a record 13 classes on-site at the request of customers, in addition to delivering 20 regularly scheduled classes, and four advanced specialized training classes during FY 2009. This year TIPS is sponsoring advanced training opportunities which provide specialized skills for customers, TIPS instructors, and OSM employees. Examples of TIPS sponsored advanced training courses being delivered in FY2009 are “Geochemist Workbench,” the image compression class “ER Mapper,” and “2008 Surface Deformation Prediction System Updates.” Additionally, new courses are being developed, and existing courses are being updated due to software changes or improvements identified, in order to provide students the latest advances in geospatial technologies, engineering applications, hydrology, mobile computing and emerging technologies. The TIPS Training program recently became a registered provider with the Illinois Society of Professional Engineers to offer certified Professional Development Hours (PDH) to students who attend TIPS engineering courses. PDH’s can be used by students to meet their educational requirements for re-certification purposes.

c. Regional/Site Specific Training

OSM has regional training centers, which offer classes on customer requested topics and provide facilities for the national training program to minimize expenses. Site specific training also occurs to better demonstrate instructional applications. Needs for training in FY 2010 will be identified during FY 2009. Examples of recent training include:

Blasting Workshop: In November 2008, OSM held a 2 ½-day blasting workshop with 60 representatives from the seven Appalachian states and OSM attending. The workshop promoted discussions among blasting experts on technical issues on blast planning, ground vibration control, electronic detonation, laser profiling, seismic analysis of vibrations and forensic investigation techniques. State and federal agencies shared their operational controls and requirements with the idea of incorporating those that have been most effective into their respective programs.

Wyoming E-Training Class: In FY 2008, TIPS provided onsite instruction to inspectors in the areas of GIS, GPS, AutoCAD, Remote Sensing, and mobile computing. The instruction demonstrated the integration of electronic tools in the field work and reporting processes, enabling inspectors to focus more time on the more complicated issues that may arise during inspection. This course is now available on the FY 2009 TIPS training schedule for open enrollment.

Mid-Continent Regional Workshops - Technology Transfer: During FY 2008, several technology transfer workshops were presented on subjects of Acid Mine Drainage Technology, Use of the Forestry Reclamation Approach in the Mid-Continent Region, Streams and Wetland Management, Technology Transfer, and the Alabama Mulga Fire Workshop. These presentations were designed to meet specific technical needs of State staff in the Mid-Continent Region.

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.

OSM achieved a 92 percent customer service satisfaction rate for technology transfer in FY 2008 and fully expects to exceed that rate in FY 2009 and FY 2010 with a goal of 94 percent.

a. Technology Development

One of OSM's most important missions is to advance and transfer technologies that will improve the effectiveness and efficiency of the science of mine land reclamation. Advancement of this technology will result in better mining and reclamation practices, thus being conducive to better environmental protection and less off-site impacts. The Applied Science program specifically addresses the needs of individual State programs as well as national interests. OSM selected 11 Applied Science projects for funding during FY 2008. This was accomplished through the solicitation and review process. The projects, sponsors, and funding are provided at the end of this document. Applied Science funding priorities for FY 2009 include: reforestation, blasting, hydrology, soil-based crop yield predictors, carbon dioxide gas intrusion, coal mine voids and fires, and invasive species, mine and coal refuse fires, abandoned mine lands reclamation, steep slope mining and reclamation, use of recycled materials, landscape stability, soil development on reclaimed lands, vegetation assessment, wildlife conservation revegetation and reforestation, and cropland reclamation. Topics for FY 2010 will be determined in late 2009, after completion of the FY 2009 process.

Examples of Applied Science Projects completed include:

Sediment Modeling To Help Predict Stream Impacts From Mining. A recently completed applied science project has produced a more efficient and accurate way to estimate sediment loads in streams and changes in stream channel stability. Siltation and habitat alteration have been identified as the principal cause of stream-use impairment in

the United States. Calculating sediment loads from proposed mining will help permitting staff make more accurate evaluations and result in better surface mining permits.

Development of a rapid geomorphic assessment technique to support the CHIA / PHC process: a focus on model improvement for estimating sediment loads. This project demonstrates field-verified methodologies that can be used by regulatory and resource management personnel to assess stream channel stability and sediment loading in large watersheds. The study produced software and a user manual. Both are available for download on the technology transfer web site (www.techtransfer.osmre.gov). A workshop sponsored by technology transfer was held with technical staff from states and federal agencies to offer instruction on the application of the model to their regulatory program. This project and outreach exemplifies the goal of the Applied Science Program: better reclamation through advances in science.

b. Technology Transfer and Publications

As previously mentioned, Technology Transfer is accomplished through a variety of activities. Examples of activities include:

Reforestation Initiative: OSM continues its effort to encourage reforestation practices to increase the amount of mined land reclaimed as forest. This effort has resulted in technical and policy symposia, a reforestation website, presentations at professional meetings, published bulletins by the 20-member Science Team on state-of-the-art reforestation practices. OSM has been expanding its efforts nation-wide by participating in Arbor Day events across the nation to promote reforestation. In FY 2008, OSM's partnership with the American Chestnut Foundation through ARRI, planted over 3,500 blight resistant chestnut seeds and seedlings throughout the Appalachian and Mid-Continent regions.

Management of Reclaimed Prime Farmlands: OSM technology support, as part of an independent team that includes representatives from a State Regulatory Agency, another Federal agency, academia, experienced farm managers and coal mine operators, will help publish a public information brochure in FY 2009. The brochure will assist farmers as they assume control over crop capable mine soils after release from performance bonds. The brochure will identify management practices that are effective for crop production on reclaimed croplands.

Reports, Forum, and Workshop Proceedings: OSM publishes and co-sponsors the publication of numerous forums and workshop proceedings and various topical reports. These publications are distributed to interested parties at technology transfer events, upon request, and at various websites maintained by OSM. The agency publishes proceedings, reports and notices in paper copy, on CD, and over the Internet to reach the widest audience possible. During FY 2009 and FY 2010, OSM will continue to develop, distribute, and communicate these products.

OSM Technical Library: OSM maintains a national agency technical library in the Denver, CO office which 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: reference assistance, technical research, document delivery, and the dissemination of critical current awareness information. The library generally fields between 200 and 300 requests for reference and research assistance each year. In addition, it will fill approximately 300-400 article requests in FY 2009. The technical library also shares its collection and borrows needed materials through interlibrary loans with libraries around the world (predicted to be around 200 total transactions for FY 2009). 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 online to interested persons.

c. Educational Outreach

To make the public and students aware of OSM's responsibilities and its environmental stewardship mission, OSM staff provides educational outreach to science teachers associations, science classes, educational fairs, Earth Day events, career days, foreign visitors, grassroots organizations, and professional associations and societies. This outreach includes demonstrating phases of surface mining reclamation using an open-pit mine model with reclamation equipment and activities in place, as well as providing educational posters and materials involved in permitting, monitoring and reclaiming a mine site. Additional outreach is provided through publications and distribution of forum proceedings. Outreach efforts expanded in FY 2008 with OSM's participation in local activities supporting such events as American Chemistry Week, National Engineers Week, Groundwater Day, and school program presentations. OSM staff also take advantage of events not specific to mining such as "the Taste of Colorado" which drew tens of thousands of visitors and was a great stage to showcase to the public OSM's duties and responsibilities. Outreach opportunities and events are expected to continue to expand.

2009 PLANNED PROGRAM PERFORMANCE

In 2009, the planned activities in the Technology Development and Transfer program activity include:

- Appalachian Regional Reforestation Initiative (ARRI) is planning its third national conference in the summer of 2009. During 2009, we anticipate that nearly 10 million trees will be planted on mine sites as a result of outreach efforts by the ARRI.
- OSM will continue to solicit proposals for its technical studies and underground mine mapping initiatives in FY 2009.
- Continue to develop and implement geospatial efforts and the use of remotely sensed imagery to support on-the-ground SMCRA activities.
- OSM will achieve the performance measures and targets for measures identified under this business line.

2008 PROGRAM ACCOMPLISHMENTS

In 2008, the major accomplishments in the Technology Development and Transfer program activity include:

- ARRI sponsored a “Mined Land Reforestation” conference on August 5 -7, 2008 in Logan, West Virginia in which presentations on present efforts of reforestation in the Appalachian Region and give recent research findings and practical applications on improving reforestation success. The conference was attended by people in the coal industry, land holding companies, mining and reclamation consultants, land owners, regulatory personnel, scientists and students.
- OSM’s partnered with the American Chestnut Foundation through ARRI and planted over 3,500 blight resistant chestnut seeds and seedlings throughout the Appalachian and Mid-Continent regions.
- In 2008, the TIPS Program and state partners, the West Virginia Department of Environmental Protection, and the State of Virginia Department of Mines, Minerals and Energy received the Environmental Systems Research Institute’s prestigious “Special Achievement in GIS Award.” This featured OSM’s use of GIS technology to create a national centralized repository for boundaries of abandoned and active coal mines collected in real time from servers in multiple state locations.

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- TIPS educated 426 students in 32 instructor-led classes, a 5 percent increase in students trained over the prior year.
- NTTT participated in many large conferences: The Society for Mining, Metallurgy and Exploration (SME) conference, The National Association of Abandoned Mine Land Programs (NAAML), the Colorado Mining Association (CMA), MinEXPO, the American Society of Mining and Reclamation (ASMR) and the national Geospatial conference. Regional staff also participated in local events.
- NTTP trained 979 students during regularly scheduled courses and benchmarking sessions; and 447 students in forums, and workshops for a total of 1,426 students trained. A total of 60 sessions were held.
- OSM supported 11 Applied Science projects that addressed our major environmental issues as identified on the next page.
- Achieved performance targets for measures identified on the Goal Performance Table at the end of this section.

2008 APPLIED SCIENCE PROJECTS FUNDED

Project Title/Contractor	Purpose/Funding
American Chestnut Restoration on Surface Mines Sites in the Appalachian Region The American Chestnut Foundation PI: R. Paris	The objectives of the study are to determine: 1) performance and growth of chestnut on formerly surface mined lands, 2) performance and level of disease resistance of backcross chestnuts compared to American and Chinese chestnut parents, and 3) site effects on the performance and growth of chestnut. /\$200,000
Assessment of Environmental Impacts in Coal Mining Sites Using a Predictive GIS-based Environmental Mining Decision Support System (EMDSS) Spellman College PI: V. Ibeanusi	Statistical analysis, contaminant transport models, subsidence models and spatial information databases will be used to quantitatively assess environmental impact of mining activities. The proposed Environmental Mining Decision Support System Methodology (EMDS) will serve as a tool for predicting land and wastewater reclamation in mining and at abandoned mine areas. When completed, the system will be capable of analyzing a set of databases on the impacts associated with mining, hydro-geological information, mining locations, and demographics, as well as the impact of treatment processes for acid mine drainage. /\$172,014
Determination of Soil Hydrologic Group for Minesoils Under Forestry Reclamation Approach in Appalachia West Virginia University PI: E. Pena-Yewtukhiw	Research is needed to determine the soil hydrologic group classification of reclaimed minesoils on forestry post-mining land uses that use the Forestry Reclamation Approach, which in turn may change the calculated amount of runoff from these areas. /45,482
Establishing Hardwood Forests with American Chestnut using Forestry Reclamation Approach: Effects of Grading Practices and Ground Cover Virginia Polytechnic Institute and State University PI: J. Burger	This study will develop and demonstrate full operational use of the FRA by several end-using Virginia coal operators. The potential value of loose grading and non-competitive ground cover for crop tree growth, native species recruitment, and normal forest succession will be tested. /\$86,749
Field Investigation of Best Practices for Steep-Slope Mine Reclamation Employing the Forestry Reclamation Approach University of Kentucky Research Foundation PI : R. Sweigard	Concern has been expressed that the application of FRA on steep-slope mines with highwall elimination may be impractical or may lead to slope failures, in some cases. The proposed investigation addresses those concerns by: (1) a regional inventory of the current practices that are in use throughout Appalachia at steep-slope operations where reforestation is the intended postmining land use; and (2) a detailed field investigation that implements the most common practices at a specially-constructed test site. The latter part will evaluate the selected practices on the basis of operational efficiency, economics, slope stability, and reforestation potential of the reclaimed surface. /\$199,927

