

**Annual Report of the
U.S. Department of the Interior
Office of Surface Mining**

Fiscal Year 1991



United States Department of the Interior

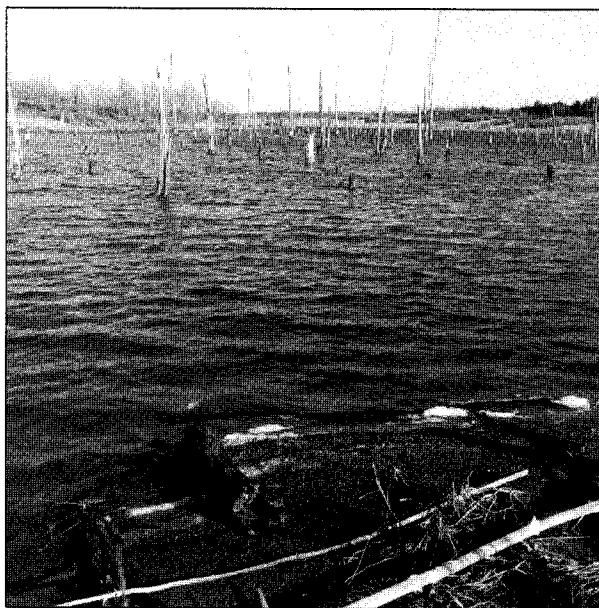
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(COVER PHOTO) Reclamation at the Peabody Coal Company's Will Scarlet Mine, near Carrier Mills, Illinois. Often referred to as the "nation's worst" example of pre-SMCRA acid soils and water associated with surface coal mining, the Peabody Coal Company assumed reclamation and water treatment responsibility for past mining problems when it purchased the 8,000-acre mine in 1967 (left). To abate acid discharges, a plant for treating 3.5 million gallons per day of acid mine drainage was constructed. However, without reclamation to eliminate the sources of acid runoff, costly treatment would be a continual problem. In the early 1980's, Peabody, in cooperation with the Southern Illinois University Cooperative Wildlife Research Laboratory, began the nation's largest mined-land wetland reclamation effort. Over 35,000 tons of agricultural limestone were used to neutralize the pyritic spoil and refuse materials. The limestone was covered with more than 35,000 tons of sewage sludge. Erosive banks and gullies were stabilized using over 20,000 tons of riprap, and nearly 10,000 pounds of seed were used to reestablish vegetation. Today, this reclaimed wetland supports a resident giant Canada goose population and provides winter refuge for thousands of Canada geese, ducks, and other waterfowl. In addition to the wildlife benefits, the wetlands have become a natural "treatment plant," with the potential to completely eliminate the need for chemical treatment. What was previously called the "nation's worst" acid mine drainage problem is now described as the "nation's best" example of wetland and wildlife development on surface-mined land.

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Annual Report
Fiscal Year
1991**



**United States Department of the Interior
Office of Surface Mining Reclamation and Enforcement
Washington, D.C. 20240
January 1992**

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1. INTRODUCTION

This report was compiled for the President and the Congress as required by Section 706 of the Surface Mining Control and Reclamation Act of 1977 (SMCRA). The report describes the operations of the Interior Department's Office of Surface Mining Reclamation and Enforcement (OSM) for the period October 1, 1990, through September 30, 1991 -- fiscal year 1991.¹ Included in this report are activities regarding Title IV, Abandoned Mine Reclamation; Title V, Control of the Environmental Impacts of Surface Coal Mining; Title VI, Designation of Lands Unsuitable for Noncoal Mining; and Title VII, Administrative and Miscellaneous Provisions.

SMCRA responsibilities of other bureaus or agencies are omitted from this report. These responsibilities include Title III, the Mining and Mineral Resources and Research Institutes Program, which is administered by the U.S. Bureau of Mines; Titles VIII and IX, the University Coal Research Laboratories and the Energy Resource Graduate Fellowships, which are administered by the Secretary of Energy; and Section 406, the Rural Abandoned Mine Program (RAMP), which is administered by the Secretary of Agriculture. Information about these activities is reported directly to Congress by the agencies responsible.

This year's report format is similar to OSM's combined report for 1988-89 and its annual report for 1990. This facilitates easy comparison of data from year to year. However, the format differs in appearance from earlier OSM annual reports, which were written not only to meet the reporting requirement to Congress, but also for general distribution to the public. This report, which contains current data and only brief background information, was prepared primarily for the President, the Congress, and the State regulatory authorities. The condensed format and more specific focus has resulted in publication cost savings and strict adherence to the standards of the Joint Committee on Printing for federal agency annual reports. The information in this report is organized to facilitate either an examination of specific elements or a review of the entire program.

Section 2 summarizes OSM's principal accomplishments and outlines issues confronting the agency during 1991. Although these are further described with text and statistics in the body of the report, they are presented here to give the reader both an overview and summary of OSM's activities during the past fiscal year.

Sections 3 through 6 describe OSM's administration of the SMCRA Regulatory and Abandoned Mine Land Programs. Statistics are provided in tabular form. Where

appropriate, graphs show current and historic levels so that trends since the beginning of the program are readily apparent.

Section 7 lists citations of OSM technical publications, reports, and video programs developed during 1991. This eliminates extraneous text and should aid readers who require more detailed information about OSM operations. Some of these materials are unpublished; however, machine copies are available from OSM upon request.

Section 8 provides a directory of the 30 OSM office locations.

For information about OSM activities, news releases, and publications, or for additional copies of this report, contact:

Public Affairs
Office of Surface Mining
1951 Constitution Ave., NW, Room 138
Washington, D.C. 20240
(202) 208-2553

1. Throughout this document, "1991" always refers to FY 1991, unless otherwise noted.

2. EXECUTIVE SUMMARY

Over the years, the demand for energy resources has been growing. Meeting the demand has become increasingly expensive. With all the focus on oil, particularly in light of recent dramatic events in the Persian Gulf, many people tend to lose sight of the fact that the United States continues to rely heavily on coal to fuel its economy. In 1991 more than half of the Nation's electricity was produced from coal. Projections now show that by the year 2010 production could reach almost 1.6 billion tons annually. That would be an increase of more than 60 percent over 1991 production.

In 1991 the Office of Surface Mining emphasized that implementation of the Surface Mining Control and Reclamation Act of 1977 (SMCRA) has become more stable and predictable. In years past, implementation of the Act was accompanied by considerable uncertainty for both the coal industry and environmental interests. Past regulatory requirements had been in a constant state of fluctuation as a result of much litigation and frequent changes in leadership at OSM. This year, regulations fared better in litigation than in the past, and the Secretary of the Interior's discretion was upheld. More stable management is bringing about a more balanced approach to regulation.

The year 1991 was challenging but productive for OSM. Progress in the regulatory area has been achieved to bring about much-needed stability, predictability, and fairness in the regulation of surface coal mining.

The following are the principal areas where OSM expended major effort during 1991:

REGULATORY ACCOMPLISHMENTS

Proposed rules were published for Applicant/Violator System (AVS) procedures, individual civil penalties, previously mined areas, Abandoned Mine Land (AML) reauthorization, final bond release certification, and temporary cessation. During 1992 OSM plans to publish final rules on reclamation technology, exploration, and impoundments/spillways. Work is also under way on a rule to improve the wetlands provisions of the regulations by providing incentives for the creation of wetlands as a post-mining land use. And, in January 1991, OSM signed a Memorandum of Understanding with Ducks Unlimited that promotes the conservation of wetlands.

But achieving regulatory stability takes time. There are still several important regulatory issues to be resolved at OSM, and decisions are pending on several issues under litigation.

It has been extremely difficult to bring about consensus in determining Valid Existing Rights (VER) to mine coal in protected areas and to set liability for subsidence damage. However, OSM is moving ahead on resolving these issues and plans to publish rules on the subject as scheduled in 1992. OSM continues to work toward a predictable regulatory scheme so that all the Nation's coal operators will know what is expected when they begin mining and what is expected when they finish, and so that citizens can count on environmental protection during coal mining and land reclamation afterward.

On the same day a VER rule was proposed, OSM published a Notice of Inquiry seeking comments on the possibility of revision to the subsidence rules. A notice was used to ensure that the process was as open and thorough as possible. This makes certain that all the relevant issues are identified so they can be fully addressed. On September 6th, 10 environmental organizations filed suit in the U.S. District Court for the District of Columbia. The lawsuit challenges OSM's statement in the Notice of Inquiry that subsidence is not prohibited within areas covered by the mining prohibitions in Section 522(e). OSM undertook a serious and sustained effort to address the very complex issues related to how subsidence can be most effectively and equitably dealt with in the regulations. A court decision is expected. In the meantime, OSM is moving toward subsidence regulations that are fair, sound, and responsive to the needs of those who live in the coalfields.

APPLICANT/VIOLATOR SYSTEM (AVS)

During 1991 major improvements were made in AVS. The system is now the most current and most accurate it has ever been for verifying AVS recommendations on permit applications. System reliability on those recommendations is now up to 98 percent, and State cessation orders have been added to the system. Also, Memoranda of Understanding for use in implementing AVS have been signed by OSM and all State regulatory programs except Maryland's. Additionally, the Tennessee Valley Authority has entered into an agreement with OSM to check coal suppliers against AVS to determine whether they have outstanding violations.

The AVS Office is examining the collection and maintenance of ownership and control information to identify ways to streamline the process and reduce duplication. In addition, in 1991 the AVS Office added features that are directly beneficial to the user public. For example, operators can contact OSM to obtain AVS ownership and control information on their companies. They receive

graphic printouts, called "footprints," that illustrate company ownership and control data. In 1991 more than 500 footprints were sent to operators, giving companies an opportunity to review AVS data and allowing them to point out any discrepancies that needed correction.

More and more companies are querying AVS for information on individuals and contractors with whom they may be considering doing business. Also, as a result of the work of the AVS Office, 1,300 obsolete AML fee accounts were deactivated and will no longer receive OSM-1 forms. This will reduce the paperwork burden for many operators and eliminate the risk of an operator being unfairly blocked.

PRIMACY

Possibly the biggest issue in 1991 was the question of West Virginia primacy. Although it only directly affected one State, this particular crisis had implications that are fundamental to the way OSM implements SMCRA.

Stability is not limited to the content of the rules or settling outstanding violations. It also means making sure that regulatory authority doesn't change hands unnecessarily. One of the guiding principles of SMCRA is that each State -- not the Federal Government -- is best suited to make the decisions that will ultimately affect the people within its boundaries. While the Federal Government establishes the basic requirements for surface mining and reclamation nationwide, it is the States that know how to best achieve those requirements. This principle -- primacy -- is the underlying basis for implementing SMCRA. It has worked and continues to work effectively throughout the Nation. But in 1991, primacy was in jeopardy in West Virginia because inadequate resources made the State unable to implement its approved State program satisfactorily. OSM stepped in and provided short-term staffing assistance to help the State resume effective operation. Working directly with Governor Caperton, the West Virginia Legislature, and the State Regulatory Authority, needed changes and resource levels were documented. The Governor and State legislature responded. Adequate funding was provided, and West Virginia is now well on the way to successful program implementation.

In 1991, in addition to the efforts to strengthen the State program in West Virginia, OSM also began to take a fresh look at Tennessee. Talks began with Governor McWherter about the possibility of Tennessee's re-establishing a State primacy program. Recognizing that there are many factors that a State must consider when considering the possibility of taking over regulatory responsibility, OSM stands ready to help Tennessee evaluate the benefits and costs of primacy.

OUTSTANDING VIOLATIONS

During 1991 OSM entered into agreements with several

major coal operators to resolve outstanding violations, particularly those linked to the operators through contract mine operators. These agreements resulted in the resolution of a large number of violations and reclamation problems. By resolving the violations, OSM is making the permitting process more open and timely.

