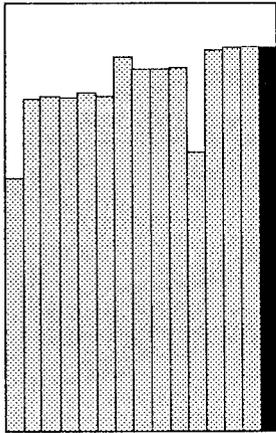


6. ABANDONED MINE LAND PROGRAM

Title IV of SMCRA -- the Abandoned Mine Land (AML) Program -- provides for the restoration of lands mined and abandoned or left inadequately restored before August 3, 1977, with priority given to projects that alleviate danger to public health and safety.

AML FUND



AML Fund Collections 1978-92

through September 30, 1992, the fund has collected \$3,212,764,894.

Expenditures from the fund are made through the regular budgetary and appropriation process. SMCRA specifies that 50 percent of the reclamation fees collected in each state with an approved reclamation program, or within Indian lands where the Indian tribe has an approved reclamation program, are to be allocated to that state or tribe for use in its reclamation program. This 50 percent is designated as the state or tribal share of the Fund. The remaining 50 percent (the federal share) is used by OSM to complete high-priority and emergency projects under its Federal Reclamation Program; to fund the Rural Abandoned Mine Program (RAMP), administered by the U.S. Department of Agriculture; to fund the Small Operator Assistance Program (SOAP); and to fund reclamation directly through state reclamation programs. In 1991, at the direction of Congress, a formula to distribute federal-share money to the state reclamation programs was established based on historic coal production. Table 12 shows fee collections and funding by states for 1992.

The Abandoned Mine Reclamation Act of 1990, Public Law 101-508, became effective October 1, 1991, and extended fee collection authority through September 30, 1995. This act included the following amendments to Title IV of SMCRA:

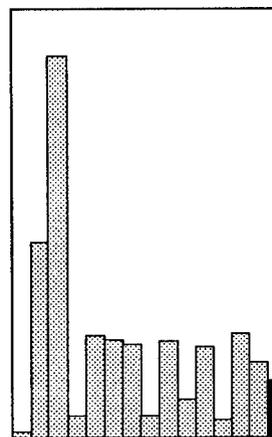
- Allocation of 50 percent of fee collections only to the

Production fees of 35 cents per ton of surface mined coal, 15 cents per ton of coal mined underground, and 10 cents per ton of lignite are paid on all active coal mining operations. The fees are deposited in the Abandoned Mine Reclamation Fund, which is used to pay reclamation costs of AML projects. Collections into the fund consist of reclamation fees, late-payment interest, penalties, and administrative charges. Since the first fees were paid on January 30, 1978,

state/tribe, with the remaining 50 percent of fee collections, plus all interest, penalty, and investment interest, to the federal-share allocation as follows: 40 percent to states/tribes based on historic coal production, 40 percent for federal program expenses, and 20 percent to fund the Rural Abandoned Mine Program;

- Investment of the portion of the AML Fund not needed for current withdrawals and crediting of that interest to the Fund's federal-share balance;
- Set-asides for acid mine drainage abatement and treatment and future coal-related reclamation projects;
- Increase in the ownership and control information required from mine operators;
- Development of a procedure to allow states/tribes that have certified completion of known coal problems to utilize state-share funds for non-coal reclamation;
- Reclamation of abandoned interim program sites and insolvent surety sites;
- An increase in the tonnage requirement from 100,000 to 300,000 tons to qualify under the Small Operator Assistance Program (SOAP); and
- An increase in the minimum state program to \$2,000,000.

FEDERAL RECLAMATION PROGRAM



Interior Department Projects 1978-92

Under Sections 402 and 407 of SMCRA, the Secretary of the Interior is authorized to expend fund monies for non-emergency reclamation of high-priority AML sites that present an extreme danger to the public. A non-emergency situation is defined in 30 CFR 870.5 as "a condition that could reasonably be expected to cause substantial harm to persons, property, or the environment and to which persons or improvements on real property are currently exposed."