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<p>Hardwood Tree Growth Using the Forestry Reclamation Approach in West Virginia West Virginia University PI: J. Skousen</p>	<p>There is still some debate about whether four or five feet of material is necessary for successful growth of hardwood species, and perhaps only two feet of material is needed for successful tree growth. The objectives of this first-year phase of the project are to: 1) construct the demonstration areas and plant commercially valuable trees, 2) establish a monitoring program, and 3) determine hardwood tree survival and growth success after the first growing season. /\$36,588</p>
<p>Reforestation of Steep Reclaimed Slopes in Appalachia: Forest Establishment and Function The University of Tennessee PI : J. Franklin</p>	<p>Several research objectives have been identified: d) Determine optimum ground cover/tree species combinations for reforestation of steep slopes; e) Investigate the depth and rate of root colonization of the soil profile, in relation to soil type and vegetation; f) Observe the effects of vegetation on hydrologic processes; g) Determine the relationship of vegetative characteristics to sediment yield. /\$170,616</p>
<p>Reforestation of Steep Reclaimed Slopes: Stability and Sediment Control Considerations The University of Tennessee PI : E. Drumm</p>	<p>Several research objectives have been identified: a) Develop appropriate construction procedures for reclamation of steep slopes to satisfy the conflicting concerns of providing loosely compacted backfill for tree growth yet assuring there is sufficient compaction to provide structural stability; b) Investigate the use of more complex slope geometries to increase stability while avoiding long planar slopes which may lead to excessive erosion; c) Demonstrate that these methods provide satisfactory erosion and sediment control, and that groundwater quality is maintained. Based on field observations, develop appropriate input for common sediment models into SEDCAD and AnnAGNPS, including those parameters related to the surface vegetation. /\$199,682</p>
<p>RBDMS for Water Online: Providing Coal Operators and Their Laboratories Data Review and Reporting Capabilities via Web-enabled Water Quality Database/GIS and Providing On-demand Water Quality Data to the Public Ohio DNR, Division of Mineral Resource Management PI : S. Kell</p>	<p>The DMRM is working to develop a comprehensive, web-enabled water information system that will meet the needs of the DMRM, Ohio's regulated industry, as well as our AML Program watershed partners. The proposed project involves two phases: 1. Develop the LIMS, water quality, source water assessment, and GIS spatial querying components of the database, including data entry forms, reporting, and user querying functions for internal ODNR use; and 2. Develop or adapt an XML schema for data exchange with laboratories and other state and federal agencies, Web-enable the database with an ASP.NET interface, and establish an XML Web service to receive data from other laboratories. /\$200,000</p>

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<p>A System to Evaluate Prime Farmland Reclamation Success Based University of Illinois PI: Dunker</p>	<p>A soil property based formula would be developed to ensure the most efficient process to return the productive soil resource to the landowner. This method also will identify problem fields immediately after reclamation. /\$113,583</p>
<p>The Use of commercial weed fabric & irrigation to enhance grow USDA Forest Service PI : Musselman</p>	<p>This research builds on previous work in western Colorado to identify factors that limit the growth and survival of planted aspen on reclaimed coal mine lands. Primary factors limiting growth and survival in these preliminary studies were water supply and competing vegetation.</p> <p>This experiment will examine the importance of using weed block fabric and the effects of supplemental irrigation on growth and survival of aspen and serviceberry. The study will simulate the use of commercial machine-planting techniques to establish aspen and serviceberry on reclaimed mine soils. /\$90,935</p>

TECHNOLOGY DEVELOPMENT AND TRANSFER

Performance supports Strategic Plan and PART measures displayed under “Goal Performance Table” Tab (see Resource Use and Resource Protection) in this document. Below represents bureau level measures for this business line.											
Program Performance Overview											
End Outcome Measure / Intermediate or PART Measure / PART Efficiency or other Outcome Measure	Type	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President’s Budget	Change from 2009 Plan to 2010	Long-term Target 2012
Customer service rate in the quality of technical assistance. (Applies to both the Resource Protection and Resource Use Goals.) (BUR)	A	100%	99%	99.6%	99%	94%	96%	95%	95%	0%	95%
Percent satisfaction with the scientific and technical products and assistance. (Applies to both the Resource Protection and Resource Use Goals.) (BUR)	A	97%	93%	89.3%	92%	92%	92%	94%	94%	0%	94%
Customer effectiveness rate in the quality of technical training – NTTP. (Applies to both the Resource Protection and Resource Use Goals.) (BUR)	A	97%	98%	97%	96%	93%	96%	93%	93%	0%	93%
Number of students trained – NTTP. (Applies to both the Resource Protection and Resource Use Goals.) (BUR)	A	916	957	1,446	1,746	1,200	1,426	1,200	1,000	-200	1,000
Comments		The FY2010 target goal reflects that the cost for travel has substantially increased and the availability of resources to teach courses has decreased.									
Customer satisfaction rate for TIPS training. (Applies to both the Resource Protection and Resource Use Goals.) (BUR)	A	90%	91%	91%	90%	90%	97%	90%	93%	+3%	93%
Customer satisfaction in the quality and timeliness of AVS provided services. (BUR)	A	98%	97%	97%	98%	95%	98%	95%	96%	+1%	97%
Comments		Program manager recommended changes due to prior year accomplishments									
Target Codes: BUR = Bureau specific measure Type Codes: A=Annual											

FINANCIAL MANAGEMENT
(Dollars in Thousands)

		2008 Actual	2009 Enacted	2010			Change from 2009 (+/-)
				Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request	
Regulation & Technology	\$\$\$	483	510	+6	0	516	+6
	FTE	2	2	0	0	2	0
Abandoned Mine Land	\$\$\$	6,308	6,836	+125	0	6,961	+125
	FTE	41	41	0	0	41	0
TOTAL	\$\$\$	6,791	7,346	+131	0	7,477	+131
	FTE	43	43	0	0	43	0

The fixed costs changes of \$131,000 provide cost-of-living increases for the projected 43 full-time equivalent positions (FTE) to implement the programs described in this section.

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 clean up projects is managed through this program activity. OSM, States, and Tribes fund reclamation

project work through the fees collected from current mine operators after they are appropriated by Congress annually. These projects clean up environmental hazards resulting from past mining operations that degrade land and water resources. The regulatory grants 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.

<p style="text-align: center;"><i>Fee Compliance</i></p> <ul style="list-style-type: none">• <i>Company Reporting</i>• <i>Collection</i>• <i>Accounting</i>• <i>Audits</i>• <i>Investment of AML Fees</i>• <i>Compliance Assistance to Operators</i>• <i>Development of Regulatory and Policy Issues</i> <p style="text-align: center;"><i>Grants Management</i></p> <ul style="list-style-type: none">• <i>Accounting and Reporting</i> <p style="text-align: center;"><i>Revenue Management</i></p> <ul style="list-style-type: none">• <i>Accounting and collection of revenue other than AML fees (e.g. civil penalties and Federal performance bonds)</i>

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. In addition, OSM identified workload indicators for this business line as measures of the efficiency and effectiveness of financial management operations. These measures or indicators include: the Office of Inspector General financial statement audit opinion for fee compliance, revenue management, grants financial services; and the fee collection rate for operators reporting coal tonnage.

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 2009 and 2010, OSM will continue to pursue opportunities to participate in e-government projects, such as the Single Source Coal Reporting project, a component of the Small Business Administration’s Business Gateway initiative. In FY 2009, OSM also expects to implement the Coal Fee Collection Management System (CFCMS) project which will consolidate three outdated subsidiary systems into one contemporary system. The project will provide the ongoing systems support needed to assure the continued success of the fee compliance program.

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In accordance with guidelines established by the Chief Financial Officer's Council, OSM converted to a new grant disbursement system in FY 2007 with the implementation of the new Departmental core accounting system. OSM will continue to ensure a smooth transition to the new system through cooperative training with Treasury and customer service. OSM has over 236 grants and cooperative agreements with the States and Tribes, accounting for over \$350 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, and redesign the principal systems that support the Fee Compliance Program.

The following section details, by program activity, the funding and FTE resources required to meet the performance measures.

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**Table 12 – Justification of Program and Performance
Financial Management**
Summary Increases/Decreases for FY 2010
(Dollars in Thousands)

Program Activity		Regulation & Technology			Abandoned Mine Lands			Total			Inc/ Dec (+/-)
		2008 Actual	2009 Enacted	2010 Request	2008 Actual	2009 Enacted	2010 Request	2008 Actual	2009 Enacted	2010 Request	
Fee Compliance	\$\$\$	0	0	0	6,219	6,744	6,866	6,219	6,744	6,866	+122
	FTE	1	1	0	40	40	40	40	40	40	0
Revenue Management	\$\$\$	388	415	418	0	0	0	388	415	418	+3
	FTE	1	1	1	0	0	0	1	1	1	0
Grants Financial Management	\$\$\$	95	95	98	89	92	95	184	187	193	+6
	FTE	1	1	1	1	1	1	2	2	2	0
TOTAL	\$\$\$	483	510	516	6,308	6,836	6,961	6,791	7,346	7,477	+131
	FTE	2	2	2	41	41	41	43	43	43	0

2010 Program Performance Estimates

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 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.

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 2008, the program achieved a 99.9 percent collection rate resulting in \$286.3 million in total collections. The program achieved a 99.98 percent compliance rate for operators filing their tonnage reports after working closely with the industry. OSM also increased the percentage of permits that filed OSM-1 Reports electronically, from 68.5 percent in FY 2007 to 73 percent in FY 2008. OSM's goal is to increase the percent of permits that file electronically, to provide better service to coal companies and to realize the benefits of E-government. We expect similar increases in filings in FY 2009 and beyond to meet our target goal of 75 percent in FY 2009 and 80 percent in FY 2010. In terms of efficiency, the total direct program cost was less than two percent of the amount collected.

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 2010 include:

- Replacing the current Fee Billing and Collection System (FEEBACS), upon the successful parallel test of the Coal Fee Collection Management System (CFCMS). The CFCMS will provide reliable support, at less cost to operate and maintain than the outdated FEEBACS system.
- Continuing the coordination and enhancement of the consolidated coal data reporting system (Single Source Coal Reporting System). This project is being coordinated with the Internal Revenue Service and the Small business Administration to streamline the reporting of information by coal companies.
- Expanding coal companies' use of electronic tonnage reporting and fee payment systems. These mechanisms offer efficiencies for both the industry and government.

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- 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, creating a level playing field for all coal companies. In FY 2008 OSM collected 99.9 percent of the AML Fees due during the year. Total AML Fee collections were \$286.3 million.

To assist in managing AML Fee collections, OSM utilizes the Fee Billing Accounting and Collection System (FEEBACS). This computerized system provides subsidiary accounts receivable and management information needed to manage the fee compliance program. FEEBACS 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 for each quarter of the year. In addition, the system issues quarterly OSM-1 coal reclamation fee reports for industry coal sale reporting and fee computation. The package includes all data available on potentially producing permits to simplify the reporting requirements by industry. The forms are pre-printed and mailed to the companies to facilitate tonnage reporting and fee payment. Beginning in 2001, companies could elect to report over the Internet, using the E-filing system described below.