ABANDONED MINE LANDS

Congress extended the authority to collect tonnage-based reclamation fees through September 1995. This extension includes certain changes to the program, and work was completed in 1991 on proposed regulations. Final regulations will be published in fiscal year 1992. These regulations will successfully implement legislative changes to the program that were enacted in 1990.

TWO-ACRE EXEMPTION

When SMCRA was enacted in 1977 it provided an exemption for sites of two acres or less which involved the removal of less than 250 tons of coal. The intent of this exemption was to ease regulatory and financial burdens on small-scale or "mom and pop" surface coal mining operations. Although some mines operating under this exemption stayed within the two-acre limit, most did not. Still others, which claimed to be small, locally-owned, independent mines, were actually run by large corporations that tried to circumvent the law by appearing to mine only two acres at a time. From a relatively low number of two-acre permits in the early 1980's (42 in 1982), the number exploded to over 1,700 by the end of 1984.

OSM initially identified a potential problem in 1983 and took steps to increase the level of oversight on the two-acre exemption. In 1985, Congress provided funding that authorized the establishment of 20 additional positions in Lexington, Kentucky, and opened the new Hazard Area Office. In April 1988 OSM signed an agreement with Kentucky stipulating OSM's regulatory responsibility over two-acre exemptions.

Since the beginning of the two-acre effort, the Hazard Area Office has issued 338 Federal enforcement actions, compelling companies and individuals to reclaim the land damaged by abuse of the exemption. This has included reclamation of a massive landslide which blocked a major railroad line, and several cases where landslides of mine spoil damaged homes. Significant success has been achieved, with almost 1,300 sites totalling over 3,000 acres of reclaimed land. In addition, over \$732,378 in delinquent Federal taxes has been collected, with billing completed on almost \$2,000,000 more.

On April 11, 1991, the OSM Director signed an agreement with environmental groups ending almost ten years of controversy and litigation over the abuse of the two-acre exemption.

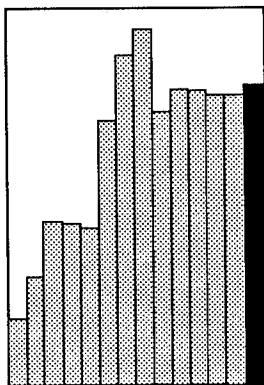
3. PROGRAM ADMINISTRATION & FINANCE

LEGISLATION

House Resolution 2095, a bill introduced by Congressman Rahall (W.Va.) to reauthorize the collection of Abandoned Mine Land reclamation fees, was placed into the House Reconciliation Bill for the FY 1991 budget, and passed. The bill was signed into law by the President on November 5, 1990.

On February 6, 1991, Congressman Rahall introduced H.R. 918, a bill to modify the Mining Law of 1872. Title III of H.R. 918 would amend SMCRA to establish an Abandoned Minerals Mine Reclamation Fund, which would be administered by the Secretary of the Interior through the Director of the Office of Surface Mining. H.R. 1078, a bill to promote the production of coal and other extractive energy resources, was introduced by Congressman Rahall on February 21, 1991. Title I of this bill would amend SMCRA to provide incentives for re-mining. Title VI of H.R. 1078 would establish a Coalfield Assistance, Restoration, and Enhancement (CARE) Fund to be administered by OSM. Senator McConnell (Ky.) introduced S. 528 on February 28, 1991. This bill would amend Title V of SMCRA to assist small surface coal mine operators. An identical bill, H.R. 3385, was introduced by Congressman Hopkins (Ky.) on September 24, 1991. H.R. 3052, introduced by Congressman Murphy (Pa.) on August 25, 1991, would amend SMCRA to provide for the protection of water resources during coal mining. Action on these bills is pending in the 102nd Congress.

BUDGET AND APPROPRIATIONS



OSM Budget 1978-91

The Department of the Interior and Related Agencies Appropriations Act of 1991, Public Law 101-512, appropriated \$109,350,000 from the General Fund for FY 1991 regulatory and enforcement activities, plus \$169,000, an amount equal to the FY 1991 performance bond forfeitures. The Regulation and Technology appropriation included the following provisions:

- Federal civil penalties collected under Section 518 of

SMCRA can be used to reclaim lands mined and abandoned after August 3, 1977. Civil penalties in FY 1991 for use by OSM totaled \$567,961, of which \$179,527 was used for reclamation of these post-August 3, 1977 lands.

- State regulatory program grants were funded at \$47,659,000, a \$5,749,000 increase in FY 1991.

In addition, \$198,958,000 was appropriated from the AML Fund, and up to 20 percent of the funds recovered from the delinquent debts was authorized to be used to continue collection of these debts. In 1991, OSM spent \$970,000 to collect approximately \$6 million in delinquent AML fees and delinquent AML audit bills. The following provisions were included in the AML appropriation:

- Regulation and Technology funds were provided to fund full costs to the States to implement the Applicant/ Violator System (AVS).
- States shall not receive funding if they have not agreed to participate in the nationwide AVS.
- Fifty percent of a State's annual AML grant may be denied if the Secretary finds that the State has failed to enforce provisions of the approved State regulatory program.

All of the appropriation's provisions were met.

Table 1 provides a 1978-1991 appropriation history.

DEBT MANAGEMENT

OSM pursues delinquent debtors who owe civil penalties for mine site environmental violations and unpaid AML fees, including unpaid AML fees resulting from compliance audits. OSM's fiscal 1991 collection and the year-end debt are shown in Table 2. Civil penalties include administration charges and late payment penalties not available for use by OSM.

**TABLE 2
DEBT MANAGEMENT**

Category	Amount Collected	Balance Owed
Civil Penalties	\$581,697*	\$35,844,234
AML Fees	4,373,539	37,171,067
AML Audited Fees	4,705,599	15,793,725
Totals	\$9,660,835	\$88,809,026
Debt not delinquent		[2,570,000]
Total Delinquent		\$86,239,026

*Includes interest and penalties

TABLE 1
OSM APPROPRIATION HISTORY
1978-1991*
(Dollars in Thousands)

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Regulation & Technology														
State Regulatory Grants	\$8,600	\$18,900	\$21,680	\$35,000	\$24,432	\$32,150	\$38,100	\$36,734	\$35,387	\$45,110	\$40,359	\$41,910	\$41,910	\$47,659
Regulatory Program Operations									17,704	19,221	20,078	20,310	20,450	22,576
Tech. Services, Training & Research									12,642	13,681	13,670	13,470	13,026	13,559
Kentucky Settlement Agreement											3,685	4,425	3,772	904
Assessments and Collections														
Program Operations & Inspections						10,493	13,776	23,729	6,938	7,929	10,502	8,981	9,100	13,078
State & Federal Programs	3,300	4,007	14,352	22,492	15,246									
Inspection & Enforcement	7,520	13,360	16,622	15,717	12,193									
Technical Support	3,260	6,872	7,033	6,841	6,644	10,903	12,551	12,890						
Applied Research	2,500													
Mineral Institutes	5,700	5,800	10,000	9,629										
SOAP		5,000	15,000											
General Administration						7,332	6,268	6,994	8,103	14,062	13,831	11,999	12,970	13,067
Executive Direction									[1,359]	[1,664]	[1,677]	[1,761]	[1,589]	[1,659]
Administrative Support									[3,425]	[6,297]	[6,856]	[5,649]	[6,487]	[5,908]
General Services									[3,319]	[6,101]	[5,209]	[4,589]	[4,894]	[5,500]
Subtotal	30,880	53,939	84,687	89,679	58,515	60,878	70,695	80,347	80,774	100,003	102,125	101,095	101,228	110,843
Abandoned Mine Reclamation Fund														
State Reclamation Grants		10,000	25,000	26,200	46,936	173,528	233,100	236,840	149,441	160,600	159,660	151,860	145,780	149,214
Fund Management	4,784	8,680	9,124	9,987	6,794	5,131	6,498	6,599						
Fee Compliance									2,680	3,482	5,588	5,681	5,720	6,088
Reclamation Program Operations	15,875	21,835	39,376	29,364	41,680	23,064	26,452	39,371	26,715	24,592	13,652	19,005	22,264	25,238
AML-Technical Support	998	808	1,237	1,652	1,584	991	1,221	1,955						
RAMP	5,000	10,128	10,106	10,280	18,339	6,155	10,582	9,800	9,019	9,400	15,000	12,000	12,000	11,933
SOAP	10,000	10,000	10,000	5,000			(11,499)	(2,000)	2,949				2,000	1,492
General Administration						4,210	4,874	4,376	4,473	5,646	5,470	4,814	5,008	4,993
Executive Direction									[794]	[825]	[880]	[866]	[873]	[919]
Administrative Support									[1,912]	[1,992]	[2,311]	[1,692]	[1,711]	[1,509]
General Services									[1,767]	[2,829]	[2,279]	[2,256]	[2,424]	[2,565]
Subtotal	36,657	61,451	94,843	82,483	115,333	213,079	271,228	296,941	197,277	203,720	199,380	193,160	192,772	198,958
Total	\$67,537	\$115,390	\$179,530	\$172,162	\$173,848	\$273,957	\$341,923	\$377,288	\$278,051	\$303,723	\$301,505	\$294,255	\$294,000	\$309,801

*Does not include Bond Forfeiture and Civil Penalty collections

Delinquent debt information is retained in OSM's Applicant/Violator System to prevent violators from receiving new mining permits. Of the \$88.81 million fiscal year-end 1991 debt balance, \$55.18 million (62 percent) is principal. The remainder represents interest, late payment penalties, and administrative charges on the unpaid balance.

NET WORTH REPORTS

OSM uses private contractors to determine the net worth of individuals and businesses with unpaid obligations. Net worth reports are requested to determine the ability of businesses and individuals to pay for the cost of reclaiming old mining sites or to pay their delinquent obligations, or both. During 1991, OSM requested net worth reports on approximately 400 companies and individuals.

LEGAL ACTION AGAINST DEBTORS

OSM is currently processing \$7.5 million of delinquent debt. When OSM exhausts its own avenues of debt collection, delinquent debts are referred to the Department of the Interior's Solicitor for legal action or bankruptcy proceedings, as appropriate. Of the total debt owed at the end of fiscal year 1991, \$78 million has been referred to the Interior Department Solicitor. Of this amount, \$35 million is in bankruptcy proceedings and \$43 million has been referred for collection action.

FEE COMPLIANCE AUDIT

OSM maintains regional and area audit offices in 12 cities throughout the coal-producing regions of the United States. Through audits and related activities conducted by these offices, OSM provides reasonable assurance that coal operators are complying with AML fee requirements by properly reporting the quantity of coal that is produced and subsequently sold, used, or transferred, and on which AML fees are owed to the government. In 1991, OSM conducted 413 audits and audit-related projects and identified \$7.5 million in under-reported or nonreported AML fees. OSM collected \$4.7 million in audit-related debt during the year. During 1991 OSM continued to enhance the ADP capabilities of its audit program. The acquisition of portable laptop computers and the development of a pilot automated planning system have improved the efficiency of OSM's audit program.

NEW DEBT MANAGEMENT INITIATIVES

During 1991, OSM's Debt Management Division initiated two projects which will result in significant savings and increased efficiency and effectiveness:

1. A computerized document imaging system to maintain all active delinquent debt case files. The initiative has already resulted in a space reduction of over 600 square

feet and a reduction in debt collection contractor resources. OSM estimates that, after completion, the project will save \$150,000 per year in overhead and staff resource costs. Also, the automated storage/retrieval of delinquent case files provides significantly increased security and management control and helps prevent lost and misplaced files.

2. A consolidated, computerized debt-tracking system will enable collection specialists to track all debt on a single system (versus the present process involving three independent systems) and increase the automation level in responding to inquiries and computing interest and payoff amounts.