Until states or Indian tribes received approval of their AML programs, all reclamation was carried out as Department of the Interior projects administered by OSM. However, as state programs were approved, beginning in 1980, and as the states assumed responsibility for correcting AML

TABLE 12
AML FEE COLLECTIONS AND FUNDING
1992

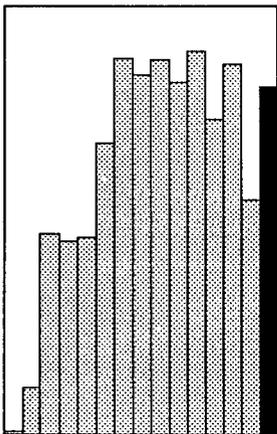
State/ Tribe	Fees Collected	Federal Projects	RAMP Projects	State Share Allocation	Federal Share Allocation	Emergency Allocation
Alabama	\$5,813,444	\$0	\$383,566	\$1,907,537	\$1,195,098	\$300,000
Alaska	533,871	0	0	160,882	0	0
Arkansas	13,312	0	472,000	0	2,000,000	25,000
California	8,914	0	0	0	0	0
Colorado	4,387,905	10,277	0	1,428,046	571,954	0
Georgia	0	43,212	0	0	0	0
Illinois	12,066,774	0	140,592	3,991,554	4,427,415	550,000
Indiana	10,800,860	123,651	288,116	3,207,413	1,441,427	0
Iowa	114,217	33,093	0	8,313	1,991,687	0
Kansas	108,186	0	124,775	122,040	1,877,960	465,000
Kentucky	35,595,377	5,046,353	823,362	10,675,702	4,339,146	0
Louisiana	335,152	0	0	82,700	0	0
Maryland	729,063	10,521	197,500	306,424	1,693,576	0
Michigan	0	150,099	0	0	0	0
Missouri	822,857	0	0	353,947	1,646,053	0
Montana	12,377,684	0	0	3,452,889	0	100,000
New Mexico	3,805,943	0	0	1,191,864	808,136	0
North Dakota	3,056,030	4,927	98,000	1,000,276	999,724	0
Ohio	7,691,489	2,329,189	912,596	2,628,252	2,714,062	0
Oklahoma	699,478	22,701	575,053	198,658	1,801,342	0
Pennsylvania	15,004,826	1,745,986	1,187,773	4,638,706	14,311,600	0
Tennessee	903,752	694,545	449,796	0	0	0
Texas	5,567,159	19,236	0	1,644,741	355,259	0
Utah	3,270,053	0	0	969,091	1,030,909	0
Virginia	7,814,324	0	235,840	2,642,427	1,331,820	300,000
Washington	1,868,521	698,844	0	0	0	0
West Virginia	34,055,839	279,997	1,261,394	9,013,750	8,225,174	5,045,040
Wyoming	64,913,245	1,650	0	17,793,517	0	0
Crow Tribe	803,584	0	0	722,043	0	0
Hopi Tribe	1,138,369	0	0	748,571	634,679	0
Navajo Tribe	7,654,257	0	0	6,075,636	0	0
Federal Share*	(60,593)					
Undist. Emer.						126,760
Total	\$241,953,915	\$11,394,651	\$7,150,363	\$74,964,979	\$53,397,021	\$6,911,800

*During 1992, refunds from the Federal Share exceeded collections.

problems, OSM has greatly reduced its direct participation in this portion of the program. During 1992, work was accomplished on 21 projects. These high-priority projects were principally in federal program states and, to a lesser extent, on National Park Service land in West Virginia.

Each year OSM evaluates federal reclamation projects that were completed at least three years ago. The objective is to identify abatement or control methods that are effective over time, as well as those with demonstrated deficiencies that need to be corrected. The evaluation report issued in 1992 describes 34 of the 284 projects completed in 1988. The evaluation team found the overall quality of federal reclamation work and the abatement of emergencies to be excellent. No major deficiencies in design or control work were found and no recommendations for improvement were contained in the report.

EMERGENCY PROJECTS



OSM Emergency Projects 1978-92

Emergency projects are those involving abandoned coal mine lands that present a danger to public health, safety, or general welfare and which require immediate action.

Under Section 410(a) of SMCRA, the Secretary is authorized to expend monies from the fund for the emergency restoration, reclamation, abatement, control, or prevention of the effects of coal mining practices if an emergency exists.

Since the beginning of the program, OSM has encouraged states to take over emergency project responsibility. Beginning in 1983, Arkansas and Montana assumed emergency project responsibility, followed by Illinois in 1984. During 1988 and 1989, Kansas, Virginia, and West Virginia took over responsibility for their emergency projects. Alabama assumed responsibility in 1990, followed by Ohio in 1992. In 1989, OSM established an emergency policy that provided federal-share funds, in addition to the formula-based allocation, to states with emergency programs.