OSM-1 Reports covering over 2,700 permits are processed each quarter. OSM has developed an internet-based system to allow coal companies to file their quarterly coal production reports electronically. Companies report that the system saves them time and money. This is evidenced by the fact that over 440 companies voluntarily use the E-filing system. The companies use the system to report on over 1,900 permits and 95% of the coal tonnage produced in the country. The new system helps streamline the reporting process, makes it easier for companies to report on time, reduces errors, and makes it easier 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. Over 40 percent of reclamation fees were paid electronically using Pay.Gov, in the third quarter of 2008. During FY 2009 and 2010, OSM will continue promoting the use of E-filing and online payment by companies.

OSM implemented the first phase of the Coal Fee Collection Management System (CFCMS) in 2007. The system replaces the Audit Fee Billing and Collection System and the Civil Penalty Accounting and Control System. The second phase of the project will replace the Fee Billing and Collection System. Cutover to the new system has been delayed until 2009 due to problems identified by OSM during testing. These problems

made it necessary for the contractor to revise its work on data conversion and various interface programs. The system is currently undergoing user acceptance testing which will be followed by parallel testing. Upon successful completion of the parallel testing, OSM plans to implement the new Coal Fee Collection Management System and decommission the old FEEBACS system. The redesigned system will assure the ongoing support for the Fee Compliance Program and reduce costs by:

- 1) Averting a system failure and avoiding the costs required to fix such a failure.
- 2) Consolidating OSM's program collection systems into one contemporary system, and
- 3) Reengineering and streamlining business processes.

In another effort, OSM is continuing work with the Internal Revenue Service and the Small Business Administration to explore ways to streamline the information reporting process for coal companies.

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 near locations where mining companies maintain records, and not necessarily where the coal is produced. This is part of an ongoing effort to minimize travel costs and provide direct service to coal operators. 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 auditing staff is emphasized in accordance with those standards.

By structuring the audit program so that 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 150 audits and compliance checks in FY 2010. 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 2010.

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- *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. About 1,440 were handled in FY 2008. 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, and to minimize the compliance burden.
- *Promoting E-government:* This work will cover promoting electronic tonnage reporting and fee payment by demonstrating the systems for companies during audits and notifying the collection staff of those interested in enrolling.
- *Coordinating work with the Internal Revenue Service:* OSM will continue working with the IRS to ensure that 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 customer service in FY 2010 and beyond.

Table 13 – Actual and Estimated Deposits to the AML Fund
AML Production Fees
(Production in millions of tons)
(Dollars in Millions)

	2008 “Actuals”	2008 Projections <i>(as submitted in FY 2008)</i>		2009 Projections		2010 Projections		2011 Projections	
		DOE	OSM	DOE	OSM	DOE	OSM	DOE	OSM
Production *									
Underground	342	337	331	348	353	358	362	370	374
Surface	712	787	698	715	692	720	698	734	712
Lignite	77	90	87	90	82	88	80	95	87
AML Fees **	\$286.3	\$295.4		\$274.0		\$276.4		\$283.1	

**DOE Production is based on the Department of Energy (DOE) Table 111 “Annual Energy Outlook 2008, Reference Case Forecast”. OSM tonnage uses the last reported production (Fiscal Year 2008) 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. In FY 2008, tonnage production for underground was actually higher than what DOE and OSM projected. Due to this, OSM tonnage projections for underground are higher than DOE projections.*

***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 28 cents, 12 cents and 8 cents, starting in 2013. This calculation is then adjusted for moisture content, reduced coal prices and fees, administrative fees and uncollectible fee estimates. The Authority to collect AML fees was extended through 2021 under the Tax Relief and Health Care Act of 2006.*

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**Table 14 – Summary Status of Abandoned Mine Reclamation Fund
(Dollars in thousands)**

Fiscal Year	Receipts and Interest Income			Appropriations			Transfer To UMWA Health & Retirement Funds	Cumulative	Cumulative Unappropriated AML Fund Balance
	Amount	Interest Earned	Cumulative	Amount Appropriated from AML Fund /1	footnote	Appropriations from Other Sources /2			
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	273,660	71,351	9,074,769	112,375	/9		61,224	6,705,846	2,368,923
2010	276,440	100,080	9,451,289	147,000			102,106	6,954,952	2,496,337

/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 \$22M as well as \$90M mandated under PL 109-432.

Notes: FY 2009 figures are estimates except for appropriations and transfers.

FY 20010 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 grant activity is now mandatory and no longer part of OSM's 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.

Along with the mandatory distributions given to the states, treasury funds are also distributed to the states as part of the grant distribution. These treasury funds consist of two parts. The first treasury funds to be distributed are the Prior Balance Replacement Funds in FY 2008. These treasury funds represent the unappropriated state share balance as of 11/30/2007. This balance will be distributed evenly over the next seven years at which time the balance will then be zero.

The second treasury funds to be distributed are the Certified In-Lieu of Funds. These treasury funds represent the amount equal to the State or Tribal share allocation for certified states in the prior fiscal year, that is 50% of the fees collected for the prior FY within each State's and Tribe's jurisdiction. Certified In-Lieu of Funds is phased in over a three year period. The first distribution of Certified In-Lieu of Funds was made in FY 2009.

In FY 2007, OSM completed its deployment process to convert its accounting systems to the Department's Financial and Business Management System (FBMS). EGrants Plus, a comprehensive grants management system that is intended to facilitate all functions related to the administration of financial assistance programs is now 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.

The Table on the following page details the AML Unappropriated Balance as of September 30, 2008, by a description of its allocation.

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**Office Of Surface Mining
 AML Unappropriated Balance
 September 30, 2008
 Prepared by the Division of Financial Management**

Total Funds to be Allocated: \$2,197,508,220.57

Description of Allocation	Balance as of 10/01/07 1/	LESS: 2008 Appropriation 8/	2008 Treasury Funds	LESS: 2008 5/ UMWBF Transfer	Post Appr. & Trans. Balance	Investment Int. 10/01/07-9/30/08	Collections for 10/01/07-9/30/08	Balance As Of 9/30/08
RAMP Allocation 6/ 7/	\$26,086,754.61				\$26,086,754.61			\$26,086,754.61
Federal Expense 2/ 6/	\$415,283,930.31	(\$61,726,713.00)			\$353,557,217.31		\$57,320,883.60	\$410,878,100.91
Historical Coal 3/	\$179,278,598.03	(\$45,800,881.00)	\$186,971,452.00		\$320,449,169.03		\$85,981,325.41	\$406,430,494.44
Investment Interest	\$144,742,438.07	\$0.00		(\$100,394,394.00)	\$44,348,044.07	\$83,764,005.22	\$0.00	\$128,112,049.29
	\$765,391,721.02				\$744,441,185.02		\$143,302,209.01	\$971,507,399.25
Total Fed Share 1/ and 4/	\$765,391,721.02	(\$107,527,594.00)	\$186,971,452.00	(\$100,394,394.00)	\$744,441,185.02	\$83,764,005.22	\$143,302,209.01	\$971,507,399.25
Total State Share	\$1,301,809,611.53	(\$31,806,653.00)	(\$186,971,452.00)	\$0.00	\$1,083,031,306.53	\$0.00	\$142,969,514.79	\$1,226,000,821.32
Total	\$2,067,201,332.55	(\$139,334,447.00)	\$0.00	(\$100,394,394.00)	\$1,827,472,491.55	\$83,764,005.22	\$286,271,723.80	\$2,197,508,220.57

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 distribution 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 amount for the Clean Streams Initiative.

5/ \$100,394,394 is the amount AML funds transferred at the beginning of FY 2008 to the United Mine Workers Benefit Fund Health Care Funds for estimated expenses in FY 2008 reduced by premiums and payments by Federal Agencies in connection with benefits provided. The amount is also adjusted to true up actual costs to estimates in the current and preceding years.

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 \$382,139,602.22.

7/ Public Law 109-432 changed the fee rates collected on tonnage produced in section 402 (h)(4)(B) so that there is no longer a RAMP allocation. In section 406, the amount remaining in the fund is available to be used for transfers to the UMWA Health Care Plans if needed.

8/ With Public Law 109-432, Congress changed the way the AML Grant Distribution Funds are awarded. These are now considered Mandatory Funds and are no longer appropriated. This column represents both appropriated and mandatory funds.

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 \$898,050 at the end of FY 2008, including interest and late charges. New civil penalties recorded in FY 2008 totaled \$127,762.
- 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 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 2009-2010 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 2008, OSM referred 100 percent of qualifying civil penalty debts to Treasury.

2009 PLANNED PROGRAM PERFORMANCE ACTIVITIES

OSM will maintain a high rate of fee compliance, which will become even more critical as State and Tribal AML funding will be tied directly to fee collections in FY 2008 and beyond. To help ensure that results continue to be achieved efficiently, OSM will:

- Provide audit support to the Department of Justice in resolving the reclamation fee/coal export litigation.
- Complete the development of the Coal Fee Collection Management System.
- Promote increased use of E-Filing by coal companies to file their coal reclamation reports electronically.
- Continue to review the SMCRA Amendments of 2006 to determine the regulatory, procedural, and system changes needed to incorporate the amendments in fee collections and disbursements processes.
- OSM will achieve the performance measures and targets for measures identified under this business line.

2008 PROGRAM PERFORMANCE ACCOMPLISHMENTS

In 2008, the major accomplishments in the Financial Management program activity include:

- Collected \$286.3 million resulting in a fee collection rate of 99.9 percent.
- Enrolled 73 percent of the active coal-producing permits in the electronic filing program.
- Improved the paperless audit process by converting the final product to the Adobe Acrobat platform.
- Began Development of Phase II of the Coal Fee Collection Management System which will replace the Fee Billing and Collection System.
- Achieved performance targets for measures identified on next page.

FINANCIAL MANAGEMENT

Program performance under this business line supports Strategic Plan and PART measures displayed under Resource Protection section of the “Goal Performance Table” Tab in this document. Below represents bureau level measures for this business line.											
Program Performance Overview											
End Outcome Measure / Intermediate or PART Measure / PART Efficiency or other Outcome Measure	Type	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President’s Budget	Change from 2009 Plan to 2010	Long-term Target 2012
Increase the number of permits reporting by e-filing. (BUR)	C	44%	58%	64%	69%	70%	73%	75%	80%	+5%	90%
Comments	Anticipate incremental increases in participation over future years										
AML Fee Collection rate. (BUR)	A	99.9%	99.9%	99.9%	99.9%	99%	99.9%	99%	99%	0%	99%
Target Codes: BUR = Bureau specific measure; NA = Long-term targets are inappropriate to determine at this time. Type Codes: C=Cumulative; A=Annual											

EXECUTIVE DIRECTION
(Dollars in Thousands)

		2008 Actual	2009 Enacted	2010			Change from 2009 (+/-)
				Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request	
Regulation & Technology	\$\$\$	15,120	15,676	+394	0	16,070	+394
	FTE	60	60	0	0	60	0
Abandoned Mine Land	\$\$\$	7,777	8,017	+214	0	8,231	+214
	FTE	33	33	0	0	33	0
TOTAL	\$\$\$	22,897	23,693	+608	0	24,301	+608
	FTE	93	93	0	0	93	

The fixed costs increases of \$608,000 will provide cost of living increases for the projected 93 full-time equivalent employees (FTE) to implement the programs described in this section, as well as cost increases for shared services and rent.

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 Resource Protection, Resource Use and Serving Communities goal areas.

The outcome of program performance will be measured by the success of the Surface Mining

program in carrying out the environmental restoration and protection missions. Also, performance will be measured through OSM's contribution to the accomplishment of the Departmental management goals and measures in the new strategic plan based upon the President's five agenda items -- strategic management of human capital, expand E-Government, improve budget and performance integration, improve financial management, and expand competitive sourcing.