FINANCIAL MANAGEMENT

In November 1990, OSM implemented a new grant advance system called Draw Down Express (DDX), which allows grantees to access OSM's accounting system (ABACIS) to request funds. This new system has provided grantees with several advantages, including immediate verification of information entered on the request. DDX detects almost all relevant typographical errors and prevents payments in excess of awards.

Another module, the Grants Information Financial Tracking System (GIFTS), gives grantees read-only access to all of their grant files. This includes data on awards amounts, advances paid, and cost reports received from the grantee by OSM. The information can be presented anywhere from summary level to complete detail, including data organized by construction project. These new systems have greatly improved the relationship between OSM and the financial personnel in the States and tribes.

AUDITED FINANCIAL STATEMENTS

In response to provisions of the Chief Financial Officers Act of 1990 (Public Law 101-576), OSM voluntarily submitted its FY 1990 financial statements for audit by the Office of the Inspector General (IG). The auditor's opinion was issued in September 1991, with property management being the only qualification. Otherwise, the IG rendered the opinion that the statements present fairly, in all material respects, the agency's financial position as of September 30, 1990, the results of its operations, and the changes in its financial position and reconciliation to the budget for the year ended September 30, 1990, in conformity with generally accepted accounting principles for Federal agencies (GAO Report No. 91-I-1272, and 91-I-1273, September 1991).

TECHNICAL INFORMATION PROCESSING SYSTEM (TIPS)

The Technical Information Processing System (TIPS) is a national computer system designed for use by the State

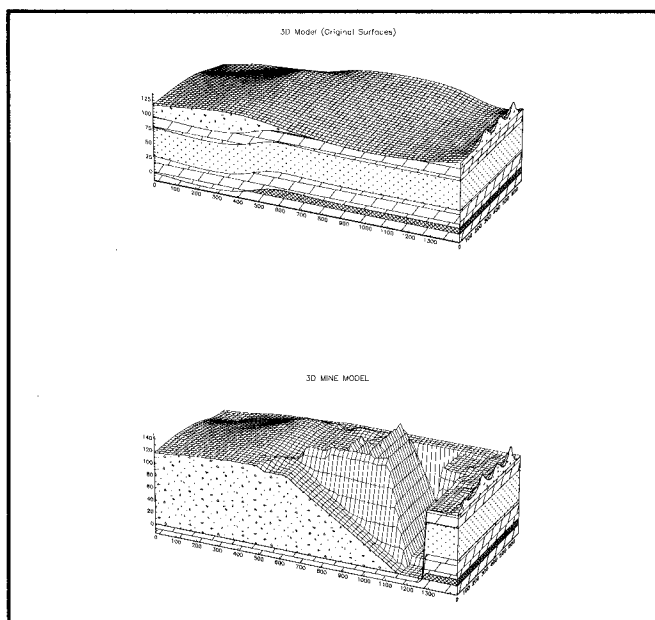


Figure 1. Three-dimensional TIPS graphic visualization of pre-mining land surface (above) and the same area during mining (below).

regulatory authorities and OSM to provide the automated technical and scientific analysis required for fulfilling its regulatory responsibilities under SMCRA. TIPS has been installed in all coal-producing States and provides advanced technical analytical capabilities to the States and OSM for the review of mining permit applications, abandoned mine land activities, and environmental assessments.

TIPS is fully operational and is used extensively by the States and OSM for both AML and regulatory applications. In 1991, OSM proceeded with the replacement of the minicomputer at the TIPS National Computer Center at OSM's Western Support Center in Denver Colorado. The new super minicomputer has significantly enhanced the technical analysis capabilities of TIPS users, while at the same time reducing the time required to perform the work. In-depth training on the new super minicomputer occurred in 1991, primarily on the use of the Geologic Surface Model (GSM). The GSM software is critical to the application of highly sophisticated technologies to complex mining applications, including assessment of overburden toxicity and volumetrics associated with quantifying adequacy of bond amounts. TIPS workstation-based software is also used to train new State regulatory authority employees and to keep the States and OSM abreast of state-of-the-art technical advancements in these programs as well as new TIPS applications.

A major achievement was the completion of a cumulative hydrologic impact assessment (CHIA) water quality data base management system for Wyoming. This data base management system was developed with extensive input from other States so that the final system shell would have national applicability for CHIA.

In addition:

- OSM continued to provide TIPS outreach to States, to other federal agencies, and to professional societies.
- OSM continued to maintain and update TIPS workstation software.
- OSM published a TIPS technical news letter that was used as a training tool, a forum for TIPS users, and as a way to keep users informed about new applications on TIPS.

SMCRA MODERNIZATION PLAN

During 1991, progress on the SMCRA Modernization Plan (SMP) continued moving OSM closer to the bureau-wide objectives of achieving increased accuracy, credibility, and timeliness of mission support information, while improving long-term cost containment of automated information delivery mechanisms. Critical building blocks of the modernization plan that progressed during this period were in the areas of: strategic planning; systems support standardization policy; local-area-networking; wide-area-networking; and mini-computer technology evaluation and upgrades.

OSM took progressive steps toward accomplishing the SMP by defining the many support systems' strategy changes to the Department of the Interior in the OSM (FY 1991-1995) Information Resources Management Strategic Plan. The Information Resource Management plan submitted early in the year identified each program support system's defined role change within the ambitious overall modernization blueprint.

OSM Directive INF-11 was updated early in FY 1991. This directive defines the OSM ADP system standardization policies, procedures, and standards that are important to full achievement of SMP benefits. This document contains specific SMP blueprints for OSM ADP system managers, designers, and developers to use as a reference and for guidance on the methods and tools to use to assure that compatible support system modules work together when the individual system modifications are completed.

A critical component of the SMP was added this year with the procurement of a standard set of local-area network technology for implementation and use at each OSM Field Office. This modern LAN hardware and software will facilitate use of compatible, up-to-date technology to improve OSM's effectiveness in enforcing SMCRA. The standard LAN platforms will provide a common base upon which multi-user program support applications will be implemented for OSM-wide access; modernized OSM central host computer systems will be accessed through

future long-distance network LAN gateways; and OSM Field Office administration and communication will benefit through shared use of modern software (electronic mail, word processing, etc.) and hardware (laser printing, electricity and file backup systems, etc.).

Progress was made on another key component of the overall SMCRA modernization plan through decisions reached for the OSM FTS2000 Wide-Area Network. The OSM wide-area network will interconnect the OSM standard local-area network gateway with other Field Office LANs, centrally located OSM program support host computers, and the State regulatory authorities through a modern long-distance data network. This geographically distributed OSM data network will comply with new federal regulations requiring telecommunications standardization and will be implemented using modern digital transmission methods and corresponding hardware and software components.

Finally, progress was also made this year in the areas of OSM mini-computer technology evaluations and procurement of modernization upgrades. Mini-computer hardware and database software evaluation led to procurement of modern mini-computers for upgrading and modernizing SMCRA support applications, administrative support systems, and the Technical Information Processing System (TIPS).

APPLICANT/VIOLATOR SYSTEM (AVS)

Section 510(c) of SMCRA and corresponding regulations (30 CFR 773) prohibit the issuance of permits to applicants with previous uncorrected violations and to applicants related to violators through ownership and control. The Applicant/Violator System (AVS), a computer data base, was developed to assist OSM and the State regulatory authorities (SRAs) in complying with these requirements. AVS identifies associations between permit applicants or their affiliates and uncorrected violations of SMCRA. This information is used by OSM and SRAs to determine whether a permit should be issued or denied.

During 1991, the Applicant/Violator System Office placed major emphasis on programs that promote the relevance and usefulness of AVS data to individuals, industry, regulatory agencies, and other OSM offices and federal agencies. For example, training sessions on AVS access and data retrieval procedures were held throughout the country. Consequently, AVS will be used by AML auditors to obtain application/permit and ownership/control information as part of the audit process. Some computer-generated reports were standardized in order to respond better to Freedom of Information Act requests concerning data on companies and individuals; new procedures were initiated to make available to permit applicants print-outs, referred to as "footprints," which graphically illustrate a

company's ownership or control data, thereby affording them the opportunity to view and correct the data; and AVS access was provided to the Tennessee Valley Authority (TVA) allowing it to deny coal purchase contracts from individuals or companies that own or control or are owned or controlled by an entity with uncorrected SMCRA violations.

The AVS Office improved its communication and cooperation with other offices within OSM. This resulted in the production of more accurate data, improved reporting, and a reduction in both the number of outdated AML mailings and the number of AVS recommendations overturned. Approximately 1,300 non-coal-producing AML accounts were deactivated, 300 mine sites were found to be inactive, and 80 permits were found to be in temporary cessation or in "not start" status.

To avoid AVS Office permit "deny" recommendations, companies paid a total of over \$740,000 in Abandoned Mine Land Reclamation fees and federal civil penalties which otherwise would not have been paid. Some companies also signed settlement agreements to resolve uncorrected violations by performing reclamation work and providing lists of their contract operators.

OSM signed Memoranda of Understanding (MOU) with 23 SRAs. These MOUs will govern the SRAs review of permit applications and their maintenance of accurate and current data in AVS.

Complementing the system and data improvements to AVS were actions taken to reduce its operation and maintenance costs. OSM assumed various computer processing control functions previously performed entirely by the AVS contractor. Daily batch backup costs were reduced by 65 percent, providing a \$200,000 annual savings. Computer processing costs at the U.S. Geological Survey (USGS) experienced an average monthly cost reduction of \$40,000. The removal of outdated AVS data from the USGS computer saved an additional \$30,000.

In working to improve the usefulness of the system, the AVS office developed and implemented a number of specific enhancements to AVS, including the following:

- Multiple operators may be evaluated during the application evaluation process;
- Entity evaluations are tracked on the system;
- Data entry and update procedures were improved; and
- Additional ownership and control information was provided via data from the Energy Information Administration and the Mine Safety and Health Administration (MSHA). The addition of State cessation order viola-

tions to the system, for use by regulatory authorities for permit evaluation purposes, is scheduled for January 1992.

OSM published in the *Federal Register* a proposed rule designed to establish new regulations that would require regulatory authorities to use AVS and other information sources to identify ownership and control links between permit applicants and violators. Additionally, the proposed rules would:

- Establish methods, procedures, and standards for challenging ownership and control information, both as shown in AVS and prior to entry of such information into AVS;
- Provide a means, under certain circumstances, for challengers of ownership or control links to secure temporary relief from permit blocking while their challenges are pending;
- Clarify OSM's oversight authority to review the regulatory authorities' compliance with rules; and
- Impose certain follow-up duties upon a regulatory authority once a permitting decision has been made.

AVS is being used effectively to ensure that individuals and companies associated with overdue violations of the Surface Mining Act, or with overdue penalties or fees, are not issued new permits. The reliability rating for AVS is now over 90 percent, and AVS continues to experience a

significant increase in use, especially by OSM Field Offices, Fee Audit Offices, Solicitor Offices, the TVA, the SRAs, and the U.S. Department of Labor, Mine Safety and Health Administration.

MONITORING POTENTIAL CONFLICTS OF INTEREST

Sections 201(f) and 517(g) of SMCRA prohibit any federal or State employee "performing any function or duty under this Act" from having "direct or indirect financial interest in underground or surface coal mining operations." In monitoring these provisions, OSM provides oral and written guidance and assistance to personnel of affected State and federal agencies, including OSM's own employees. Through this process, OSM has increased awareness and understanding of these provisions, and violations have steadily decreased. No violations were reported in 1991.

GENERAL ACCOUNTING OFFICE (GAO) AUDITS

During 1991, GAO initiated one audit of OSM functions and completed five reports; three completed reports had no findings or recommendations for improvement. OSM has responded to all recommendations contained in the reports and has taken appropriate corrective actions. Table 3 lists the audits active during 1991 and their status.