Because of concern over recurring shortfalls in available funds for the federal emergency program, a study was undertaken by OSM to review how the emergency program is operated. The study contained recommendations, now being implemented, aimed at tightening the scope of the emergency program, while ensuring that all immediate threats to public health, safety, or general welfare are dealt with promptly.

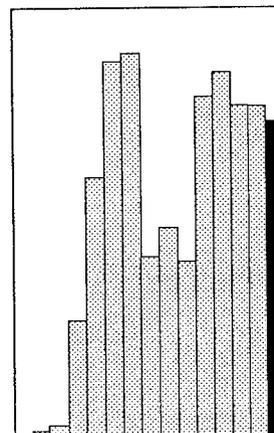
In 1992 the average number of days required to respond to complaints (notification of a possible emergency problem) averaged 1.9 in the East and 1.8 in the West. The total days from complaint referral to construction averaged 77.3 days in the East and 13.7 in the West. This represents a 52.8 percent improvement in response, or a 0.92 percent reduction in days from complaint referral to construction, as compared to 1991. Of the 226 emergency complaint investigations referred by OSM field offices, 179 resulted in declaration of emergencies. Of the emergency complaints investigated, 34 were determined to be not of an emergency nature, and 11 were considered not related to coal mining or were reclaimed by the landowner. The 34 mining-related complaints not of an emergency nature were referred to the states for their consideration as high-priority AML grant projects.

During 1992 OSM declared 179 new emergency projects. Due to funding limitations all of these projects were not funded; however, obligations were made on 228 projects, including newly declared emergencies and contract amendments to pre-1992 projects. The eight states with emergency programs initiated 110 emergency projects in 1992. Table 13 summarizes high-priority and emergency project obligations by state for 1992.

POST-ACT RECLAMATION PROGRAM

As authorized in the 1992 appropriation (P.L. 102-154), federal civil penalties collected under Section 518 of SMCRA were used to reclaim lands mined and abandoned after August 3, 1977. In 1992 OSM funded 10 reclamation projects costing a total of \$1,181,495. An additional \$304,647 in unobligated funds will be carried over for use in reclaiming 1993 projects. Table 14 summarizes 1992 post-Act reclamation projects.

GRANTS TO STATES AND TRIBES



Grants & Cooperative Agreements 1978-92

Beginning with Texas in 1980, OSM has approved state reclamation programs so that currently all primacy states except Mississippi have approved AML programs. During 1988, the Navajo and Hopi Tribe programs were approved, and in 1989 the Crow Tribe received approval for its program. The states and the tribes received grants totaling \$172,295,791 in 1992. Since 1981, when the states began receiving AML administrative grants to operate their programs and construction grants to complete

TABLE 13
FEDERAL RECLAMATION PROGRAM PROJECTS
1992 OBLIGATIONS

State or Tribe	Emergency	High Priority	Total 1978-92*
Alabama	\$0	\$0	\$13,994,015
Alaska	0	0	194,638
Arkansas	0	0	84,904
California	0	0	1,048,643
Colorado	10,277	0	1,826,545
Georgia	0	43,212	1,769,695
Illinois	0	0	5,376,749
Indiana	123,651	0	3,563,299
Iowa	53,274	0	1,074,948
Kansas	0	0	5,094,172
Kentucky	5,046,353	0	66,286,791
Maryland	10,521	0	2,016,986
Michigan	150,099	0	1,709,352
Missouri	0	0	7,720,688
Montana	0	0	729,058
New Mexico	0	0	2,364,696
North Carolina	0	0	205,407
North Dakota	4,927	0	1,715,613
Ohio	2,329,189	0	18,154,921
Oklahoma	22,701	0	1,182,499
Oregon	0	0	42,275
Pennsylvania	1,745,986	0	79,625,324
Rhode Island	0	0	556,229
Tennessee	19,545	675,000	14,790,749
Texas	19,236	0	283,849
Utah	0	0	123,791
Virginia	0	0	10,149,859
Washington	15,170	707,835	3,722,173
West Virginia	0	256,820	29,032,758
Wyoming	1,650	0	1,065,121
Cheyenne River Sioux Tribe	0	150,000	2,312,372
Crow Tribe	0	0	1,097,895
Fort Berthold Tribe	0	0	69,972
Fort Peck Tribe	0	0	147,991
Hopi Tribe	0	0	1,263,409
Jacarillo Apache Tribe	0	0	50,998
Navajo Tribe	0	0	2,222,792
Northern Cheyenne Tribe	0	0	580,005
Southern Ute Tribe	0	0	94,206
Rocky Boy Tribe	0	0	60,188
Uintah/Ouray Tribe	0	0	137,638
Ute Mountain Ute Tribe	0	0	14,300
White Mountain Apache Tribe	0	0	1,838
Wind River Tribe	0	0	71,767
Zuni Tribe	0	0	125,009
Total	\$9,532,398	\$1,862,253	\$283,756,127