In FY 2010, OSM will continue to support the Department's progress in the implementation of the President's management agenda. Our performance in the nine management improvement areas will be reported through the internal DOI scorecard rating system. All scorecards were modified in FY 2008 to more closely mirror the criteria used in the overall Department ratings, and to make adjustments to the agenda item categories. For the rating period ending September 30, 2008, the bureau received "green" scores for three agenda items and "yellow" scores for five agenda items as shown in the chart below. Progress for all agenda items were identified as "green." OSM did not receive a score for Energy Management because it does not own or operate Federal facilities. The work evaluated under these items supports the Department's Management Excellence mission goal.

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<i>OSM SCORECARD RATINGS</i>		
<i>DOI Mission Goal</i>	<i>Agenda Item</i>	<i>OSM Score</i>
Management Excellence Improve the efficiency and effectiveness of internal operations in the delivery of DOI programs and services.	Strategic Management of Human Capital	Yellow
	Citizen-Centered E-Government	Green
	Improved Financial Management	Yellow
	Competitive Sourcing	Green
	Budget-Performance Integration	Yellow
	Asset Management	Green
	Energy Management	N/A
	Transportation Management	Yellow
	Environmental Stewardship	Yellow

OSM’s scorecard ratings will be verified and validated through meetings between the bureau and the responsible Departmental office to assess performance semi-annually.

Actions Required to Achieve Annual Goals: OSM will continue to strengthen or maintain existing “green” scores and improve its “yellow” scores.

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.

2010 Budget Request: The request is for \$24.3 million for Executive Direction and Administrative activities. Of this total, \$4.1 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 \$6.8 million and basic bureau-wide fixed overhead costs in general services will cost \$13.4 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. If the Subcommittee is interested in quantifying costs at a regional level, OSM can work with the Subcommittee to provide this information.

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.

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Table 15 – Justification of Program and Performance
 Executive Direction
 Summary Increases/Decreases for FY 2010
 (Dollars in Thousands)

Program Activity		Regulation & Technology			Abandoned Mine Lands			Total			Inc/Dec (+/-)
		2008 Actual	2009 Enacted	2010 Request	2008 Actual	2009 Enacted	2010 Request	2008 Actual	2009 Enacted	2010 Request	
Executive Direction	\$\$\$	2,548	2,605	2,682	1,350	1,385	1,428	3,898	3,990	4,110	+120
	FTE	25	25	25	14	14	14	39	39	39	0
Administrative Support	\$\$\$	4,260	4,341	4,450	2,237	2,283	2,342	6,497	6,624	6,792	+168
	FTE	35	35	35	19	19	19	54	54	54	0
General Services	\$\$\$	8,312	8,730	8,938	4,190	4,349	4,461	12,502	13,079	13,399	+320
	FTE	0	0	0	0	0	0	0	0	0	0
TOTAL	\$\$\$	15,120	15,676	16,070	7,777	8,017	8,231	22,897	23,693	24,301	+608
	FTE	60	60	60	33	33	33	93	93	93	0

2010 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 Chief Information Officer.

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 2010, 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 the Chief Information Officer.

b. Office for Equal Opportunity (EO)

This Office is responsible for promoting equal employment opportunities for all OSM employees. The Office:

- 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;
- Ensures that a bureau-wide affirmative employment and EEOC-MD-715-01 Report objectives are developed and implemented; and

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- 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 Executive Orders of the President, 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 higher education institutions to participate and benefit from programs related to surface coal mining and reclamation activities. As an example of outreach to minority higher education institutions, OSM has formed the Minority Higher Education Initiative Team. The focus of the team will be to lay the foundation for long term relationships with minority higher education institutions that were identified as having degree programs in OSM's mission related interest. Also, the office assists the bureau in the implementation of the Department's "Strategic Plan for Achieving and Maintaining A Highly Skilled And Diverse Workforce".

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, and
- News releases.

These items contain information about OSM programs, policies, and Congressional activities, 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. The Office provides direction for internal communications and functions as the principal point of contact for arranging media interviews and briefings with key officials.

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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 the Chief Information Officer (OCIO)

The Office of the Chief Information Officer provides advice and assistance to the Deputy Director and other senior OSM officers to ensure that information technology is acquired and information resources are managed for the bureau in a manner that is consistent with the requirements of the Information Technology Management Reform Act of 1996, the Government Information Security Reform Act of 2000, and Chapter 35 of Title 44 USC and industry best practices.

This Office is responsible for OSM's information technology (IT) 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 Freedom of Information Act requests, 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 OCIO.

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, and
- 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 is responsible for providing advice on all matters pertaining to OSM's Emergency Management Program. 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; 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 SMART and its updated version of XI QuickHire, 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 under the Departmental Human Resource Plan, are highlighted below:

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- 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 by partnering with Historically Black Colleges and Universities, and Hispanic Serving Institutions 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 identified skills and competencies needed for the OSM transition to technical transfer direction. The workforce plan outlines recruitment efforts that are focused on the anticipated retirement loss of human capital, putting employees closer to the customers, competitive sourcing impacts, and a general review of how we are organized and the proper use of both human and fiscal resources. 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.
- Work Force Planning: OSM continues to implement its workforce plan. The Plan links to 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. In addition, OSM established a Leadership, Education and Development (LEAD) Program to enhance career advancement within the Bureau. For FY 2007-2008, four OSM employees participated in and completed the program. By early FY 2009, three of those employees received promotions to managerial positions. OSM will continue with the LEAD Program in FY 2009-2010.
- Automated On-line Recruitment: This system provides a larger more diverse applicant pool that can be screened and provided to management more efficiently. OSM upgraded to the new QuickHire XI version to ensure that our customers have the best access possible to this data and that our recruitment program is at its highest efficiency.

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.

OSM is one of two bureaus that implemented the acquisition module of the Departmental-wide Financial and Business Management System (FBMS) in November, 2007. The core financial module was implemented in November, 2006. The grants module was implemented in April

2005. The FBMS system is a major enterprise management initiative that will integrate financial management, acquisition, property management, grants administration and other subsidiary systems. It will revamp administrative processes throughout the Department of the Interior.

Additional modules of the FBMS system will be implemented through FY 2009. As a result of the conversions from the current administrative accounting systems to FBMS, OSM's legacy systems will be replaced by FY2009: IDEAS, PALS, E-Budget, ABACIS, GIFTS, Travel and Trip Manager, CONDORS, MAPS and MORS.

A major percentage of the Administrative Financial Management resources have been and will continue to be devoted to the successful implementation of the FBMS system while maintaining the high quality and timeliness of on-going administrative financial business.

OMB's recent revision to Circular A-123 imposes significant new requirements on the documentation, assessment, and testing of internal controls over financial reporting of existing legacy systems. The FY 2010 budget continues to fund resources to implement the A-123 program. FBMS implementation will also require that all OSM financial processes be re-documented and re-tested because these processes have been drastically changed.

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. Under the direction of the OCIO, OSM utilizes an Information Technology Management Team (ITMT) to provide agency-wide technical support to OSM management and staff in the design, development, procurement and operation of computerized information systems.

The OSM Enterprise Architecture (EA) Program supports DOI's Enterprise Architecture activities in the implementation of cross-agency lines of business initiatives and blueprinting efforts. OSM EA continues to identify and recommend opportunities for leveraging IT investments in support of bureau strategic goals. This requires integration into many defined management processes such as strategic planning, capital planning and investment control, portfolio and project management and information assurance. OSM EA facilitates collaboration with numerous stakeholders, such as the business or programs, faced with changing business needs, and technology by recommending improvements for IT infrastructure consolidations and efficiencies. OSM EA efforts will also continue to identify the segment architecture types of the bureau which define OSM's "enterprise" assets, including systems and IT investments. These segment-oriented type views of enterprise assets encapsulate OSM core mission areas, business services, and enterprise services that support reuse of business components and services. This allows the OSM Enterprise Architecture Program to mature and evolve with OSM's changing business needs while continuously refining the business, data, application, service and technology architectures of the enterprise in support of OSM's mission and strategic goals.

OSM utilized Active Directory, the DOI standard directory system environment for Microsoft. Active Directory played a vital role in the OSM network migration, and provides the mechanism

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for centrally managing software deployment and network maintenance and IT Security. The Active Directory initiative continues to allow OCIO to reduce costs, improve IT security, reduce administrative overhead and improve system-wide configurations.

OCIO is also responsible for the administration of the agency's Information Technology (IT) Security Plan ensuring the safety of OSM's IT information and computer technology hardware and software resources. Employee 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.

OCIO 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 self-assessed at 100 percent Stage 3 maturity with regard to the Government Accountability Office Information Technology Investment Maturity (ITIM) Model.

OSM continues to participate in the following management programs and initiatives: E-Government, Enterprise Architecture, and the Government Paperwork Elimination Act. OSM will continue 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. In FY 2008, new goals were added to the OCIO's E-Government scorecard reporting requirements to reflect OMB's and the Department's priorities (i.e. the addition of new records management and FOIA goals), coupled with the designation of IT and Privacy Act as top priorities. OCIO will continue to evaluate its programs to meet the challenges of these evolving requirements, operate and maintain intranet connectivity, develop IT strategic planning, implement IT policy, and coordinate compilation of the IT budget.

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3. General Services

This is a funding activity, which 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 based on FY 2008 actual obligations.

<i>Line Item</i>	<i>FY 2009 Estimate</i>	<i>FY 2010 Estimate</i>	<i>Estimated Change</i>
Rent and utilities	6,736,196	6,871,196	+135,000
Telecommunications	350,000	350,000	
Postage	50,000	50,000	
DOI Working Capital Fund	2,837,400*	2,947,400	+110,000
DOI Program Requirements	100,000	100,000	
Unemployment Compensation	5,600	3,600	-2,000
Worker's Compensation	288,000	365,000	+77,000
Bureau-wide Printing/Supplies	400,000	400,000	
Service Contracts	480,804	480,804	
GSA Work Authorizations	100,000	100,000	
Operational Support Contracts (including support contracts such as quickhire, quicktime, software licenses, and direct billing items)	1,731,000	1,731,000	
<i>Total</i>	<i>13,079,000</i>	<i>13,399,000</i>	<i>+320,000</i>

*Represents the 2009 President's Budget Request.

2009 PLANNED PROGRAM PERFORMANCE

- Financial Management – Implement the property module of the FBMS system; support the Department’s financial statements and audit review during FY 2009.
- Equal Opportunity – focus on developing training methodologies to adapt to the various generations emerging in the workforce.
- Human Capital – review results of recent Human Capital Survey and develop action plans where appropriate.
- Budget and Performance Integration – Continue to refine activity based costing methods in conjunction with the Department’s review and integration with FBMS.
- Capital Planning and Investment Capital (CPIC) – Conduct required evaluations for all IT programs and major investments.
- Enterprise Architecture – Continue to support DOI’s Enterprise Architecture activities in the implementation of cross-agency lines of business initiatives and blueprinting efforts.

2008 PROGRAM PERFORMANCE ACCOMPLISHMENTS

In 2008, the major accomplishments in the Executive Direction program activity include:

- Information Technology – Completed Certification and Accreditation (C&A) on 100% of our Headquarters and Regional enclaves and our six major IT investments.
- Financial Management – (1) Developed and tested the property module of the FBMS system for implementation in FY 2009. (2) Supported the Department’s audit opinion on its 2007 and 2008 financial statements.
- Budget/Performance – Integrated budget and performance measures continue to be reported in the budget justification.
- Human Resources – (1) Continued to refine workforce plans which outline human resource strategies for the period 2007 through 2013. (2) Held a leadership meeting of all OSM supervisors and managers to address issues identified in the Human Capital Survey and employee and supervisor focus groups held at OSM.
- Capital Planning and Investment Capital (CPIC) – Completed required evaluations for all IT programs and major investments.
- OSM continued its support of the HSPD-12 mandate. These capabilities will be extended into the OSM information technology architecture throughout FY 2009.

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.