**TABLE 3
ACTIVE AND COMPLETED GAO REVIEWS 1991**

Audit or Review Title	Status
The Department's Efforts to Implement the Federal Financial System (FFS)	Completed, GAO/AFMD 91-29BR
Greater EPA Leadership Needed to Reduce Non-point Pollution	Completed, GAO/RCED 91-10
Coal Mine Subsidence: Several States May Not Meet Federal Insurance Program Objectives	Completed, GAO/RCED 91-140
Management of the AML Fund	Completed, GAO/RCED 91-192
Abandoned Mine Reclamation: Interior Approved State Shifts To Non-coal Projects Prematurely	Completed, GAO/RCED 91-162
Interior's Automated Information System and Automation Issues	Terminated by GAO
OSM's Reconciliation of the AML Inventory	Oral Briefing (no report issued)
OSM's Methodology to Determine the Cost of Purchasing Mineral Rights	Terminated by GAO
Interior's Information Resources Management Program	Terminated by GAO
Wetland Activities	Active

FIGURE 2 OSM ORGANIZATION

The Office of Surface Mining Reclamation and Enforcement

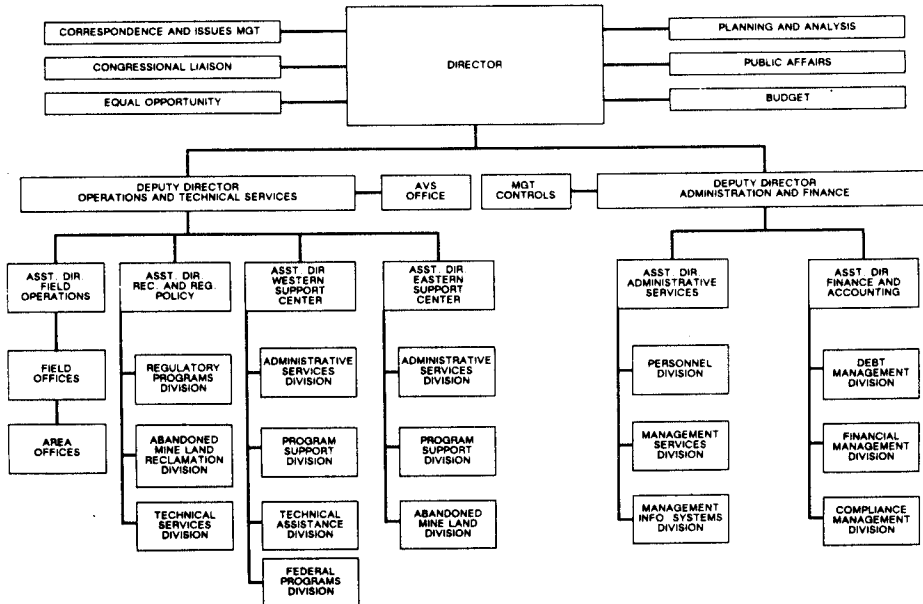
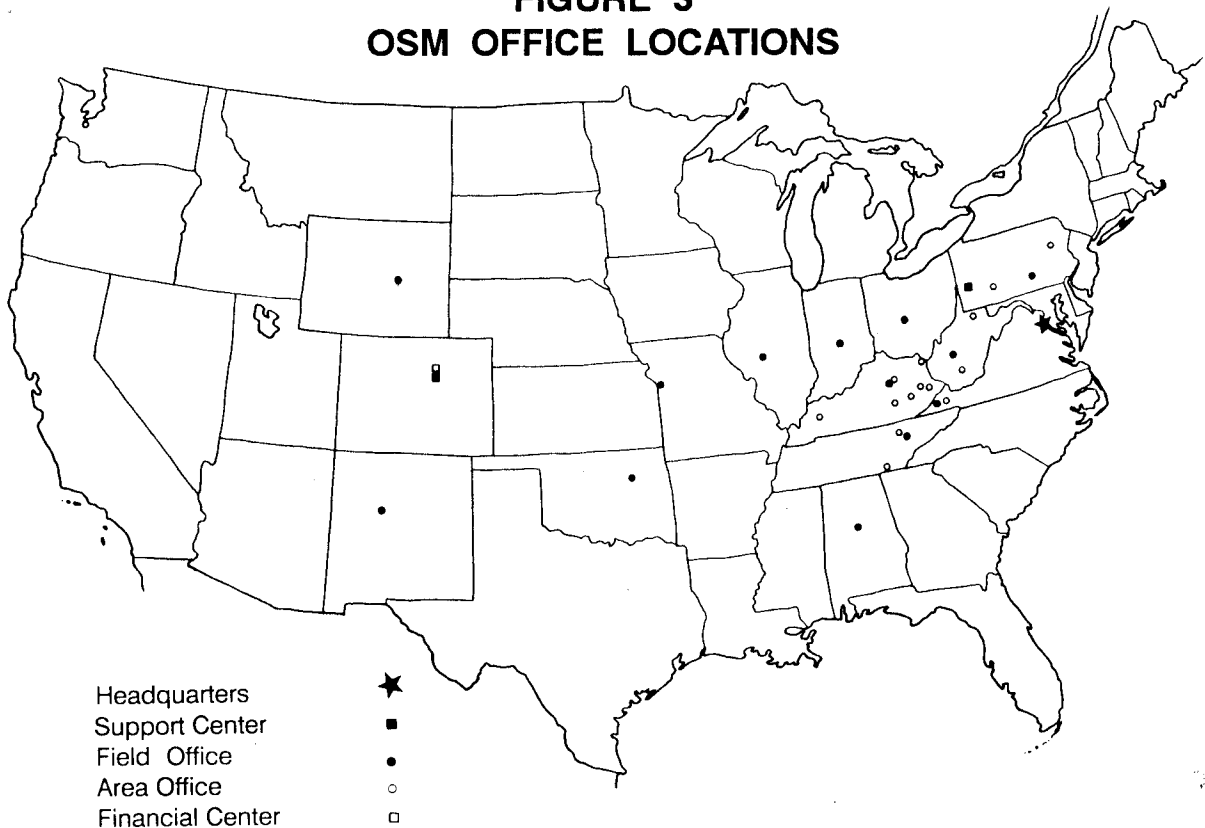
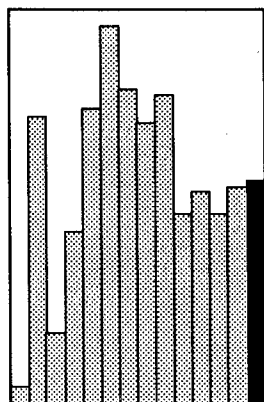


FIGURE 3 OSM OFFICE LOCATIONS



4. REGULATORY ENFORCEMENT

REGULATORY DEVELOPMENT



Final Rulemaking
Actions 1978-91

SMCRA charges OSM with the responsibility for publishing rules and regulations as necessary to carry out the purposes of the Act. OSM's permanent regulatory program and related rules provide the fundamental mechanism for assuring that the goals of SMCRA are achieved. One of OSM's major objectives is to establish a stable regulatory program by improving the regulatory development process and by obtaining a broad spectrum of viewpoints on rule-making activities.

The 1991 rulemaking process included discussions with representatives of the coal mining industry, environmental groups, and the state regulatory authorities to obtain their input and suggestions. During 1991 OSM published seven proposed permanent program rule *Federal Register* notices, and four final permanent program rule *Federal*

Register notices. The final rule *Federal Register* notices published during this period represent a 33 percent increase over the final rules published during 1990. Table 4 describes final regulations published in the *Federal Register* during 1991. Each regulation is identified with the *Federal Register* citation that gives the volume and page number, effective date, Code of Federal Regulations (CFR) number, and date of publication.

RULE CHALLENGES

During 1991, the Government defended several OSM regulations in suits brought by environmental and industry groups. Decisions by the U.S. Court of Appeals for the District of Columbia Circuit and the U.S. District Court for the District of Columbia were rendered in two cases during the year. These are described in Table 5.

STATE PROGRAM AMENDMENTS

The federal regulations governing permanent regulatory programs were initially promulgated in 1979. The regulations were completely revised in 1981-83 to allow States and operators greater flexibility in the means by which they achieve compliance with SMCRA. In response to

TABLE 4
FINAL RULES PUBLISHED DURING 1991

Assessment Conference Scheduling

56 FR 10060 4/8/91 (30 CFR 723 and 845) Published 3/8/91

This rule revises the procedures for holding an assessment conference by extending the time for holding the conference from "60 days from the date of the issuance of the proposed assessment" to "60 days from the date that the conference request is received."

Interim Program

56 FR 6224 3/18/91 (30 CFR Part 710) Published 2/14/91

This rule allows operators permitted under the initial regulatory program to meet permanent program performance standards in lieu of meeting initial program standards.

Notice of Suspension

56 FR 25036 7/3/91 (30 CFR Parts 700, 840, and 842) Published 6/3/91

This rule suspends certain portions of OSM's permanent program regulations which: (1) provided that a regulatory authority may terminate regulatory jurisdiction under the Surface Mining Control and Reclamation Act of 1977 for reclaimed sites of completed surface coal mining and coal exploration operations; and (2) defined the term "abandoned sites" and allowed for a reduced inspection frequency for those sites.

Service of Documents

56 FR 28442 7/22/91 (30 CFR Parts 722, 723, 724, 843, 845, and 846) Published 6/20/91

This rule revises the procedures governing the service of documents by allowing service by personal delivery in those instances where the regulations do not already provide for such service. The rule also changes certain terminology pertaining to the service of documents in order to make it consistent throughout the regulations.

TABLE 5
1991 SIGNIFICANT COURT DECISIONS

National Wildlife Fed'n v. Lujan, No. 90-5114 (D.C. Cir.)

On March 22, 1991, the U.S. Court of Appeals for the D.C. Circuit reversed the February 1990 decision of the U.S. District Court for the District of Columbia in this case. The district court had invalidated and remanded regulations promulgated by the Secretary under SMCRA which addressed (1) subsidence damage to structures, 30 C.F.R. 817.121(c), and (2) the effective date of the regulation of off-site coal processing facilities, 30 C.F.R. 827.13. The National Coal Association and American Mining Congress appealed that decision. The court of appeals reversed the district court and upheld both regulations. In doing so, the court deferred to the Secretary and found the regulations to be reasonable.

National Coal Ass'n v. Lujan, No. 88-0951 (D.D.C.)

On July 19, 1991, the district court upheld the Secretary's individual civil penalties (ICP) rule (30 C.F.R. 724.12). Industry challenged the ICP rule, alleging that it erroneously denied assessment conferences to corporate officials before imposition of the penalty and that its failure to use the point system, rather than the cost of reclamation, in determining the amount of the penalty is erroneous. Industry filed an appeal on September 16.

extensive litigation and agency policy, these rules have been further revised, beginning in 1985 and continuing to the present. In 1991 OSM published 91 proposed and 60 final State program amendments in the *Federal Register*.

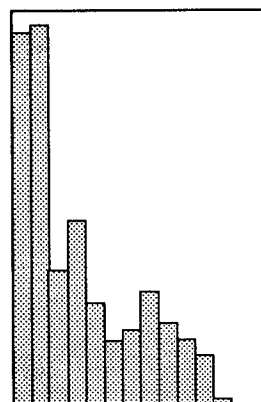
States have the right to propose to amend their programs at any time for an appropriate reason. In addition, whenever SMCRA or its implementing regulations are revised, OSM is required to notify the States of the changes needed to ensure that State programs remain consistent with federal requirements. This is known as a "Part 732 notification."

The result has been the submission of a large number of complex amendments from the States. OSM has taken a number of steps to process these submissions more efficiently. For example, the amendment review process within OSM has been decentralized, and format and content guidelines for State program amendment submittal have been issued to the States. Also, steps have been taken to assure that States' schedules for rulemaking in response to Part 732 notification are reasonable to accomplish timely State program revisions.

