



U.S. Office of Surface Mining **News Release**



February 14, 2011
For Immediate Release

Contact: Christopher Holmes
(202) 208-2565

FY 2012 Budget Enhances Surface Coal Mining Oversight and Reduces Spending

(Washington, DC) – The proposed budget for the Office of Surface Mining Reclamation and Enforcement (OSM) for Fiscal Year (FY) 2012 reduces discretionary spending while enhancing oversight of State coal regulatory programs. The budget proposes to reform mandatory spending on abandoned mine reclamation to create a competitive grant program that would address the Nation’s highest priority abandoned coal mine sites, and mitigate the most critical public health and environmental hazards.

“The President’s fiscally responsible budget trims OSM’s discretionary spending by more than 10 percent in FY 2012 compared to current spending levels,” OSM Director Joe Pizarchik said. “This proposal also allows mandatory funding to be focused on the highest-priority abandoned coal mine sites to eliminate public health and environmental hazards across the Nation. Finally, the President’s proposal supports the improvement of OSM’s oversight of states’ enforcement of surface mining laws to ensure that the environment is adequately protected while our nation mines the coal it needs to fuel our economy.”

The proposed FY 2012 discretionary budget of \$145.9 million reflects a decrease of \$17.0 million from the 2010 enacted/2011 Continuing Resolution level. The budget includes an increase of \$3.8 million to enhance Federal oversight of State regulatory programs and funds State and Tribal regulatory grants at \$60.3 million, a reduction of \$11.0 million. States are encouraged to maintain funding levels for these regulatory programs by increasing cost recovery fees for services provided to the coal industry. OSM will implement administrative cost savings and management efficiencies, including reducing travel, strategic sourcing of supplies and materials, and efficiencies in information technology to reduce spending. This includes savings in FY 2012 of \$573,000 to build upon those proposed in FY 2011 of \$737,000.

OSM proposes to distribute \$539.1 million in Abandoned Mine Lands (AML) mandatory funds in FY 2012, including \$313.8 million for high-priority abandoned coal mine reclamation projects and \$225.3 million for payments to the United Mine Workers of America Health Plans. The budget proposes to focus reclamation funding on the highest priority AML sites by competitively allocating available resources. The budget also proposes to terminate unrestricted mandatory payments to States and Tribes that have finished restoring their abandoned coal mines, saving \$184.2 million in FY 2012 and \$1.2 billion over the next decade.

The effective reclamation of abandoned coal mine land eliminates public health and environmental hazards. OSM looks forward to working closely with States and Tribes, the regulated community, and the public to more efficiently implement the Surface Mining Control and Reclamation Act.

Details on OSM's proposed FY 2012 budget are available [here](#).

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

–OSM–