PERMANENT APPROPRIATIONS

**ALLOCATIONS TO STATES AND TRIBES
PAYMENTS TO UNITED MINE WORKERS OF AMERICA**

The permanent appropriations administered by OSM provide for reclamation grants to States and Tribes and payments to three health benefit plans under the United Mine Workers of America (UMWA). The revenues for these payments are derived from the AML Fund and U.S. Treasury Fund. OSM will distribute these funds in accordance with the Surface Mining Control and Reclamation Act Amendments of 2006 outlined in Public Law 109-432, and OSM's implementing regulations published on November 14, 2008 (73 FR 67576).

The President's Budget framework for FY 2010 released on February 26, 2009, identified the elimination of payments to States and Tribes that have completed clean-up of abandoned coal mines as a cost savings measure. This proposal will eliminate all mandatory payments to certified States and Tribes, but will not impact funding to States who have an AML program with remaining abandoned coal mine problems (uncertified States). The Department will work with the Administration to propose legislation to address this issue and focus Federal funds on reclaiming high-priority abandoned coal mine problems.

Note: The figures presented in this section for FY 2009 are distributions based on annual reclamation fees collected in FY 2008. A chart detailing funding for FY 2008-2010 and the breakout of certified and uncertified States and Tribes is provided at the end of this section.

Table 16 – Permanent Appropriation Estimates
(Dollars in Millions)

Permanent Appropriation	FY 2008 Actual	FY 2009 Enacted	FY 2010 Estimate	Change from 2009
Payments to States in Lieu of Coal Fee Receipts (U.S. Treasury Funds) :	187.0	208.1	85.4	-122.7
• Prior Balance Replacement Fund <i>Less Payments to Certified States and Tribes</i>	187.0 --	187.0	187.0 <u>[-101.6]</u> 85.4	
• Certified in Lieu Fund <i>Less Payments to Certified States and Tribes</i>		21.1	39.9 <u>[-39.9]</u> 0	
Mandatory Grants to States and Tribes (AML Funds):	87.4	90.0	147.0	+57.0
• State & Tribal Share	31.8	27.8	42.8	+15.0
• Historic Coal Fund	45.8	52.5	91.5	+39.0
• Minimum Program Fund	9.8	9.7	12.7	+3.0
Subtotal, Payments to States	274.3	298.1	232.4	-65.7
Payments to United Mine Workers of America Health Benefit Plans (AML Fund Interest)*	100.3	61.2	102.1	+40.9
Payments to United Mine Workers of America Health Benefits Plans (AML Fund, prior RAMP balance)	66.7	62.8	63.8	1.0
Subtotal, Payments to UMWA	167.0	124.0	165.9	+41.9
Total, Permanent Appropriations	441.3	422.1	398.3	-23.8

*United Mine Workers of America (UMWA) payments were made to the Combined Benefit Fund (CBF) in FY 2006 and 2007. In FY 2008 and beyond, two additional plans will receive payments.

GOAL: TO DISTRIBUTE FUNDS TO STATES AND TRIBES AND PAYMENTS TO THE UNITED MINE WORKERS OF AMERICA CONSISTENT WITH THE SURFACE MINING CONTROL AND RECLAMATION ACT AMENDMENTS OF 2006

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 changed the distribution of funding to State and Tribes under the reclamation program beginning in FY 2008. OSM published regulations implementing the Act (November 14, 2008, 73 FR 67576) which became effective on January 13, 2009.

For 2010, State and Tribal grants and payments for health plans under the United Mine Workers of America will continue to be from permanent appropriations. Revenue sources, distribution and payments are described below. As previously mentioned, the Department is working with the Administration to take action to ensure that funding provided is focused on completing coal problems and providing cost savings to the taxpayers. Therefore, provisions outlined below that provide funding to those States and Tribes that have certified completion of abandoned coal problems may change.

The mandatory annual distribution for fiscal year 2010 from the AML fund includes the following components as provided for in Section 402 (g) of SMCRA and 30 CFR 872 of the implement regulations:

- State share allocation for uncertified States (50% of reclamation fees for coal produced during the preceding fiscal year), reduced to 75% by the phase-in.
- Historic coal allocation for uncertified States (30% of reclamation fees for coal produced during fiscal year 2009), reduced to 75% by the phase-in.
- The amount reallocated to the historic coal funding for uncertified States from the State/tribal share allocation for certified States and Tribes from fee collections in fiscal year 2009, reduced to 75% by the phase-in.
- The amount needed from the Secretary's discretionary share to implement the minimum program grant guarantee under section 402(g)(8) of SMCRA of no less than \$3,000,000 for each uncertified State, reduced to 75% by the phase-in.

The mandatory annual distribution for fiscal year 2010 from unappropriated funds in the U.S. Treasury includes the following components:

- An amount equal to one-seventh of the unappropriated balance of all State and Tribal share allocations made on coal produced before October 1, 2007, for both uncertified and certified States and Tribes. (Section 411(h)(1); 30 CFR 872.29-31)

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- An amount equal to the State or Tribal share allocation for certified States and Tribes for fee collections for coal produced in fiscal year 2009, reduced to 50% by the phase-in. (Section 411(h)(2); 30 CFR 872.32-34)

The total amount transferred from the Treasury is subject to a \$490 million annual cap on all Treasury payments to states, tribes, and the three UMWA retiree benefit plans under this legislation.

In addition, payments to three United Mine Workers of America retiree benefit plans are required under Sections 402 (h) and (i) of SMCRA:

- Requires annual transfer of all estimated AML Fund interest earnings for each fiscal year to the three UMWA retiree benefit plans (the Combined Benefit Fund, the 1992 Plan, and the 1993 Plan), to the extent payments from premiums and other sources do not meet those plans' expenditure needs, subject to certain limitations.
- Additional transfers to the CBF began in FY 2007, while transfers to the 1992 and 1993 plans began in FY 2008. Transfers to the 1992 and 1993 plans will be phased in, with transfers in FY 2008-2010 limited to 25%, 50%, and 75%, respectively, of the amounts that would otherwise be transferred.
- The three UMWA plans are also entitled to payments from unappropriated amounts in the Treasury, subject to the overall \$490 million cap on all annual transfers from the Treasury under this legislation; i.e., all transfers to States and Tribes in lieu of state and tribal share allocations and all transfers to the three UMWA plans.
- In general, the three UMWA plans must exhaust all available revenue sources more or less in the following order:
 - Premiums paid by operators and other UMWA revenues (although the legislation also phases out premiums for unassigned beneficiaries).
 - Payments from other federal agencies for benefit purposes, e.g., for the Medicare prescription drug program.
 - Estimated interest to be earned by the AML Fund during the fiscal year in question.
 - Unappropriated balance of the RAMP allocation.
 - Transfers from unappropriated funds in the U.S. Treasury, subject to the \$490 million cap on annual transfers to both the UMWA plans and States and Tribes.
 - Reserve fund created from existing stranded interest earned by the AML Fund.

Distribution of Funds to States and Tribes

OSM will award grants to States and Tribes from mandatory fund distributions from the AML Fund and the Treasury General Fund. States and Tribes use the funds to address hazards and problems such as underground fires, subsidence, landslides, open shafts, unstable or burning refuse piles, acid mine drainage, and dangerous, unstable highwalls.

Generally, States must have an approved SMCRA regulatory (Title V) program and a reclamation (Title IV) program before to be eligible to receive reclamation funding. Three Tribes (Crow, Hopi, and Navajo) are eligible for funding through the AML program, and each has an approved reclamation program. In FY 2008, Tennessee also became eligible for AML program funding although it does not have an approved regulatory program. Twenty-five States and three Tribes received reclamation funding in FY 2009.

Calculation of Allocation to States and Tribes

Each permanent appropriation has a respective account in the United States Treasury. The FY 2009 payments were based on revenues from collection of AML fees for coal produced in FY 2008 and prior year actual fees collected on coal produced as of October 1, 2007. A phased-in approach to payment is used as defined in the law and implementing regulations.

Abandoned Mine Land Funds

Funds are derived from collection of AML fees. Section 402(a) of SMCRA establishes a per tonnage fee for mined coal. The fee structure allows for fee collection of: 31.5 cents/ton of surface mined coal; 13.5 cents/ton of coal mined underground; and 9 cents/ton of lignite; or ten percent of the value of the coal at the mine, whichever is less. Fees are paid by operators of active mines. OSM is responsible for the collection of all AML fees from coal operators. See discussion under Financial Management for details on this federal program activity.

Most expenditures from AML fee collections are for mandatory spending for distribution to States and Indian Tribes. After the phase-in period in fiscal years 2008-2011, approximately 83 percent of the fees collected will be distributed to States and Tribes that have remaining coal problems to be addressed (uncertified States and Tribes), including minimum program States. The remaining funds collected will be available for discretionary appropriations as discussed under "Environmental Restoration."

The amount estimated in FY 2010 for this allocation is \$147.0 million, subject to actual fee collections in FY 2009.

Treasury Funds

Treasury funds will also be used for the mandatory distribution to States and Tribes. The FY 2010 Budget proposes to provide funds only to those States with remaining abandoned coal mine

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problems (uncertified States) as previously discussed. There are two items funded from the U.S. Treasury:

Prior Balance Replacement Fund: The 2006 Amendments authorize U.S. Treasury Funds to be used to pay all States and Tribes, certified and uncertified, an amount equivalent to one-seventh of their unappropriated State and Tribal share balances in the AML Fund from coal produced prior to October 1, 2007. In FY 2010, uncertified States (those States with remaining coal problems) will receive an estimated \$85.4 million in grants. The FY 2010 budget proposes to eliminate all funding to certified States and Tribes.

Certified in Lieu Fund: The 2006 Amendments also authorize U.S. Treasury Funds to be used to pay certified States and Tribes an amount equal to 50 percent of the fees collected in FY 2009, reduced to 50% by the phase-in required by the law. The FY 2010 budget proposes to eliminate these payments because they are not being used to reclaim abandoned coal mine lands.

United Mine Workers of America Payments

AML fees collected are placed in the Abandoned Mine Reclamation Fund. Interest accrues on the collected fees and becomes part of the AML Fund. The interest earned is available for transfer to the United Mine Workers of America Plans in order to help finance health benefits for unassigned beneficiaries.

The estimate for FY 2010 for these payments is \$165.9 million.

Table 17: Mandatory Funding for States and Tribes, FY 2008-2010

P.L. 109-432, SMCRA Amendments Act of 2006			
Funding for FY 2008 and 2009, with Projected Funding for FY 2010			
(\$ rounded in millions)			
State/Tribe	Actual Funding 2008	Actual Funding 2009	Hypothetical Distribution 2010
Alabama	5.4	5.5	6.9
Alaska	1.7	1.7	2.4
Arkansas	1.6	1.6	2.3
Colorado	6.7	6.5	8.2
Illinois	10.9	11.4	16.3
Indiana	10.6	10.5	13.4
Iowa	1.7	1.7	2.4
Kansas	1.7	1.7	2.4
Kentucky	30.9	31.2	38.3
Maryland	2.1	2.1	2.6
Mississippi	0.2	0.2	0.3
Missouri	1.8	1.8	2.5
New Mexico	4.0	3.8	4.9
North Dakota	3.0	2.9	3.4
Ohio	7.9	8.4	11.5
Oklahoma	1.8	1.8	2.5
Pennsylvania	27.9	30.0	44.9
Tennessee	1.9	1.9	2.6
Utah	3.6	3.6	4.5
Virginia	7.2	7.0	9.4
West Virginia	39.4	39.9	50.7
Total for Uncertified States	172.0	175.2	232.4
Louisiana	0.2	0.3	0.3
Montana	8.1	9.5	10.8
Texas	3.3	3.8	4.5
Wyoming	82.7	100.8	116.2
Crow	1.9	1.6	1.8
Hopi	0.9	1.0	1.0
Navajo Nation	5.2	5.9	6.9
Total for Certified States and Tribes	102.3	122.9	141.5
Less Payments to Certified States and Tribes			-141.5
National Total	274.3	298.1	232.4
Source of Mandatory Funding:			
AML Fund	87.3	90.0	147.0
Treasury	187.0	208.1	85.4

Uncertified States are those that have remaining coal problems to address.