STATE REGULATORY PROGRAMS

Since May 3, 1978, all surface coal mining operations have been required to be permitted by the States and to comply with OSM regulations. Currently there are 24 primacy States that administer and enforce programs for regulating surface coal mining and reclamation under SMCRA. In addition, during 1991, three States had federal programs where OSM regulated surface coal mining and reclamation. Table 6 summarizes State program statistics during the period from July 1, 1990, through June 30, 1991. (OSM's annual statistics on State and federal regulatory programs are compiled on a July-June cycle.)

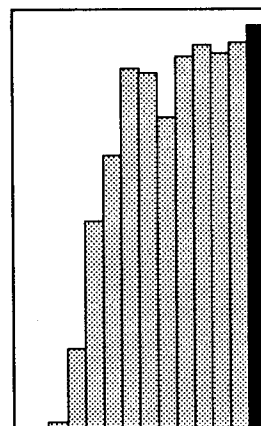
GRANTS TO STATES PROGRAM DEVELOPMENT GRANTS



Program Development Grants 1978-91

Section 201 of SMCRA authorizes OSM to assist State regulatory authorities in developing or revising surface mining regulatory programs. All regulatory program development funding for the three coal resource tribes (Crow, Hopi, and Navajo) has been suspended in view of the unlikelihood of foreseeable Congressional action on legislation to allow for tribal primacy under SMCRA Section 710. No program development grants were awarded in 1991.

REGULATORY GRANTS



Permanent Program Regulatory Grants 1978-91

Section 705 of SMCRA authorizes OSM to provide grants to States with approved regulatory programs in amounts not exceeding 50 percent of annual State program costs.

In addition, when a State elects to administer an approved program on federal lands through a cooperative agreement, the State becomes eligible for financial assistance of up to 100 percent of the amount the Federal Government would have expended in regulating coal mining on those lands. Table 7

shows grant amounts provided to States during 1991 to administer and enforce regulatory programs.

TABLE 6

Alabama Alaska Arkansas Colorado Illinois Indiana Iowa Kansas Kentucky Louisiana Maryland Missouri

TABLE 6 Continued
STATE PROGRAM STATISTICS
1991 (July 1, 1990 - June 30, 1991)

	Montana	New Mexico	North Dakota	Ohio	Oklahoma	Pennsylvania	Texas	Utah	Virginia	West Virginia	Wyoming
State Staffing (FTE's 6/30/91)											
Regulatory Program	20.9	15	9.7	107	42.35	310	47	21.5	99	130	29.81
AML Program	6.5	7	5.8	43.7	5	142	17	8.75	18	60.6	11
permits											
New Permits Issued	0	0	4	112	9	166	1	0	48	127	0
Inspections											
Inspectable Units (6/30/91)	20	14	45	918	147	3,350	30	32	956	3,401	41
Complete Inspections	102	57	197	3,518	945	12,170	134	143	4,841	18,109	199
Partial Inspections	163	118	641	5,909	1,046	22,640	330	220	4,475	14,656	377
Citations Issued											
Notices of Violations (Actions)	10	30	1	781	101	3,020	11	61	514	2,574	18
Failure-to-Abate Cessation Orders	2	1	0	141	28	76	0	6	14	73	4
Imminent Harm Cessation Orders	1	1	0	18	0	0	1	4	12	274	0
Bonds											
Forfeitures	0	0	0	15	1	18	0	0	10	224	1
Abandoned Mine Lands											
Acreage Reclaimed	428	30	169	584.3	854	795.25	583	25.4	99.3	407.7	624

TABLE 7
REGULATORY GRANT FUNDING
1991 Obligations

State	Federal Lands	Non-Federal Lands (Federal Share)	Total Federal Funding*
Alabama	\$9,521	\$1,056,972	\$1,121,199
Alaska	0	241,460	241,460
Arkansas	0	179,254	179,254
Colorado	777,927	200,375	987,643
Illinois	154,402	3,158,863	3,313,265
Indiana	0	2,585,946	2,585,946
Iowa	0	131,330	131,330
Kansas	0	181,117	181,117
Kentucky	0	14,399,855	14,399,855
Louisiana	0	172,963	172,963
Maryland	0	459,640	459,640
Mississippi	0	68,000	68,000
Missouri	0	326,369	341,017
Montana	618,599	223,802	850,879
New Mexico	218,087	253,074	477,161
North Dakota	296,699	177,424	474,122
Ohio	0	3,062,659	3,062,659
Oklahoma	14,648	908,147	924,295
Pennsylvania	0	10,185,056	10,185,056
Texas	0	1,125,168	1,125,168
Utah	575,049	117,440	700,014
Virginia	5,943	3,360,050	3,365,993
West Virginia	0	4,176,482	4,176,482
Wyoming	1,133,453	228,149	1,370,935
Crow Tribe	0	0	0
Hopi Tribe	0	0	0
Navajo Tribe	Unavailable	Unavailable	2,000
Total	\$3,804,328	\$46,979,595	\$50,897,455

*Includes obligations for AVS, Kentucky Settlement Agreement, and other Title V cooperative agreements.

FEDERAL PROGRAMS FOR STATES

Section 504(a) of SMCRA requires OSM to regulate surface coal mining and reclamation activities on non-federal and non-Indian lands in a State if:

- the State's proposal for a permanent program is not approved by the Secretary;
- the State does not submit its own permanent regulatory program; or
- the State does not implement, enforce, or maintain its approved State program.

Although OSM encourages and supports State primacy in the regulation of surface coal mining and reclamation operations, certain States with coal reserves elected not to submit or maintain regulatory programs. Thus these States became federal program States, with surface coal mining and reclamation operations regulated by OSM. Full federal programs are in effect in eleven States: California, Georgia, Idaho, Massachusetts, Michigan, North Carolina, Oregon, Rhode Island, South Dakota, Tennessee, and Washington. Of the federal program States, only California, Tennessee, and Washington have active coal mining. Table 8 summarizes OSM's regulatory actions in those three States during 1991.

FEDERAL OVERSIGHT OF STATE REGULATORY PROGRAMS

SMCRA Section 517(a) states that OSM shall make such inspections as are necessary to evaluate the administration of approved State programs. In meeting this requirement, OSM reviews permits, conducts oversight inspections of mine sites, and undertakes oversight reviews on topics of concern in the 24 States with approved primacy programs. Oversight inspections are conducted on a random-sample basis and in response to citizen complaints. If OSM has reason to believe a violation of the State program exists, OSM must notify the State (except in the case of imminent danger to the public or the environment, in which case OSM must immediately inspect the site and issue a cessation order when a State has not taken appropriate action). OSM notifies the State of a possible violation by issuing a "Ten-Day Notice." Once notified of a possible violation, the State then has 10 days in which to take appropriate action to cause the violation to be corrected, or to show good cause for not doing so. In the relatively few instances where OSM determines that a State has not taken appropriate action or shown good cause, a federal inspection is conducted, and, if a violation is found to exist, a federal Notice of Violation or Cessation Order is issued.

Since 1989, changes have been implemented in the

TABLE 8
FEDERAL REGULATORY PROGRAMS
STATES WITH ACTIVE MINING
1991 (July 1, 1990 - June 30, 1991)

	Tennessee	Washington	California
Permits			
Existing and New Permit Applications	38	3	3
New Permits Issued	8	0	0
Permit Revisions and Renewals issued	224	21	0
Permits Suspended or Revoked	4	0	0
Total Acres Permitted	6,640	14,834	26
Inspections			
Inspectable Units	613	4	4
Complete Inspections	1,713	34	14
Partial Inspections	3,463	4	27
Citations Issued			
Notices of Violation	359	2	1
Failure-to-Abate Cessation Orders	65	0	0
Imminent Harm Cessation Orders	7	0	0
Bonds*			
Final Bonds Released	13	0	0
Forfeitures Initiated	2	0	0
Bonds Collected	3	0	0
Default Sites Reclaimed	7	0	0
Designation of Lands Unsuitable for Mining			
Petitions Received	0	0	0
Acres Designated Unsuitable	0	0	0

*Permanent Program Sites only.

manner in which OSM conducts oversight of State programs. These changes include revised requirements for the field office director's report on each State program, an emphasis on oversight tailored to specific areas under each State program (based on perceived need or to follow up on prior problems), and the use of action plans developed jointly between field office directors and States to resolve problems when they occur. Field offices are also required to ensure that data needed to assess State progress and on-the-ground conditions are included in their annual reports. Table 9 summarizes OSM's oversight inspection and enforcement activities during 1991.

REGULATION OF SURFACE MINING ON FEDERAL AND INDIAN LANDS FEDERAL LANDS PROGRAM

Section 523(a) of SMCRA requires the Secretary of the

Interior to establish and implement a federal regulatory program applicable to all surface coal mining and reclamation operations taking place on federal lands. OSM promulgated the current federal lands program on February 16, 1983.

The federal lands program is important because the federal government owns significant coal reserves, primarily in the West. The development of these reserves is governed by the Federal Coal Management program of the U.S. Department of the Interior's Bureau of Land Management. Of the 234 billion tons of identified coal reserves in the western U.S., 60 percent is federally owned.

Through cooperative agreements, the administration of most surface coal mining requirements for the federal lands program may be delegated by the Secretary to

TABLE 9
FEDERAL OVERSIGHT OF STATE PROGRAMS
1991 (July 1, 1990 - June 30, 1991)

State	Number of OSM Inspections		Violations Cited in OSM Enforcement Actions	
	Random	Other	NOV's**	CO's***
Alabama	157	54	0	0
Alaska	2	2	0	0
Arkansas	16	0	0	0
Colorado	25	18	0	0
Illinois	58	29	0	0
Indiana	178	53	2	0
Iowa	14	3	0	0
Kansas	16	12	0	1
Kentucky	430	1,826*	32	13
Louisiana	1	1	0	0
Maryland	56	14	0	0
Missouri	40	12	0	0
Montana	11	0	0	0
New Mexico	7	2	1	0
North Dakota	18	2	0	0
Ohio	217	26	1	1
Oklahoma	61	75	4	2
Pennsylvania	348	384	8	0
Texas	13	0	0	0
Utah	29	6	4	0
Virginia	277	40	8	1
West Virginia	348	275	10	7
Wyoming	17	6	3	0

*Includes additional inspections required to implement litigation settlement agreements.

**Notices of Violation.

***Imminent Harm or Failure-to-Abate Cessation Orders.

States with approved regulatory programs. By the end of 1991, the Secretary had entered into such cooperative agreements with Alabama, Colorado, Illinois, Montana, New Mexico, North Dakota, Ohio, Oklahoma, Utah, Virginia, West Virginia, and Wyoming.

Under SMCRA, once the Secretary and the State have signed a cooperative agreement, the State regulatory authority assumes permitting, inspection, and enforcement responsibilities for surface coal mining activities on federal lands in that State. OSM maintains an oversight function to ensure that the regulatory authority fully exercises its delegated responsibility under the cooperative agreement. In States without cooperative agreements, the required permitting, inspection, and enforcement activities under SMCRA are carried out by OSM. During 1991, 15 permitting actions were completed by OSM for surface coal mining operations on federal lands in Kentucky.

For all States with leased federal coal, OSM prepares Mining Plan Decision Documents required by the Mineral Leasing Act, as amended, and documentation for other non-delegable authorities for approval by the Secretary. During 1991, seven mining plan actions were prepared and approved for mines on federal land.