* Includes prior year contract deobligations.

reclamation projects, states have received \$ 1,799,758,783 from the Fund. Grant amounts for 1992 are shown in Table 15. On-the-ground coal mine reclamation accomplishments resulting from grant funding through 1992 are summarized in Table 16.

Based on initiatives proposed by OSM in 1991, the Office of Management and Budget asked OSM to assess the feasibility of revising its grant process used for the AML program. OSM is proposing to strengthen federalism by providing simplified AML grants to the states to use in carrying out reclamation activities. Simplified grants would provide the states with more authority, flexibility, and responsibility in operating their AML programs.

Simplified grant funding of state AML programs will streamline the present grant application process, which currently requires advance approval of each AML project before OSM awards a state grant for AML reclamation. Instead, within limits of existing authority, states will receive amounts based on appropriated spending levels and will be held accountable for using those funds in accordance with their approved AML plan. OSM's role will move away from the cumbersome and detailed pre-award scrutiny of state grant applications.

Empowering the states in this manner visibly recognizes the states' acknowledged record of accomplishment in AML work and reflects OSM's confidence in the states' ability to operate effective AML programs.

During 1992 accomplishments in this area included the following:

- A proposed change to current National Environmental Policy Act procedures was published in the *Federal Register* on August 19, 1992. Comments received are under review and publication of a final notice is expected in 1993.
- A draft Federal Assistance Manual revision to implement AML simplified grants was circulated for comment, and the final directive was expected to be issued in December 1992.
- Part 886 AML grant regulations are being modified to reflect the simplified process. A proposed rule is scheduled to be published in the *Federal Register* in March 1993.

**TABLE 14
POST-ACT RECLAMATION PROJECTS
1992**

State	Project Name	Civil Penalty Funds	Other Funds*
Arkansas	Harmony	\$155,000	\$0
Arkansas	Sugarloaf	50,000	5,000
Colorado	New Pryor	3,260	0
Montana	Divide	175,000	33,500
Kentucky	Little Fork	262,384	0
Kentucky	Rocky Branch	232,384	0
Oklahoma	Bills Tipple	174,000	0
Oklahoma	Hefner	1,741	45,000
Tennessee	B & A Coal	1,109	0
Virginia	Cox Creek	30,000	0
Virginia	Pilkenton	155,000	0
Total		\$1,181,495	\$83,500

*Includes bond forfeiture funds outstanding on the project, and other state funds.

TABLE 15
AML GRANTS¹ TO PRIMACY STATES AND INDIAN TRIBES
1992

State/ Tribe	Subsidence Insurance	10% Program Set-Aside	Administration	Construction	Emergency	Total
Alabama	\$0	\$0	\$1,746,746	\$1,869,457	\$300,000	\$3,916,230
Alaska	0	0	241,307	0	0	241,307
Arkansas	0	0	405,380	1,632,793	25,000	2,063,173
Colorado	0	200,000	821,436	1,060,646	0	2,082,082
Illinois	0	0	1,710,174	7,472,000	549,419	9,731,593
Indiana	0	464,884	1,537,045	13,320,306	0	15,322,235
Iowa	0	0	359,279	1,728,355	0	2,087,634
Kansas	0	0	460,895	1,550,000	463,071	2,473,966
Kentucky	0	0	3,771,688	26,002,346	0	29,774,034
Louisiana	0	0	100,057	0	0	100,057
Maryland	0	0	181,762	2,522,980	0	2,704,742
Missouri	0	35,394	686,333	2,365,082	0	3,106,809
Montana	0	0	2,050,000	3,400,000	100,000	5,550,000
New Mexico	0	0	674,501	0	0	674,501
North Dakota	0	200,000	564,541	725,232	0	1,489,773
Ohio	0	0	1,229,078	4,986,419	434,462	6,649,959
Oklahoma	0	0	849,681	1,800,455 ²	0	2,650,136
Pennsylvania	0	0	8,138,287 ³	13,764,889	0	21,903,167
Texas	0	0	980,330	3,668,300	0	4,648,630
Utah	0	0	997,346	1,185,149	0	2,182,495
Virginia	0	0	1,313,513 ⁴	3,783,093	300,000	5,396,606
West Virginia	695,226	0	6,275,267	11,529,220	5,370,522	23,870,235
Wyoming	0	0	2,741,948	17,072,263	0	19,814,211
Crow Tribe	0	0	464,707	511,157	0	975,864
Hopi Tribe	0	0	141,323	362,918	0	504,241
Navajo Tribe	0	0	1,448,000	934,123	0	2,382,123
Total	\$695,226	\$900,278	\$39,890,626	\$123,267,185	\$7,542,44	\$172,295,791