Certified States and Tribes have certified that there are no remaining coal problems.

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Activity/Office	2008 Actual	2009 Pres Budget	2009 Estimate	2010 Estimate
Other OS Activities				
Invasive Species Council	23.0	24.3	24.3	25.2
Invasive Species Coordinator	3.8	4.0	4.0	4.3
Secretary's Immediate Office	26.8	28.3	28.3	29.5
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Office of the Executive Secretariat				
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Secretary's Immediate Office				
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Departmental Communications Office	6.0	6.2	6.2	6.4
Office of Communications	6.0	6.2	6.2	6.4
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Conservation Partnerships and Management Policy	2.0	2.0	2.0	2.1
Policy, Management and Budget	2.0	2.0	2.0	2.1
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FedCenter	0.0		2.7	2.7
Office of Environmental Policy and Compliance	0.0		2.7	2.7
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Office of Policy Analysis				
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CPIC	13.2	1.0	1.0	1.2
Office of Budget	13.2	1.0	1.0	1.2
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Activity Based Costing/Management	8.6	8.2	8.2	8.0
Travel Management Center	1.7	1.8	1.8	2.2
e-Gov Travel	15.4	30.8	30.8	9.3
Office of Financial Management	25.6	40.8	40.8	19.5
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Space Management Initiative	2.2	2.5	2.5	2.6
Renewable Energy Certificates	1.6	1.5	1.5	0.0
Office of Property and Acquisition Management	3.8	4.0	4.0	2.6
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SBA Certifications	0.1	0.1	0.1	0.1
Small & Disadvantaged Business Utilization	0.1	0.1	0.1	0.1
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Planning and Performance Management	9.4	9.8	9.2	9.8
Office of Planning and Performance Management	9.4	9.8	9.2	9.8
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Alternative Dispute Resolution Training	0.0	0.8	0.8	0.4
Office of Collaborative Action and Dispute Resolution	0.0	0.8	0.8	0.4
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Center for Competition, Efficiency, and Analysis	6.0	6.1	6.1	5.3
Center for Competition, Efficiency, and Analysis	6.0	6.1	6.1	5.3
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HSPD-12	103.4	5.7	5.7	4.8
Department-wide OWCP Coordination	0.8	2.4	2.4	2.9
Accountability Team	0.0	3.5	3.5	3.9
DOI LEARN	1.5	5.3	5.3	2.5
CLC - Human Resources	0.3	0.0	0.0	0.0
OPM Federal Employment Services	3.7	4.9	4.9	3.8
Office of Human Resources	109.8	21.8	21.8	17.9
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EEO Complaints Tracking System	3.0	0.2	0.2	0.0

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Activity/Office	2008 Actual	2009 Pres Budget	2009 Estimate	2010 Estimate
Special Emphasis Program	4.9	0.4	0.4	0.4
Accessible Technology Center	2.5	2.4	2.4	2.5
Office of Civil Rights	10.5	3.1	3.1	2.9
Occupational Health and Safety	7.2	7.2	7.2	11.6
Health and Safety Training Initiatives	1.6	1.6	1.6	1.6
Safety Management Information System	5.0	5.0	5.0	0.0
Office of Occupational Health and Safety	13.8	13.8	13.8	13.1
Security (Classified Information Facility)	2.7	2.7	2.7	3.5
Interior Operations Center (Watch Office)	9.9	12.5	12.5	15.1
Emergency Preparedness	11.0	10.7	4.6	5.4
Law Enforcement Coordination and Training	4.6	4.6	4.6	6.8
Emergency Response	0.0	0.0	6.1	6.8
Law Enforcement and Security	28.2	30.4	30.4	37.6
Enterprise Services Network	281.5	369.5	369.5	263.3
Web & Internal/External Comm	4.9	4.7	4.7	3.5
Enterprise Architecture	32.8	30.4	30.4	27.9
FOIA Tracking & Reporting System	4.6	7.8	7.8	11.2
Threat Management	0.0	0.0	0.0	9.9
IT Security	219.1	16.7	16.7	17.1
Capital Planning	160.6	20.6	18.6	14.2
Information Management Support	38.7	1.7	1.7	1.8
Data Resource Management Program	18.2	1.5	1.5	1.5
IT Security Certification & Accreditation	88.5	88.5	88.5	88.5
Electronic Records Management	8.9	10.3	10.3	10.5
Active Directory	14.1	9.9	9.9	10.0
Enterprise Resource Management	4.3	2.8	2.8	3.3
e-Authentication	0.0	2.1	2.1	2.2
IOS Collaboration	0.0	0.0	0.0	6.4
Chief Technology Officer Support	0.0	5.5	0.0	0.0
Network	0.0	0.0	17.6	18.9
Trusted Internet Connection	0.0	0.0	5.7	15.5
Data-at-Rest	0.0	0.0	3.0	0.3
Logging Extracts	0.0	0.0	1.1	2.4
OCIO Project Management Office	0.0	0.0	1.7	6.8
IT Asset Management	0.0	0.0	0.0	1.2
Continuous Monitoring	0.0	0.0	0.0	1.2
Two-Factor Authentication	0.0	0.0	4.0	0.5
Active Directory Optimization	0.0	0.0	6.0	5.3
Office of the Chief Information Officer	876.2	572.0	603.5	523.2
Appraisal Services	0.0	0.0	0.0	0.0
Contingency Reserve	1.3	1.2	1.2	1.2
CFO Financial Statement Audit	254.0	268.8	268.8	275.4

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Activity/Office	2008 Actual	2009 Pres Budget	2009 Estimate	2010 Estimate
Enterprise Geospatial Information Management	13.3	13.3	13.3	20.9
Department-wide Activities	268.6	283.3	283.3	297.5
Department-wide Activities				
e-Government Initiatives (WCF Contributions Only)	29.6	35.6	35.6	34.7
Department-wide Activities	29.6	35.6	35.6	34.7
Ethics Training	0.4	2.0	2.0	4.7
ALLEX Database	0.2	0.2	0.2	0.2
FOIA Appeals	7.1	6.4	6.4	5.8
Office of the Solicitor	7.7	8.6	8.6	10.7
Subtotal Other OS Activities	1,437.2	1,067.8	1,101.4	1,017.0

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Activity/Office	2008 Actual	2009 Pres Budget	2009 Estimate	2010 Estimate
National Business Center				
Cultural Resources & Events Management	3.9	3.9	0.0	0.0
Financial Management Training	31.7	33.2	33.2	33.9
Learning and Performance Center Management	5.4	5.4	5.4	5.3
SESCDP & Other Leadership Programs	1.6	1.6	1.6	1.5
Albuquerque Learning & Performance Center	4.5	4.6	4.6	3.3
Denver Learning & Performance Center	11.5	10.3	10.3	6.9
Online Learning	3.3	4.2	4.2	4.2
Washington Learning & Performance Center	23.4	25.3	25.3	26.2
NBC Human Resources Directorate	85.4	88.4	84.6	81.3
ADP Operations	0.0	7.0	0.0	0.0
EEO Complaints Tracking System	0.0		0.0	0.3
DOI LEARN	0.0		0.0	4.3
NBC 106 Mainframe Replacement	0.0		7.0	0.0
Safety Management Information System	0.0		0.0	12.3
Labor Relations/OWCP Tracking System	0.0		0.0	0.4
NBC IT Security Improvement Plan	7.7	7.6	7.6	10.7
Voice/data Switching	38.4	37.3	37.3	37.3
Information Mgmt. - FOIA and Records Management	16.0	2.7	2.7	2.7
Telecommunication Services	155.0	158.0	158.0	163.6
Audio Visual Services	0.0	29.0	29.0	26.5
Integrated Digital Voice Communications System	109.0	106.8	106.8	109.5
SIB Cabling	0.0	41.9	41.9	4.7
Desktop Services	8.6	0.0	0.0	9.3
NBC Information Technology Directorate	334.7	390.4	390.4	381.7
FPFS/Employee Express - O&M	118.3	120.1	119.1	123.7
HR LoB W-2 Surcharge	6.9	7.5	7.5	5.1
DOI Executive Forums	0.0		0.9	0.9
NBC Human Resources Directorate	125.2	127.7	127.5	129.8
Interior Complex Management & Services	66.9	67.6	67.6	92.4
Family Support Room	2.4	2.4	2.4	2.5
Property Accountability Services	0.0	0.0	0.0	44.9
Vehicle Fleet	2.6	2.8	2.8	2.9
Moving Services	14.2	14.7	14.7	15.2
Shipping and Receiving	33.1	33.8	33.8	34.8
Safety and Environmental Services	0.0		0.0	39.8
Space Management	24.0	22.6	22.6	23.0
Security	459.0	475.6	475.6	496.0
Federal Executive Board	2.2	2.2	2.2	2.2
Health Unit	22.4	22.6	22.6	23.6
Transportation Services (Household Goods)	5.6	5.8	5.8	6.0
Passport & Visa Services	4.3	4.5	4.5	4.6

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Activity/Office	2008 Actual	2009 - Pres Budget	2009 Estimate	2010 Estimate
Mail and Messenger Services	49.6	51.0	51.0	55.7
Blue Pages	19.3	20.7	20.7	20.7
Mail Policy	2.8	2.8	2.8	2.8
Special Events Services	2.5	2.9	2.9	3.0
Cultural Resources & Events Management	0.0		3.0	2.9
Partnership Schools & Commemorative Programs	3.8	3.9	3.9	3.9
Departmental Museum	12.1	12.4	12.4	14.5
Departmental Library	27.7	29.2	29.2	30.2
NBC Administrative Operations Directorate	754.3	777.3	780.3	921.6
FBMS Hosting	252.0	252.0	252.0	252.0
FBMS Master Data Management	0.0		0.0	1.6
Financial Systems (including Hyperion)	18.0	19.8	19.8	19.9
IDEAS	33.5	34.5	34.5	34.8
NBC FBMS Conversion	0.0		0.0	6.8
NBC Financial Management Directorate	303.5	306.3	306.3	315.1
Aviation Management	54.0	79.5	80.0	101.0
NBC - Aircraft Management	54.0	79.5	80.0	101.0
Subtotal National Business Center	1,657.1	1,769.6	1,769.0	1,930.4
TOTAL	3,094.3	2,837.4	2,870.4	2,947.4

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Activity/Office	2008 Actual	2009 Estimate	2010 Estimate
Other OS Activities			
Secretary's Immediate Office			
Office of the Executive Secretariat			
Adaptive Management Guides	0.4	0.0	0.0
Secretary's Immediate Office	0.4	0.0	0.0
Policy, Management and Budget			
Office of Environmental Policy and Compliance			
Office of Policy Analysis			
Single Audit Clearinghouse	0.0	0.7	0.8
Office of Financial Management	0.0	0.7	0.8
FBMS Change Orders	25.0	25.0	25.0
Financial and Business Management System	25.0	25.0	25.0
Federal Assistance Award Data System	0.8	0.8	0.8
Office of Acquisition and Property Management	0.8	0.8	0.8
Office of Wildland Fire Coordination			
Office of Planning and Performance Management			
Collaborative Action and Dispute Resolution			
Center for Competition Efficiency and Analysis			
DOI LEARN	0.0	2.4	2.4
HSPD-12	0.0	39.7	40.3
Labor and Employee Relations	1.1	0.0	0.0
Office of Human Resources	1.1	42.1	42.7
EEO Training	1.6	1.2	1.2
EEO Investigations	1.5	1.5	1.5
Office of Civil Rights	3.1	2.7	2.7
Office of Occupational Health and Safety			
Security Conference	0.0	0.0	0.0
Office of the Chief Information Officer	0.0	0.0	0.0
Oracle Licenses and Support	9.4	9.7	9.7
Microsoft Enterprise Licenses	150.4	150.4	180.3
Anti-Virus Software Licenses	16.4	16.2	16.2
System Architect Licenses	2.5	0.0	0.0
Enterprise Services Network	196.2	187.0	211.0
Federal Relay Service	0.0	1.2	1.2
Data-at-Rest Initiative	16.8	0.0	0.0
Active Directory Optimization	3.8	0.0	0.0
Office of the Chief Information Officer	395.5	364.5	418.4