INDIAN LANDS PROGRAM

Pursuant to Section 710 of SMCRA, OSM regulates coal mining and reclamation on Indian lands. In the southwest, mines on the Navajo and Hopi reservations and a portion

of a coal haul road on the Ute Mountain Ute Reservation are permitted under the permanent Indian lands program. In addition, OSM, in cooperation with the Bureau of Indian Affairs (BIA) and the Navajo Nation, is overseeing the final reclamation of three mines on the Navajo reservation regulated under the interim program.

In keeping with the Department's trust responsibility and to promote improved understanding of regulatory requirements and Indian concerns, OSM initiated an outreach program during 1991. A mine plan review group consisting of Navajo, BIA, and OSM personnel has been formed, and briefings of responsibilities and procedures are scheduled.

As a result of initial group discussions and in anticipation of the release of mined land reclaimed for grazing on the Navajo reservation, OSM personnel are working with BIA and the tribe to establish both grazing management plans and logical grazing units that incorporate the reclaimed land.

On the Crow Ceded Area in Montana, OSM and the Montana Department of State Lands continue to administer applicable surface mining requirements pursuant to a Memorandum of Understanding that includes both permitting and inspection functions. Table 10 provides statistics on regulatory activities on Indian lands during 1991.

TABLE 10
REGULATORY ACTIVITIES ON INDIAN LANDS
1991

	Number
Indian Lands in Arizona and New Mexico	
Total Permits	8
Total Acres Permitted	84,570
Permitting Actions	29
Inspectable Units (All lands)	10
Total Inspections (Partial and Complete)	98
Enforcement Actions (Notices of Violations issued)	8
Indian Lands in Montana	
Total Permits	1
Total Acres Permitted	3,259
Permitting Actions	2
Inspectable Units (All lands)	1
Total Inspections (Partial and Complete)*	18
Enforcement Actions (Notices of Violations issued)	0

HEARINGS AND APPEALS

SMCRA requires the Secretary of the Interior to provide administrative review of OSM actions, including the opportunity for hearings governed by the Administrative Procedure Act. The Secretary has delegated this administrative review function to the Department's Office of Hearings and Appeals (OHA), which is not part of OSM but which handles all the administrative review responsibilities of the Department of the Interior.

OHA consists of a Hearings Division -- staffed by administrative law judges who hold hearings under the Administrative Procedure Act -- and several appeals boards established to review appeals arising from decisions of administrative law judges or from decisions of certain program bureaus within the Department of the Interior. The appellate functions of the Secretary under SMCRA have been delegated to the Interior Board of Land Appeals (IBLA). Under SMCRA, a person adversely affected by a written decision of the Director of OSM, or by a delegate of the Director, may appeal directly to IBLA if the decision specifically grants the right to appeal. Administrative review under SMCRA presented the administrative law judges and IBLA with a variety of issues for resolution. In 1991, the IBLA issued decisions in 23 SMCRA cases.

OHA REGULATORY ACTIONS

On January 22, 1991, OHA published a final rule in the *Federal Register* (56 Fed. Reg. 2139) providing for expedited administrative review of all permit-related decisions by OSM. These decisions include applications for new permits; permit revisions; permit renewals; the transfer, assignment, or sale of rights granted under permit; and coal exploration permits. Additionally, the period for filing a request for review was changed to begin with the day a permittee or applicant receives a written decision by OSM.

On September 6, 1991, OHA published a proposal in the *Federal Register* (56 Fed. Reg. 45806) to amend its regulations applicable to surface coal mining hearings and appeals by adding procedural rules for administrative review of (1) decisions by OSM to rescind permits that should not have been issued, and (2) decisions by OSM which determine whether a person or entity is linked, within the meaning of OSM's ownership and control and permit review regulations, to a person currently in violation of SMCRA or any other applicable law.

KENTUCKY SETTLEMENT AGREEMENT

In September 1987, a Settlement Agreement was reached between the National Wildlife Federation et al. and the Commonwealth of Kentucky.

The Department of the Interior, the Commonwealth of Kentucky, and environmental and industry groups participated in negotiating the settlement agreement. At the same time, a Supplemental Memorandum of Understanding was entered into between OSM and Kentucky. During the period 1988 through 1991, the Congress appropriated \$12,791,000 to help carry out the Settlement Agreement. During the same period, OSM awarded \$10,270,000 to Kentucky for State Program Operations and an additional \$681,400 for hydrologic studies. OSM retained and expended \$982,564 for hydrologic studies; \$605,386 for acidity studies; \$110,000 for development and delivery of a bond release training program, including additional Regulation and Technology funds for the project; \$146,876 for data processing services; and \$57,447 for travel and administration. The full \$12,791,000 appropriation has been expended for the functions and purposes agreed to in the Settlement Agreement.

Kentucky made extraordinary progress in the development and improvement of its coal surface mine regulatory program over the term of the Agreements. Items of major significance in the improvement of Kentucky's regulatory program include:

- Hiring 103 personnel and training them to accomplish the provisions of the Agreements. The Kentucky General Assembly increased the NREPC personnel ceiling by 80 positions to maintain the current level of performance. These positions will be carried through June 1992 as full-time State employees.
- Institution of an aerial overflight program that involved buying and equipping a helicopter for aerial photography, training personnel to film mine sites from the air, reviewing the film to identify violations for on-the-ground reclamation and/or enforcement, and creating a film library that is open to the public. Kentucky has videotaped and reviewed 3,661 mine sites.
- Development of a comprehensive training and performance tracking program called the Reclamation Process Monitoring Program for management, inspection, legal, and other law enforcement personnel.
- Computer enhancements for all computer systems within NREPC. Kentucky has one of the most up-to-date computer systems in the Nation for tracking and reporting on all phases of regulatory enforcement.
- Formation of an interagency network of State and federal agencies to deter illegal coal mining in Kentucky and neighboring States. As a result of this special effort and considerable interagency cooperation, illegal coal mining in Kentucky is at an all-time low.

These achievements, as well as many others, have become an integral part of the Kentucky program.

PENNSYLVANIA ANTHRACITE REGULATORY PROGRAM

Section 529 of SMCRA provides an exception from federal performance standards for anthracite coal mining operations, provided the State law governing these operations was in effect on August 3, 1977. Pennsylvania is the only State with an established regulatory program qualified for exception, and thus regulates anthracite mining independent of SMCRA permanent program standards.

The Pennsylvania anthracite coal region is located in the northeast quarter of the State and covers approximately 3,300 square miles. The more than 20 different coal beds there vary in thickness from a few inches to 50 or 60 feet. The anthracite region is characterized by steeply pitching seams, some with dips steeper than 60 degrees. Such strata require highly specialized mining techniques and present unique challenges to ensure that highwalls are eliminated and mined areas are restored to productive post-mining land use. The long history of mining in the anthracite region has produced a legacy of abandoned mine land problems. However, because most current mining operations affect previously disturbed land, a large percentage of abandoned mine land is eventually restored to productive use.

Anthracite mining produces about 3.4 million tons of coal per year, approximately five percent of Pennsylvania's annual coal production. The Pennsylvania anthracite program covers 451 inspectable units permitting over 99,000 acres, and includes 99 underground mines, 279 surface mines, 15 preparation plants, and 58 combination operations.

Pennsylvania continues to successfully carry out the provisions of its anthracite program. The special effort to permit small underground mines and take enforcement action against illegal operators of this class of mine has been completed. In addition, all preparation plants are now operating under permanent program permits.

Inspection and enforcement activities continued to be hindered by the lack of inspectors. The hiring of five additional inspectors should increase the number of mandated inspections. A reduced inspection load should also help reverse the trend of uncited violations observed on random sample inspections.

RECLAMATION AWARD PROGRAM

To give well-earned public recognition to the people responsible for the nation's most outstanding achieve-

ments in environmentally sound surface mining and land reclamation, OSM initiated the annual Excellence in Surface Coal Mining and Reclamation Awards in 1986. Since then, 42 awards for exemplary performance under SMCRA have been presented. The 1990 awards, presented by Secretary of the Interior Manuel Lujan, Jr., at the National Coal Association's annual meeting were:

The Director's Award

- Centralia Mining Company, for exemplary reforestation reclamation at its mine located near Centralia, Washington.

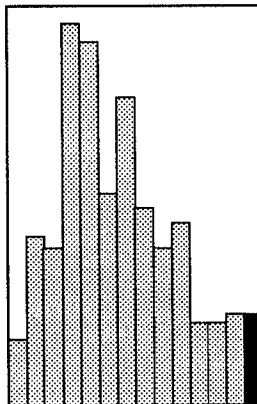
Excellence in Surface Coal Mining and Reclamation Awards

- Martiki Coal Corporation, Martiki Mine, Inez, Kentucky
- Trapper Mining, Inc., Trapper Mine, Craig, Colorado
- The Carter Mining Company, Rawhide and Caballo Mines, Gillette, Wyoming
- Western Energy Company, Rosebud Mine, Colstrip, Montana
- Saarcar Coal, Inc., and the Rifle Coal Company, Meally, Kentucky
- R & F Coal Company, Cheslock-Hendershot Mine, St. Clairsville, Ohio
- Fowler Excavating, Inc., A & P Pit, U.S. 50 Mine, and Bullock Mine, Montgomery, Indiana
- Solar Sources, Inc., Sky-Point Mine, Lynnville, Indiana
- Bridger Coal Company, Jim Bridger Mine, Rock Springs, Wyoming.

Nominations for the 1991 award program were due November 29, 1991, for winners to be selected in the spring of 1992. Information materials, which have been distributed to encourage participation in the program and communicate reclamation information to mining companies throughout the U.S., included a video program describing winning reclamation, a flyer, and booklets illustrating specific attributes of the winning reclamation projects.

5. TECHNICAL ASSISTANCE

RESEARCH



Number of Research Projects Funded 1978-91

OSM conducts research studies to find ways to help mine operators and State and federal regulators do a better job of handling the everyday problems associated with implementing SMCRA. These short-term research studies are directly related to the implementation of Title V regulations affecting active coal mining operations and provide practical answers to specific problems. In 1991, OSM research funding totaled \$1,000,000, a 35 percent increase over 1990 funding. Research funds were provided to universities in support of the following projects:

- Evaluation of the Biotic Potential of Microorganisms and Higher Plants to Enhance the Quality of Constructed Wetlands;
- The Independent Variables Controlling Leachate Quality Prediction/Production in Overburden Analysis;
- Investigations and Assessment of Aquifer Response to Longwall Mining, Illinois;
- Optimizing Wetlands Creation on Coal Mined Lands;
- Relation of Compaction/Soil Physical Parameters to Productivity of Reclaimed Soils;
- Develop Surface Mining Database Management System for Application to Western United States; and
- Constructed Vertical Flow Aerated Wetlands.

Two research projects were completed during 1991.

TECHNOLOGY TRANSFER

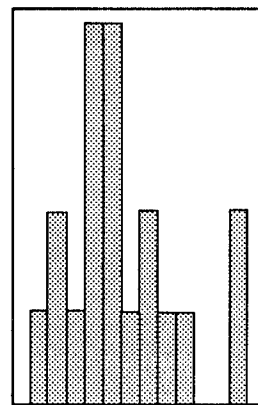
OSM published five issues of its reclamation technology newsletter *RecTec* during 1991. *RecTec* provided current information on meetings, papers, and publications covering land reclamation, revegetation, and water quality during reclamation of land used for surface mining. In addition, other issues published during 1991 concentrated on articles related to acid mine drainage, wetlands, prime farmlands, subsidence, and groundwater in relation to mining.

OSM participates in the Technology Transfer Program sponsored by the National Technical Information Service (NTIS). To date OSM has transferred 233 technical reports and related abstracts to NTIS for dissemination to the public.

An interactive forum on selenium was held in Denver in April 1991. Its purpose was to allow exchange of ideas and experiences with selenium, rather than relying on formal presentation of technical reports. Two basic products resulted from the forum: (1) a better definition of the technical issues relating to the element, with particular emphasis on surface mine reclamation; and (2) the establishment of a working group to further refine selenium research needs and disseminate information about ongoing research activities. Many of the approaches and results from the forum will have direct application to resolving of selenium issues in other types of reclamation.