1. Funding for these grants is derived from the FY 1992 distribution and funds recovered or carried over from previous years. Downward adjustments of prior-year awards are not included in the totals.

2. Includes \$87,000 in construction costs from reimbursable cooperative agreement (GR299401).

3. Includes inventory grants.

4. Includes coalbed mapping grant.

**TABLE 16
HIGH-PRIORITY RECLAMATION PROJECT ACCOMPLISHMENTS*
1977-1992**

State/ Tribe	Acres Reclaimed	Number of Mine Portals Closed	Number of Vertical Shafts Closed	Acres Protected From Subsidence	Feet of Highwall Reclaimed
Alabama	3,993	755	147	71	83,230
Alaska	72	6	7	0	2,000
Arkansas	664	16	22	0	25,390
California	16	28	39	2	0
Colorado	872	603	1,969	36	28,280
Georgia	148	3	2	1	0
Illinois	8,249	111	364	23	13,210
Indiana	3,715	73	159	16	23,062
Iowa	1,260	0	15	5	41,155
Kansas	450	0	81	40	10,345
Kentucky	10,908	1,366	107	6,450	9,293
Maryland	671	24	14	1	34,000
Missouri	3,341	4	28	3	20,550
Montana	4,302	1,710	1,133	758	8,832
New Mexico	233	239	149	47	0
North Dakota	2,583	2	4	521	56,650
Ohio	6,713	191	137	343	97,053
Oklahoma	1,302	13	4	7	39,770
Pennsylvania	7,628	403	396	3,056	204,155
Tennessee	1,490	228	16	0	40,320
Texas	838	7	73	3	4,585
Utah	297	627	152	4	2,625
Virginia	1,404	514	65	7	9,953
Washington	32	22	61	14	0
West Virginia	5,573	992	32	520	76,385
Wyoming	22,878	161	96	1,085	231,500
Crow Tribe	75	20	1	19	4,350
Hopi Tribe	12	12	2	1	3,910
Navajo Tribe	1,949	72	6	0	0
Total	91,636	8,562	5,220	13,019	1,070,603

* Source: Data presented in this chart is from two sources and provides the sum of reclamation financed wholly or in part from the Abandoned Mine Land Fund. Reclamation results from projects completed by the state Abandoned Mine Land Program are reported annually to the OSM field offices. This information was added to similar data tabulated by the OSM support centers in Pittsburgh and Denver, which complete emergency and federal reclamation projects in non-primacy states.

MINIMUM PROGRAM GRANT FUNDING

The minimum-level AML program was established by Congress in 1988 to assure funding of existing high-priority projects in states where the annual state-share allocation is too small for the state to administer a program and initiate reclamation.

Arkansas, Colorado, Iowa, Kansas, Maryland, Missouri, New Mexico, North Dakota, Oklahoma, Texas, Utah, and the Hopi Tribe were eligible for minimum-level program funding during 1992 and received such grants during the year. Authorized funding of the minimum-level program was raised from \$1,500,000 for 1991 to \$2,000,000 for 1992. Eligible states received contributions from non-minimum program states/tribes totalled \$4,494,184 in federal-share money and \$7,788,210 in state-share money during 1992. These contributions bring the 12 states/tribes to the minimum-program level. Once minimum-program states/tribes complete their high-priority projects listed in the National Inventory of AML Problems, annual funding is limited to state-share money. In 1992 the Hopi Tribe received a reduced minimum program grant because its inventory of high-priority problems did not total \$2,000,000. In addition, Colorado became eligible for a minimum program when contributions for minimum program states dropped its allocation below \$2,000,000.