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Activity/Office	2008 Actual	2009 Estimate	2010 Estimate
Live e-Mail Capture (Cobell Litigation)	30.4	0.0	0.0
Message Journaling (Cobell Litigation)	3.1	0.0	0.0
Tape Search Request (Cobell Litigation)	0.0	0.0	0.0
IT Security Audit (Cobell Litigation)	0.0	0.0	0.0
Legacy Tape Storage (3-year Live Capture - Cobell Litigation)	1.1	0.0	0.0
Zantaz Audit Center Licenses (Cobell Litigation)	0.0	0.0	0.0
Zantaz Exchange Servers (Cobell Litigation)	0.0	0.0	0.0
Zantaz Professional Services (Cobell Litigation)	0.0	0.0	0.0
e-Mail Archiving (Cobell Litigation)	0.0	198.3	124.8
Central Services	34.6	198.3	124.8
FY 2009 CFO Audit	0.0	5.5	0.0
FY 2008 CFO Audit	5.2	0.0	0.0
FY 2004 CFO Audit	0.0	0.0	0.0
FY 2010 CFO Audit	0.0	0.0	5.8
Central Services	5.2	5.5	5.8
Federal FSA Program	10.8	16.2	18.1
Central Services	10.8	16.2	18.1
Central Services			
Subtotal Other OS Activities	476.4	655.9	639.1

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Activity/Office	2008 Actual	2009 Estimate	2010 Estimate
National Business Center			
NBC Acquisitions Services Directorate			
Creative Communications	120.5	123.7	125.4
Facilities Reimbursable Services	22.7	24.3	24.5
NBC Administrative Operations Directorate	143.2	148.0	149.9
NBC Appraisal Services Directorate			
NBC Aviation Management Directorate			
NBC Financial Management Directorate			
Client Liaison and Product Development Division	0.5	0.8	0.9
Personnel & Payroll Systems Division	21.0	22.3	0.7
HR Management Systems Division	0.0	4.0	10.2
Quicktime Services	0.0	0.0	23.5
NBC Human Resources Directorate	21.5	27.1	35.3
Technology Services Division	9.6	14.4	14.8
NBC Information Technology Directorate	9.6	14.4	14.8
Washington Leadership & Performance Center	3.6	3.7	4.0
On-Line Learning	5.7	6.0	6.3
NBC Human Resources Directorate	9.3	9.7	10.3
NBC Office of the Director			
Subtotal National Business Center	183.6	199.1	210.3
TOTAL	660.1	855.0	849.4

Exhibit B
2010 Mandatory Budget Proposal

	Description
Treasury Funds Prior balance funds Certified in lieu funds	Propose legislation to eliminate AML mandatory payments from the Office of Surface Mining to “certified” States and Tribes that have completed their cleanup of abandoned coal mines. Funds to certified States and Tribes are projected at \$141.5 million for four States—Louisiana, Montana, Texas, Wyoming—and three Tribes—Crow, Hopi and Navajo Nation. The Surface Mining Control and Reclamation Act Amendments of 2006 (P.L. 109-432) revised Title IV of SMCRA to make significant changes to the reclamation fee and the AML program, including mandatory payments to States and Tribes. Mandatory funding is provided both to those States that are “uncertified” (i.e., have remaining coal problems) and those who have certified that their coal problems have been completed (certified States and Tribes).

Exhibit C
MAX Tables/Budget Schedules

Department of the Interior
Office of Surface Mining Reclamation and Enforcement
Regulation and Technology
Program and Financing
(dollars in millions)

14-1801-0-1-302	2008 Actual	2009 Estimate	2010 Estimate
<u>Obligations by program activity:</u>			
00.02 Environmental Protection	85	88	95
00.03 Technology Development & Transfer	15	15	15
00.04 Financial Management	1	1	1
00.05 Executive Direction & Administration	15	16	16
09.01 Reimbursable Program			
10.00 Total Obligations	116	120	127
<u>Budgetary resources available for obligation</u>			
21.40 Unobligated balance available, start of year: Uninvested balance	1	3	3
22.00 New budget authority (gross)	118	120	127
23.90 Total budgetary resources available for obligation	119	123	130
23.95 New obligations	-116	-120	-127
23.98 Unobligated balance expiring or withdrawn			
24.40 Unobligated balance carried forward, end of year	3	3	3
<u>New budget authority (gross), detail</u>			
Current:			
40.00 Appropriation (general fund)	120	120	127
40.35 Appropriation permanently reduced	-2		
43.00 Appropriation (total discretionary)	118	120	127

Office of Surface Mining Reclamation and Enforcement

14-1801-0-1-302	2008 Actual	2009 Estimate	2010 Estimate
<u>Change in unpaid obligations</u>			
72.40 Unpaid obligations; start of year: obligated balance, start of year	37	42	43
73.10 Total new obligations	116	120	127
73.20 Total outlays (gross)	-112	-119	-125
73.40 Adjustments in expired accounts (net)	-1		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	42	43	45
<u>Outlays (gross), detail</u>			
86.90 Outlays from new discretionary authority	78	81	86
86.93 Outlays from discretionary balances	34	38	39
87.00 Total outlays (gross)	112	119	125
<u>Offsets</u>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	1		
88.96 Against gross budget authority only:			
Portion of offsetting collections (cash)			
Credited to expired accounts	-1		
<u>Net budget authority and outlays</u>			
89.00 Budget authority	118	120	127
90.00 Outlays	111	119	125
95.02 Unpaid obligation, end of year	41		

Office of Surface Mining Reclamation and Enforcement

Department of the Interior
Office of Surface Mining Reclamation and Enforcement
Abandoned Mine Reclamation Fund
 Program and Financing
 (dollars in millions)

14-5015-0-1-302	2008 Actual	2009 Estimate	2010 Estimate
<u>Obligations by program activity:</u>			
00.01 Environmental Restoration	19	19	19
00.02 Technology Development & Transfer	4	4	4
00.03 Financial Management	7	7	7
00.04 Executive Direction & Administration	8	8	8
00.05 AML Funded Grants to States	120	140	150
00.06 UMWA and other benefits	106	61	102
0901 Reimbursable Program	1		
09.99 Total Reimbursable Program	1		
10.00 Total Obligations	265	239	290
<u>Budgetary resources available for obligation</u>			
21.40 Unobligated balance available, start of year:	33	35	3
22.00 New budget authority (gross)	240	197	281
22.10 Resources available from recoveries	27	10	10
23.90 Total budgetary resources available for obligation	300	242	294
23.95 Total new obligations	-265	-239	-290
24.40 Unobligated balance available, end of year	35	3	4
<u>New budget authority (gross), detail</u>			
Discretionary:			
40.20 Appropriation (special fund, definite)	53	53	32
40.36 Unobligated balance permanently reduced		-8	
40.37 Appropriation temporarily reduced	-1		
43.00 Appropriation (total discretionary)	52	45	32
58.00 Spending authority from offsetting collections:			
Offsetting collections (cash)	5		
58.10 Spending authority from offsetting collections: Change in uncollected customer payments from Federal sources (unexpired)	-5		
Mandatory:			
60.20 Appropriation (AML & RAMP transfers to UMWA) [15-5015-0-999-N-0502-01]	100	61	102
60.20 Appropriation (AML & RAMP transfers to UMWA) [15-5015-0-999-N-0503-01]	88	91	147

Office of Surface Mining Reclamation and Enforcement

14-5015-0-1-302	2008 Actual	2009 Estimate	2010 Estimate
62.50 Appropriation (AML & RAMP transfers to UMWA)	188	152	249
70.00 Total new budget authority (gross)	240	197	281
<u>Change in unpaid obligations</u>			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	262	206	170
73.10 Total new obligations	265	239	290
73.20 Total outlays (gross)	-299	-265	-249
73.45 Recoveries of prior year obligations	-27	-10	-10
74.00 Change in uncollected customer payments from Federal sources (unexpired)	5		
74.40 Obligated balance end of year	206	170	201
<u>Outlays (gross), detail</u>			
86.90 Outlays from new discretionary authority	49	38	27
86.93 Outlays from discretionary balances	129	124	42
86.97 Outlays from new mandatory authority	121	86	143
86.98 Outlays from mandatory balances		17	37
87.00 Total outlays	299	265	249
<u>Offsets: Against gross budget authority and outlays:</u>			
<u>Offsetting collections (cash) from:</u>			
88.40 Offsetting collections (cash) from: Non-Federal Sources	5		
88.95 Offsets: Against gross budget authority only: Change in uncollected customer payments from Federal sources (unexpired)	-5		
<u>Net budget authority and outlays</u>			
89.00 Budget authority	240	197	281
90.00 Outlays	294	265	249
92.01 Total investments, start of year: par value	2,365	2,430	2,367
92.02 Total investments, end of year: par value	2,430	2,367	2,393
95.02 Unpaid obligation, end of year	207		

Office of Surface Mining Reclamation and Enforcement

Department of the Interior
Office of Surface Mining Reclamation and Enforcement
Abandoned Mine Reclamation Fund
 Program and Financing
 (dollars in millions)

14-1803-0	2008 Actual	2009 Estimate	2010 Estimate
<u>Obligations by program activity:</u>			
00.01 Payments in lieu of pre-FY 2008 balances (uncertified and certified States and Tribes)	187	187	187
00.02 Payments in lieu of current balances (certified States and Tribes only)	--	21	40
10.00 Total new obligations (object class 41.0)	187	208	227
<u>Budgetary resources available for obligation</u>			
22.00 New budget authority (gross)	187	208	227
23.95 Total new obligations	-187	-208	-227
24.40 Unobligated balance carried forward, end of year	--	--	--
<u>New budget authority (gross), detail</u>			
Mandatory:			
60.00 Appropriation	187	208	227
<u>Change in obligated balances:</u>			
72.40 Obligated balance, start of year	--	171	196
73.20 Total outlays (gross)	-16	-183	-224
74.40 Obligated balance end of year	171	196	199
<u>Outlays (gross), detail</u>			
86.97 Outlays from new mandatory balances	16	146	165
86.98 Outlays from mandatory balances	--	37	59
87.00 Total Outlays (gross)	16	183	224
<u>Net budget authority and outlays</u>			
89.00 Budget authority	187	208	227
90.00 Outlays	16	183	224
95.02 Unpaid obligation, end of year	171		

Office of Surface Mining Reclamation and Enforcement

Department of the Interior
Office of Surface Mining Reclamation and Enforcement
Abandoned Mine Reclamation Fund
 Program and Financing
 (dollars in millions)

14-1803-4	2008 Actual	2009 Estimate	2010 Estimate
<u>Obligations by program activity:</u>			
00.01 Environmental Restoration	--	--	-142
10.00 Total new obligations (object class 41.0)	--	--	-142
<u>Budgetary resources available for obligation</u>			
22.00 New budget authority (gross)	--	--	-142
23.95 Total new obligations	--	--	-142
24.40 Unobligated balance available, end of year	--	--	--
<u>New budget authority (gross), detail</u>			
Mandatory:			
60.00 Appropriation	--	--	-142
73.10 Change in obligated balances: Total new obligations	--	--	-142
73.20 Total outlays (gross)	--	--	-142
74.40 Obligated balance end of year	--	--	--
<u>Outlays (gross), detail</u>			
<u>Net budget authority and outlays</u>			
89.00 Budget authority	--	--	-142
90.00 Outlays	--	--	-142