The Western Support Center sponsored an interactive forum on bond release in September. The purpose of the forum was to provide an opportunity for State regulatory authorities and OSM representatives to discuss a variety of technical issues related to evaluating mine reclamation for bond release. The exchange of ideas resulted in a better understanding of approaches and methods used, and established ongoing State/OSM workgroups on bond release.

EXPERIMENTAL PRACTICES



Experimental Practices Started 1978-91

Section 711 of SMCRA allows alternative mining and reclamation practices that do not comply with Sections 515 and 516 performance standards as a way of encouraging advances in mining technology or to allow innovative industrial, commercial, residential, or public post-mining land uses. However, the experimental practices must meet all other standards established by SMCRA and must maintain protection of the environment and the public. Approval and monitoring of a permit containing an experimental practice results in a close working relationship between the operator, the State, and OSM.

In 1991 no new experimental practices were initiated and none were completed.

INDIA PROJECT

In 1984, through the United States-India Fund, OSM received the equivalent of \$420,000 from the government of India for mining and reclamation technology transfer. Working directly with the Indian government, OSM planned three research projects and signed contracts to begin the work. The ongoing projects are:

- A conceptual environmental management plan for the Jharia Coal Field, including reclamation of existing unreclaimed lands which have been in operation for approximately 100 years.
- A conceptual environmental management plan for the Singrauli Coal Field. This project will result in the development of contemporaneous reclamation standards for a relatively new coal field.
- An environmental model for water quality resulting in treatment facilities for improved water quality in the Jharia Coal Field. The U.S. Environmental Protection Agency is assisting with this project.

In April 1991, OSM hosted a visit by two Indian scientists in order to train them in computer modeling. This assistance was provided in accordance with the provisions of the Jharia Project contract.

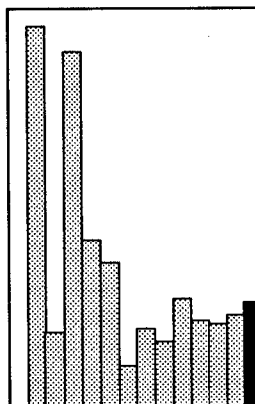
During 1992, OSM will continue assistance to the government of India on these projects.

TECHNICAL TRAINING

In 1991 nationwide training continued for federal, State and private surface coal mining regulatory and reclamation personnel. Seven new courses were added as program offerings in 1991: Administration of Reclamation Projects and NEPA Procedures courses for Abandoned Mine Land personnel, a course in Evidence Preparation and Testimony, a course on Principles of Inspection for regulatory personnel, workshops on acid-forming materials and on bonding, and the Basic Inspection Workbook, which is a self-study course. The program continued to offer ten existing courses including: Applied Hydrology; Blasting and Inspection; Enforcement Procedures; Engineering Principles for Program Personnel; Instructor Training; Soils and Revegetation; Spoil Handling and Disposal Practices in Steep Slope Areas; Surface and Ground Water Hydrology; Technical Writing; and Underground Mining Technology and Effects.

There were 1,045 participants in attendance at 53 training sessions during 1991. Participation by State and tribal personnel totaled 72 percent of program attendance, while federal and private attendance increased from 22 percent in 1990 to 28 percent in 1991.

SMALL-MINE OPERATOR ASSISTANCE PROGRAM (SOAP)



SOAP Funds Expended 1978-91

Section 401(b)(1) of SMCRA authorizes that up to 10 percent of the fees collected for the Abandoned Mine Reclamation Fund may be used for technical assistance to help qualified small mine operators obtain technical data needed for permit applications. Operators who produce fewer than 100,000 tons of coal per year were eligible for assistance in 1991. Effective October 1, 1991, the Abandoned Mine Reclamation Act of 1990 increased from 100,000 to

300,000 the tonnage that defines whether operators qualify for assistance. SOAP helps them meet requirements for the determination of the probable hydrologic consequences of proposed mining operations and the statement of the results of test boring or coal samplings. The "determination" is an analysis of the effect of the proposed operation on the quantity and quality of surface and ground water. The "statement" is an analysis of the overburden and coal, which provides information on their chemical and physical makeup, especially if acid- and toxic-producing materials are present.

The data are collected and analyzed by qualified laboratories and consulting firms. OSM originally approved 379 laboratories throughout the United States. Qualification of laboratories is now the responsibility of the State regulatory authorities.

Regulations for SOAP place responsibility with the States that have approved permanent programs. In States with federal programs, OSM operates SOAP. In 1991, 147 small operators received assistance. This represents a five percent increase in participation from 1990. Table 11 provides a breakdown of SOAP grant awards by State and Indian tribe during 1991.

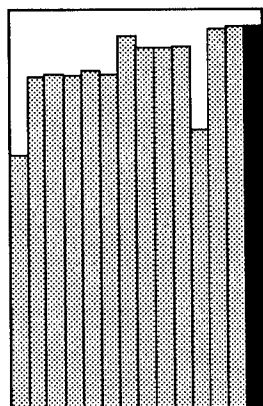
**TABLE 11
SMALL-MINE OPERATOR ASSISTANCE PROGRAM
1991 GRANT AWARDS**

State	Grant Amount
Maryland	\$25,000
Ohio	280,000
Pennsylvania	1,400,000
Virginia	10,000
West Virginia	180,000
Total	\$1,895,000

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 1978-91

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 and 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, through September 30, 1991, the fund has collected \$2,931,482,512.

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 1991.

The Abandoned Mine Reclamation Act of 1990, Public Law 101-508, which was signed into law on November 5, 1990, and became effective October 1, 1991, extended the fee collection authority through September 30, 1995, and included the following amendments to Title IV of SMCRA:

- Increase in the ownership and control information required from mine operators.

- 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.

- Allocation of 50 percent of fees collected to the State/tribe, with the remaining 50 percent of fee collections and interest on investments to the federal-share allocation divided as follows: 40 percent to States/tribes based on historical coal production, 40 percent for federal program expenses, and 20 percent to fund the Rural Abandoned Mine Program;

- Set-asides for acid mine drainage abatement and treatment and future coal-related reclamation projects;

- Development of a procedure to allow States/tribes that have certified completion of known coal problems to utilize State-share funds for noncoal reclamation;

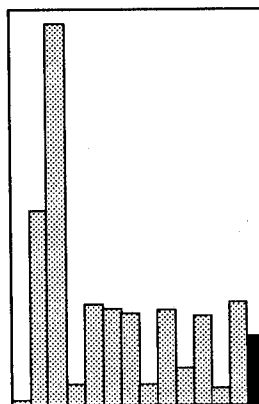
- Reclamation of abandoned interim program sites and insolvent surety sites;

- 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 Register publication of final rules to implement these legislative changes is planned for 1992.

FEDERAL RECLAMATION PROGRAM



Interior Department Projects 1978-91

Until States or Indian tribes received approval of their AML program, 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 problems, OSM has greatly reduced its direct participation in this portion of the program. During 1991, construction at 31 Interior Department projects was started. These high-priority projects were principally in non-program States and, to a lesser extent, on Indian lands.

Each year OSM evaluates federal reclamation projects that have been completed for at least three years. The objective is to identify abatement or control methods that

TABLE 12
AML FEE COLLECTIONS AND FUNDING
1991

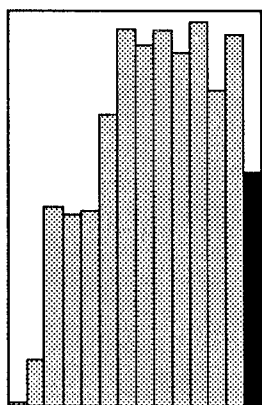
State/ Tribe	Fees Collected	Federal Projects	RAMP Projects	State Share Allocation	Federal Share Allocation	Emergency Allocation
Alabama	\$6,258,879	\$0	\$349,823	\$2,293,385	\$1,443,418	\$300,000
Alaska	575,400	0	0	183,992	17,974	0
Arkansas	23,366	0	349,000	0	1,509,101	25,000
California	8,236	0	0	0	0	0
Colorado	4,446,232	5,986	0	1,491,551	666,375	0
Georgia	0	12,750	0	0	0	0
Illinois	12,021,878	0	85,000	5,044,438	5,472,257	405,000
Indiana	11,073,668	169,668	150,584	3,863,998	1,581,780	0
Iowa	127,911	22,891	0	0	1,467,609	0
Kansas	199,263	0	0	165,910	1,309,461	475,000
Kentucky	37,041,433	9,472,894	1,395,649	17,311,716	1,781,996	0
Louisiana	297,209	0	0	94,275	0	0
Maryland	689,952	46,986	210,000	376,066	1,071,674	0
Michigan	0	92,500	0	0	0	0
Missouri	796,192	0	0	434,866	1,080,207	0
Montana	11,952,370	0	0	4,033,366	0	200,000
New Mexico	3,666,999	793	0	1,253,390	189,496	0
North Dakota	2,901,238	5,466	89,712	1,089,403	418,573	0
Ohio	8,607,695	899,652	994,292	3,300,040	2,683,302	0
Oklahoma	643,389	0	478,000	213,209	1,231,949	0
Pennsylvania	14,689,659	2,624,627	1,177,290	6,159,708	15,554,088	0
Tennessee	1,212,414	0	506,849	0	0	0
Texas	5,480,226	0	0	1,640,348	59,976	0
Utah	3,143,111	0	0	984,780	530,055	0
Virginia	8,591,565	1,005	372,930	3,207,246	1,287,212	400,000
Washington	1,653,846	769,909	0	0	0	0
West Virginia	33,559,965	52,370	1,496,251	10,053,029	7,200,223	6,200,000
Wyoming	64,845,010	0	78,150	20,094,839	0	0
Crow Tribe	980,528	0	0	1,166,397	0	0
Hopi Tribe	1,196,834	0	0	1,022,463	0	0
Navajo Tribe	7,128,196	0	0	10,053,352	0	0
Federal Share*	(53,441)					

Total	\$243,759,223	\$14,177,497	\$7,733,530	\$95,531,867	\$46,556,726	\$8,005,000
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*During 1991, refunds from the Federal Share exceeded collections.

are effective over time, as well as those with demonstrated deficiencies that need to be corrected. The evaluation report issued in 1991 describes 40 of the 213 projects completed in 1988. Eighty-eight percent of the projects were very successful, while 12 percent had minor deficiencies associated with drainage problems. Deficiencies and problems were analyzed, and recommendations were provided to OSM staff to assure improvement in future projects.

EMERGENCY PROJECTS



OSM Emergency Projects 1978-91

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.

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, and Alabama assumed responsibility in 1990. 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 1991 the average number of days required to respond to complaints averaged 4.4 in the East and 2.6 in the West. The total days from referral to construction averaged 84 days in the East and 15 days in the West. This represents a 91 percent improvement in response and a 30 percent reduction in days-to-construction in the East. Of the 283 emergency complaint investigations referred by the field offices, 170 resulted in declarations of emergencies.

OSM initiated 119 emergency projects in 1991, while States with emergency programs initiated 101. Table 13 summarizes high-priority and emergency project obligations by State for 1991.

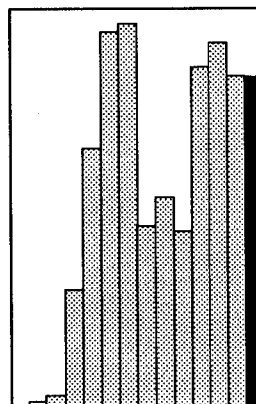
POST-ACT RECLAMATION PROGRAM

As authorized in the 1991 appropriations (P.L. 101-512), federal civil penalties collected under Section 518 of SMCRA were used to reclaim lands mined and abandoned after August 3, 1977. In 1991 OSM initiated eight reclamation projects costing a total of \$425,288. An additional \$84,220 in unobligated funds will be carried over for use in reclaiming 1992 projects. Table 14 summarizes 1991 post-Act reclamation projects.