STATE-SHARE SET-ASIDE GRANTS

Beginning in 1987, Public Law 100-34 authorized states to set aside up to 10 percent of the state-share portion of their annual AML reclamation grants. Set-aside money was deposited into special trust funds, and became available, along with interest earned, for use by the state for reclaiming AML problems after August 3, 1992, the original expiration date for the collection of AML reclamation fees, which was subsequently extended to September 30, 1995, by legislation. Statutory amendments contained in Public Law 101-508 created a new set-aside program which does not supersede the transfer funds deposited under the original 1987 program. The funds set aside under the new program may be utilized only after September 30, 1995, and only to reclaim eligible Priority 1 and 2 coal problems. The states and Indian tribes may deposit up to 10 percent of the total state/tribe share and federal share funds granted annually and have the option to use these funds and earned interest for either a future reclamation set-aside program or an acid mine drainage abatement program.

In 1992, four states set aside \$900,278.

SUBSIDENCE INSURANCE PROGRAM

Public Law 98-473 authorized states and tribes with approved reclamation programs to use abandoned mine land funds for establishing self-sustaining, individually administered programs to insure private property against damage caused by land subsidence resulting from abandoned underground coal mines. Implementing rules were promulgated in February 1986. Under those rules, states can receive a subsidence insurance grant of up to \$3,000,000, awarded from the state's share of the AML Fund. In 1992 one subsidence insurance grant was issued. Through 1992, OSM has granted a total of \$10,485,107 to Colorado, Indiana, Kentucky, Ohio, West Virginia, and Wyoming to develop and administer subsidence insurance programs.

ABANDONED MINE LAND INVENTORY SYSTEM (AMLIS)

During 1992, OSM established policies and procedures needed to implement the 1990 amendments to SMCRA that established additional reclamation programs under Title IV of the Act, and which included a requirement for the Secretary to note on the inventory at least annually those projects completed under Title IV. The policy was issued in Directive AML-1 on November 26, 1991. Included in the directive was a revised Problem Area Description form (OSM-76) which is the instrument used to collect data about reclamation projects and accomplishment from states, tribes, the Department of Agriculture (RAMP), and from within OSM (Federal Reclamation Program). The OSM-76 form was approved by the Office of Management and Budget in February 1992, and was distributed to users in April.

Currently, OSM has initiated a work plan for upgrading and enhancing its AMLIS system in order to capture and report the collected data. During 1992 a requirements analysis, functional analysis, and the enhanced system's module for entering data were completed. In addition, data from the prior AMLIS system had been transferred to the enhanced AMLIS. Initial summary reporting capabilities are in place on a local-area network, and a system prototype was demonstrated within OSM and to the states and tribes in August.

In 1993 OSM plans to focus on ways to allow those states wishing to do so to submit data for inclusion into AMLIS electronically, and to allow more direct access to AMLIS reports.

NATIONAL ABANDONED MINE LAND RECLAMATION AWARDS

OSM Director Harry Snyder announced the first call for nominations for an annual OSM national abandoned mine land reclamation award program at the 1992 Association of State AML Programs meeting. Building on the tremendous success of the Title V Excellence in Surface Coal Mining Awards, a second awards program was initiated to give well-earned public recognition to those responsible for the nation's most outstanding achievements in abandoned mine land reclamation. Awards for 1992 will be presented for:

- Exemplary reclamation of land and water resources adversely affected by abandoned mine problems.
- Elimination of abandoned underground mine entries, shafts, and voids.
- Successful land reclamation that eliminated soil erosion and sedimentation problems.
- Elimination or treatment of water pollution problems created by mine drainage.
- Elimination or control of burning coal refuse disposal areas and burning coal in situ.
- Successful abatement and control of mine subsidence problems.

Nominations were due to the Abandoned Mine Land Programs by November 30, 1992, and winners will be selected in the spring of 1993. Award plaques and certificates will be presented to those responsible for the outstanding work (e.g., reclamation specialists who supervised and coordinated the work, engineers who designed the projects, and contractors who completed the on-the-ground reclamation). In addition, illustrated materials will be distributed to aid transfer of the experience gained to others carrying out Title IV reclamation.