Office of Surface Mining Reclamation and Enforcement

Department of the Interior
Office of Surface Mining Reclamation and Enforcement
Abandoned Mine Reclamation Fund
 Program and Financing
 (dollars in millions)

14-1804-0	2008 Actual	2009 Estimate	2010 Estimate
<u>Obligations by program activity:</u>			
00.01 Environmental Restoration	67	63	64
10.00 Total new obligations (object class 41.0)	67	63	64
<u>Budgetary resources available for obligation</u>			
22.00 New budget authority (gross)	67	63	64
23.95 Total new obligations	-67	-63	-64
<u>New budget authority (gross), detail</u>			
Mandatory:			
60.00 Appropriation	67	63	64
73.10 Change in obligated balances:			
Total new obligations	67	63	64
73.20 Total outlays (gross)	-67	-63	-64
<u>Outlays (gross), detail</u>			
86.97 Outlays from new mandatory authority	67	63	64
<u>Net budget authority and outlays</u>			
89.00 Budget authority	67	63	64
90.00 Outlays	67	63	64

Office of Surface Mining Reclamation and Enforcement

Department of the Interior
Office of Surface Mining Reclamation and Enforcement
Regulation and Technology
 Program and Financing
 (dollars in millions)

Object Class	FY 2009 Estimate		Fixed Costs and Related Changes		Program Changes		FY 2010 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
11 Personnel Compensation								
11.1 Full-time Permanent	337	33					337	33
11.X All other salaries								
Total Personnel Compensation	337	33	0	0	0	0	337	33
<u>Other Object Classes</u>								
12.1 Personnel Benefits		6						7
21.0 Travel and transportation of persons		2						2
23.1 Rental Payments to GSA		3						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		66						71
99.0 Subtotal, obligations, Direct obligations		120						127
<u>Reimbursable obligations</u>								
11.1 Personnel compensation: Full-time permanent								
99.0 Subtotal, obligations, Reimbursable								
99.5 Below reporting threshold								
99.9 Total requirements	337	120	0	0	0	0	337	127

Office of Surface Mining Reclamation and Enforcement

Summary of Requirements by Object Class
Abandoned Mine Reclamation Fund
 Program and Financing
 (dollars in millions)

Object Class	FY 2009 Estimate		Fixed Costs and Related Changes		Program Changes		FY 2010 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
11 Personnel Compensation								
11.1 Full-Time Permanent	186	16			-10		176	17
Total Personnel Compensation	186	16			-10		176	17
<u>Other Objects</u>								
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		73						109
31.0 Equipment		1						1
41.0 Grants, subsidies and Contributions		139						153
99.9 Below reporting threshold		3						3
Total Requirements	186	239	0	0	-10	0	176	287

Office of Surface Mining Reclamation and Enforcement

Department of the Interior
Office of Surface Mining Reclamation and Enforcement
Regulation and Technology
 Object Classification
 (dollars in millions)

14-1801-0-1-302	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate
Direct Obligations:			
Personnel Compensation:			
1111 Full-time permanent	29	33	33
1113 Positions other than full-time permanent	*	*	*
1115 Other Personnel Compensation	*	*	*
1119 Total Personnel Compensation	29	32	33
1121 Personnel Benefits	7	6	7
1130 Benefits for former Personnel	*	*	*
1210 Travel and Transportation of Persons	2	2	2
1220 Transportation of Things	*	*	*
1231 Rental Payments to GSA	4	3	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	6	6	6
1257 Operation and maintenance of equipment	*	*	*
1260 Supplies and Materials	1	2	2
1310 Equipment	1	1	1
1410 Grants, Subsidies and Contributions	64	66	71
1420 Insurance Claims	*	*	*
1430 Interest and Dividends	*	*	*
<i>9900 Subtotal, Direct Obligations</i>	<i>115</i>	<i>120</i>	<i>127</i>
Reimbursable Obligations:			
2111 Full-time permanent (Reimbursable)	1		
2252 Other Services	*	*	*
9995 Below reporting threshold			
9999 Total Obligations	116	120	127

Office of Surface Mining Reclamation and Enforcement

Department of the Interior
Office of Surface Mining Reclamation and Enforcement
Abandoned Mine Reclamation Fund
 Object Classification
 (dollars in millions)

14-5015-0-1-302	FY 2008 Actual	FY 2009 Estimate	FY2010 Estimate
Direct Obligations:			
<u>Personnel Compensation:</u>			
1111 Full-time permanent	16	16	17
1113 Positions other than full-time permanent	*	*	*
1115 Other Personnel Compensation	*	*	*
1119 Total Personnel Compensation	16	16	17
1121 Personnel Benefits	3	3	3
1210 Travel and Transportation of Persons	1	1	1
1231 Rental Payments to GSA	2	2	2
1232 Rental Payments to Others	*	*	*
1233 Communications, Utilities and Misc. Charges	1	1	1
1252 Other Services	118	73	109
1260 Supplies and Materials	*	*	*
1310 Equipment	1	1	1
1410 Grants, Subsidies and Contributions	120	139	153
Reimbursable obligations:			
2252 Other services	1		
9995 Below reporting threshold	2	3	3
9999 Total Obligations	265	239	290

Office of Surface Mining Reclamation and Enforcement

**Department of the Interior
Office of Surface Mining Reclamation and Enforcement
Abandoned Mine Reclamation Fund**

Object Classification
(dollars in millions)

14-1803-0	FY 2008 Actual	FY 2009 Estimate	FY2010 Estimate
Direct Obligations: 14.10 Direct obligations: Grants, Subsidies and Contributions	187	208	227

Office of Surface Mining Reclamation and Enforcement

**Department of the Interior
Office of Surface Mining Reclamation and Enforcement
Abandoned Mine Reclamation Fund**

Object Classification
(dollars in millions)

	FY 2008 Actual	FY 2009 Estimate	FY2010 Estimate
14-1803-4			
Direct Obligations:			
14.10 Direct obligations: Grants, subsidies and contributions	--	--	-142

Office of Surface Mining Reclamation and Enforcement

**Department of the Interior
Office of Surface Mining Reclamation and Enforcement
Abandoned Mine Reclamation Fund**

Object Classification
(dollars in millions)

14-1804-0	FY 2008 Actual	FY 2009 Estimate	FY2010 Estimate
Direct Obligations:			
12.52 Direct obligations: Other services	67	63	64

Budget Exhibit D

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

	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate
Executive Level	1	1	1
SES.....	6	6	6
subtotal.....	7	7	7
GS/GM-15.....	26	28	28
GS/GM-14.....	49	53	53
GS/GM-13.....	150	140	138
GS-12.....	156	171	167
GS-11.....	33	24	35
GS-10.....	0	0	0
GS-9.....	25	32	17
GS-8.....	9	9	9
GS-7.....	36	26	26
GS-6.....	12	11	11
GS-5.....	9	11	11
GS-4.....	10	8	8
GS-3.....	3	5	5
GS-2.....	0	0	0
subtotal.....	525	518	508
Other Pay Schedule Systems.....			
Total employment (actual/projected) at end of fiscal year.....	525	525	515

Office of Surface Mining Reclamation and Enforcement

AML Reclamation Accomplishments Historical Data Through September 30, 2008 Priority 1, 2, and 3 Problems					
Problem Type	Units	Number of Units	GPRA Acres	Cost of Completed Reclamation	Remaining Reclamation Costs
Bench	Acres	656	656	2,870,656	12,925,003
Clogged Streams	Miles	401	1,954	45,463,982	65,128,019
Clogged Stream Lands	Acres	19,009	19,009	189,779,516	205,983,165
Dangerous Highwalls	Feet	2,609,361	37,237	322,150,872	758,188,299
Dangerous Impoundments	Count	863	5,055	31,273,762	29,267,488
Industrial/Residential Waste (Priority 1 & 2)	Acres	269	268	1,500,627	788,291
Dangerous Piles & Embankments	Acres	11,982	11,931	214,874,027	302,255,934
Dangerous Slides	Acres	3,299	3,317	147,385,823	94,434,646
Equipment/Facilities	Count	692	73	6,325,022	5,195,303
Gases: Hazardous Explosive	Count	37	37	510,919	2,374,002
Gobs (Coal waste piles)	Acres	6,429	6,429	80,358,147	87,925,844
Highwalls	Feet	178,128	2,545	12,394,378	1,256,371,959
Hazardous Equipment & Facilities	Count	4,583	1,166	26,496,819	28,328,464
Haul Road	Acres	551	551	4,257,257	4,568,836
Hazardous Water Body	Count	1,484	7,638	35,594,636	59,383,583
Industrial/Residential Waste (Priority 3)	Acres	726	725	3,854,221	11,151,874
Mine Opening	Count	550	55	1,780,205	9,509,336
Other	-----	108,251,652	107,500,228	7,803,574	24,832,540
Polluted Water: Agricultural & Industrial	Count	433	2,138	41,708,360	116,198,337
Polluted Water: Human Consumption	Count	33,015	146,597	168,449,750	3,761,047,013
Portals	Count	11,103	1,138	44,135,246	31,987,265
Pits	Acres	2,323	2,316	14,859,708	39,910,266
Subsidence	Acres	6,369	6,344	273,522,841	508,650,441
Spoil Area	Acres	26,112	26,157	68,578,298	305,284,456
Surface Burning	Acres	1,384	1,383	46,390,066	24,371,349
Slurry	Acres	2,462	2,463	25,754,894	5,772,997
Slump	Acres	298	295	1,603,094	100,198,943
Underground Mine Fire	Acres	1,506	1,696	88,643,275	845,756,166
Vertical Opening	Count	137,851	13,839	29,944,735	34,640,249
Water Problems	Gal/Min	9,122,135	9,120,106	11,865,792	126,022,037
Total		120,435,662	116,923,345	1,950,130,502	8,858,452,105
* 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,					
Source: Abandoned Mine Land Inventory System (AMLIS).					

Office of Surface Mining Reclamation and Enforcement

By State and Tribe Funding Data								
FY 2008 Obligations for Grants, Cooperative Agreements and Federal Project Spending								
(DOLLARS IN THOUSANDS)								
STATE	Environmental Restoration				Environmental Protection			
	AML Funding		Federal Reclamation		Regulatory			
TRIBE	Reclamation	Emergency	Clean	Program	Emergency	Grants/Agreements		TOTAL
	Projects	Projects	Streams	High Priority	Projects	Non-Federal	Federal	
				Projects	Projects	Lands	Lands	
Alabama		400				1,234	20	1,654
Alaska		25				219		244
Arkansas		15				141		156
California				40				40
Colorado					35	1,868	454	2,357
Georgia				219				219
Illinois		1,000				2,363	283	3,646
Indiana		339				1,763		2,102
Iowa		60				83		143
Kansas		815				145		960
Kentucky					2,562	10,960	898	14,420
Louisiana						170		170
Maryland					28	717		745
Michigan								0
Mississippi						127		127
Missouri		50				224		274
Montana		125				252	976	1,353
New Mexico						329	521	850
North Dakota		100				297	347	744
Ohio		2,300				2,248		4,548
Oklahoma		160				905	208	1,273
Oregon								0
Pennsylvania					2,249	12,546		14,795
Rhode Island								0
South Dakota								0
Tennessee								0
Texas		15				1,546		1,561
Utah						1,734	295	2,029
Virginia		1,700				4,010		5,710
Washington				264	32			296
West Virginia		3,100				11,791		14,891
Wyoming						1,988	330	2,318
Crow							69	69
Hopi							174	174
Navajo							678	678
N. Cheyenne								0
Total	0	10,204	0	523	4,906	57,660	5,253	78,546

