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## **Fiscal Year 2013 Budget for Office of Surface Mining Strengthens Compliance, Increases Funds to Reclaim High-Priority Abandoned Mines and Reduces Subsidies to Coal Industry**

(Washington, DC) – President Obama’s proposed \$140.7 million in discretionary funding for the Office of Surface Mining Reclamation and Enforcement (OSM) in fiscal year 2013 focuses funding on improving compliance with coal production laws and reduces federal subsidies to the coal industry. The budget request also concentrates over half of the bureau’s \$537.2 million in mandatory funding on addressing the most critical needs for reclaiming abandoned coal mine sites.

The proposed discretionary budget is a decrease of \$9.5 million from the bureau’s FY 2012 enacted level, reflecting cost-cutting measures and tough budget priorities. The FY 2013 budget provides an increase of \$4.1 million to improve implementation of the Surface Mining Control and Reclamation Act of 1977 (SMCRA) and to support approved state and tribal surface coal mining regulatory programs. Overall, state and tribal regulatory grants are funded at \$57.7 million, a reduction of \$11.0 million from last year.

“OSM’s 2013 budget allows us to focus on our mission of protecting the natural environment while continuing to provide for the Nation’s energy needs,” said OSM Director Joe Pizarchik. “This year’s budget reflects a need for fiscal austerity while maintaining OSM’s commitment to work with our state and tribal partners to protect communities and the economy nationwide,” he added.

SMCRA allows coal-producing states and tribes to assume primary responsibility — or primacy — for regulating surface coal mining operations within their borders. To date, 24 states have achieved primacy, while OSM is the regulatory authority in Tennessee and Washington State. No tribes have achieved primacy to date, though OSM is working with the Navajo Nation as well as the Crow and Hopi Tribes to enable them to do so.

The FY 2013 budget encourages primacy states to maintain funding levels for their regulatory programs by increasing the fees that each state charges the coal industry for the state to review, administer, and enforce permits. Likewise, where OSM is the regulatory authority for coal mining operations (Tennessee, Washington, and on Indian lands), the budget calls for a reduction, which will be offset by fees totaling \$3.4 million that OSM proposes to collect from industry.



In FY 2013, OSM will receive and distribute \$537.2 million in mandatory funds under the Abandoned Mine Land (AML) program. These funds come directly from the U.S. Treasury and are not subject to an annual appropriation. Of this total, the budget proposes \$306.6 million for high-priority abandoned coal mine reclamation and sets aside \$230.6 million for payments to the United Mine Workers of America Health Plans.

The FY 2013 budget also proposes to focus reclamation grant funds on the highest priority remaining AML sites while reducing the deficit. The Administration will submit legislation to terminate mandatory payments to the states and tribes that have finished restoring their abandoned coal mines, a savings of \$180.1 million in 2013. This proposal — which is consistent with an initiative proposed in FY 2012 — will competitively allocate the remaining funding to address the Nation's most dangerous AML sites.

To see OSM's proposed FY 2013 budget, click [here](#). To see OSM budgets from past years, click [here](#). For instant updates on OSM, follow the bureau on Twitter at [www.twitter.com/OSMRE](http://www.twitter.com/OSMRE).

*OSM carries out the requirements of the Surface Mining Control and Reclamation Act in cooperation with states and Indian tribes. The bureau'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 pursuing reclamation of abandoned coal mines.*

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