In 1991, 31 potential projects were submitted for funding during 1992. Reclamation of these projects will require \$14,053,000 in reclamation funds.

GRANTS TO STATES AND TRIBES

Beginning with Texas in 1980, OSM has approved State



Grants & Cooperative Agreements 1978-91

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 \$191,404,176 in 1991. Since 1981, when the States began receiving AML administrative grants to operate their programs and construction grants to complete reclamation projects, States have

received \$1,675,136,268 from the Fund, which includes grants for Federal Reclamation Projects, the Small Operator Assistance Program, and the Rural Abandoned Mine Program. Grant amounts for 1991 are shown in Table 15. On-the-ground coal mine reclamation accomplishments resulting from grant funding through 1991 are summarized in Table 16.

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.

Eight States (Arkansas, Iowa, Kansas, Maryland, Missouri, North Dakota, Oklahoma, and Utah) were eligible for minimum-level program funding during 1991 and received such grants during the year. Authorized funding of the minimum-level program was \$1,500,000 for 1991.

TABLE 13
FEDERAL RECLAMATION PROGRAM PROJECTS
1991 OBLIGATIONS

State or Tribe	Emergency	High Priority	Total 1978-91
Alabama	\$0	\$0	\$13,994,015
Alaska	0	0	194,638
Arkansas	0	0	84,904
California	0	0	1,048,843
Colorado	5,986	0	1,816,268
Georgia	0	12,750	1,722,106
Illinois	0	0	5,376,749
Indiana	169,668	0	3,846,767
Iowa	22,891	0	1,021,674
Kansas	0	0	5,094,172
Kentucky	9,462,799	10,095	61,117,764
Maryland	46,986	0	1,925,799
Michigan	0	92,500	1,622,043
Missouri	0	0	7,720,688
Montana	0	0	729,058
New Mexico	0	793	2,364,696
North Carolina	0	0	205,407
North Dakota	5,466	0	1,710,686
Ohio	899,652	0	15,973,523
Oklahoma	0	0	1,159,798
Oregon	0	0	42,275
Pennsylvania	2,610,166	14,461	81,677,749
Rhode Island	0	0	556,229
Tennessee	291,535	579,861	14,235,798
Texas	0	0	264,613
Utah	0	0	123,791
Virginia	1,005	0	9,855,711
Washington	197,450	572,459	2,999,148
West Virginia	3,240	49,130	28,749,235
Wyoming	0	0	1,063,471
Cheyenne River Sioux Tribe	0	0	2,162,372
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
Jicarillo Apache Tribe	0	0	50,998
Navajo Tribe	0	0	2,222,792
Northern Cheyenne Tribe	0	0	580,005
Southern Ute Tribe	0	1,936	94,206
Rocky Boy Tribe	0	6,330	60,188
Ute Mountain Ute Tribe	0	14,300	136,837
White Mountain Apache Tribe	0	0	1,838
Wind River Tribe	0	175	71,767
Zuni Tribe	0	0	125,009
Total	\$13,716,844	\$1,354,790	\$276,382,697

Eligible States received \$8,921,401 of federal-share money in 1991. This includes \$2,683,912 of normal federal-share distribution, plus \$6,237,490 of contributions from non-minimum-program States. These contributions bring the eight States to the minimum-program level. Once minimum-program States complete their high-priority projects listed in the National Inventory of AML Problems, annual funding is limited to State-share money.

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 must be deposited into special trust funds, and will be 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 extended three years by legislation passed in late 1990).

In 1991, eight States and the Crow, Hopi, and Navajo Tribes set aside \$4,669,398.

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 these rules, States can receive a subsidence insurance grant of up to \$3 million, awarded from the State's share of the AML Fund. In 1991 one subsidence insurance grant was issued. Through 1991, OSM has granted a total of \$9,789,881 to Colorado, Indiana, Kentucky, Ohio, West Virginia, and Wyoming to develop and administer subsidence insurance programs.

FEDERAL RECLAMATION PROGRAM MANAGEMENT SYSTEM

During 1991 a microcomputer-based data management system was developed to replace the aging mainframe system that had been used to record federal project statistics since the program began in 1978. The new system enables tracking, reporting, and analysis using data for emergency and non-emergency projects, plus projects funded by federal civil penalty proceeds, throughout the country. This system, operated at the Eastern and Western Support Centers, now provides consolidated information for national reporting and more consistent quality to data acquisition and management.

TABLE 14
POST-ACT RECLAMATION PROJECTS
1991

State	Project Name	Interim Program	Permanent Program	Civil Penalty Funds	Other Funds
Arkansas	Sugar Loaf	No	No	\$75,000	\$0
Arkansas	Harmony	No	No	130,000	0
Kentucky	Hall and Sons	No	Yes	60,218	127,734
Kentucky	Muriel Feltner	No	Yes	Cancelled*	0
Pennsylvania	BF-230 Glen Coal Co.	Yes	No	135,000	72,230
Tennessee	Habersham Wildcat Site	No	Yes	10,070	0
Virginia	Clinch Valley College	No	No	5,000	0
Virginia	Woodland Acres II	No	Yes	10,000	0
Virginia	Tarheel Impoundment	Yes	No	Cancelled **	0
Total				\$425,288	\$199,964

*Due to litigation.

**Alternate reclamation in lieu of penalty.

TABLE 15
AML GRANTS* TO PRIMACY STATES AND INDIAN TRIBES
1991

State/ Tribe	Subsidence Insurance	10% Program Set-Aside	Administration	Construction	Emergency	Total
Alabama	\$0	\$0	\$2,057,447	\$2,004,948	\$300,000	\$4,362,395
Alaska	0	0	155,835	150,300	0	306,135
Arkansas	0	0	0	1,786,212	25,000	1,811,212
Colorado	0	149,155	896,390	1,179,000	0	2,224,545
Illinois	0	0	1,404,799	10,020,000	404,999	11,829,798
Indiana	0	386,400	1,609,966	1,883,175	0	3,879,541
Iowa	0	0	342,627	1,155,149	0	1,497,776
Kansas	0	0	381,471	0	474,614	856,085
Kentucky	0	0	3,934,233	12,565,313	0	16,499,546
Louisiana	0	0	119,023	0	0	119,023
Maryland	0	0	183,856	2,040,141	0	2,223,997
Missouri	0	0	688,220	1,767,355	0	2,455,575
Montana	0	403,337	2,050,000	3,850,821	200,000	6,504,158
New Mexico	0	125,339	545,500	1,246,699	0	1,917,538
North Dakota	0	108,940	761,074	1,202,331	0	2,072,345
Ohio	0	0	3,761,124	3,124,804	0	6,885,928
Oklahoma	0	0	645,330	860,375	0	1,505,705
Pennsylvania	0	0	12,844,368	41,793,105	0	54,637,473
Texas	0	164,035	1,053,634	1,230,000	0	2,447,669
Utah	0	98,478	638,560	724,947	0	1,461,985
Virginia	0	0	1,375,883	0	400,000	1,775,883
West Virginia	700,000	0	4,641,492	20,949,401	6,200,000	32,490,893
Wyoming	0	2,009,494	3,930,834	18,153,833	0	24,094,161
Crow Tribe	0	116,639	497,000	689,317	0	1,302,956
Hopi Tribe	0	102,246	157,287	0	0	259,533
Navajo Tribe	0	1,005,335	1,627,225	3,349,761	0	5,982,321
Total	\$700,000	\$4,669,398	\$46,303,178	\$131,726,987	\$8,004,613	\$194,404,176

*Funding for these grants is derived from the FY 1991 allocation and funds recovered or carried over from previous years. Downward adjustments of prior-year awards are not included in the totals.

TABLE 16
HIGH-PRIORITY RECLAMATION PROJECT ACCOMPLISHMENTS*
1977-1991

State/ Tribe	Acres Reclaimed	Number of Mine Openings Reclaimed	Acres of Mine Fires Reclaimed	Acres of Subsidence Reclaimed	Feet of Highwall Reclaimed
Alabama	3,619	898	15	13	64,290
Alaska	68	14	3	0	1,100
Arkansas	652	26	2	1	18,910
Colorado	905	2,529	17	0	0
Georgia	4	52	0	1	800
Illinois	5,359	306	12	22	5,990
Indiana	3,088	212	1	10	0
Iowa	1,340	8	1	1	39,181
Kansas	360	66	0	14	9,175
Kentucky	8,907	1,248	200	5	7,549
Maryland	419	22	0	0	18,600
Michigan	9	16	8	0	950
Missouri	2,581	34	17	0	15,874
Montana	4,137	2,606	19	697	3,520
New Mexico	111	263	0	27	0
North Dakota	2,559	7	0	881	53,250
Ohio	4,986	247	12	39	22,800
Oklahoma	1,637	56	0	6	93,116
Pennsylvania	8,583	560	469	4,648	175,723
Tennessee	351	82	0	5	5,211
Texas	966	171	0	0	2,400
Utah	282	765	41	0	1,925
Virginia	1,095	571	10	1	9,243
Washington	0	1	0	0	0
West Virginia	2,136	909	143	80	66,485
Wyoming	6,421	431	111	533	300,960
Crow Tribe	60	13	0	0	1,400
Hopi Tribe	7	5	0	0	0
Navajo Tribe	87	75	0	0	0
Total	60,729	12,193	1,081	6,984	918,432

*Source: Data for program States and tribes is from State Oversight Reports. Data for Non-program States is from the Abandoned Mine Land Inventory System. Data may differ from the FY 1990 report where program accomplishments were summarized from the Abandoned Mine Land Inventory System.

7. OSM INFORMATION

The OSM publications and tapes listed below, as well as others that were completed in previous years, are distributed upon request from OSM's offices. Published technical research reports are also available from the Department of Commerce's National Technical Information Service (NTIS). Information made available in 1991 is listed below, with location of availability shown in parenthesis after each citation.

U.S. Department of the Interior, 1991. *Office of Surface Mining Annual Report, Fiscal Year 1990*. Office of Surface Mining, Washington, D.C., 34 pp. (Public Affairs Office, OSM Headquarters)

U.S. Department of the Interior, 1991. *1990 Excellence in Surface Coal Mining and Reclamation Awards: A report on the award-winning surface mining and reclamation operations under Title V of the Surface Mining Control and Reclamation of 1977*. Office of Surface Mining, Washington, D.C., 25 pp. (Public Affairs Office, OSM Headquarters)

U.S. Department of the Interior, 1991. *1990 Excellence in Surface Coal Mining and Reclamation Awards Video Program -- A 12-minute VHS video program describing the 1990 winning reclamation operations*. Office of Surface Mining, Washington, D.C. (Available on loan from Public Affairs Office, OSM Headquarters.)

U.S. Department of the Interior, 1991. *1991 Excellence in Surface Coal Mining and Reclamation Awards: Call for Nominations*. Office of Surface Mining, Washington, D.C., flyer, 6 pp. (Public Affairs Office, OSM Headquarters)

U.S. Department of the Interior, 1991. *Experimental Practices, Case Histories, 1991 Edition*. Office of Surface Mining, Pittsburgh, Pa, 40 pp. (Eastern and Western Support Centers)

U.S. Department of the Interior, 1990 *RecTec* Number 5, November 1990. Office of Surface Mining, Washington, D.C. 4 pp. (Division of Technical Services, OSM Headquarters)

U.S. Department of the Interior, 1991. *RecTec* Number 6, March 1991. Office of Surface Mining, Washington, D.C. 4 pp. (Division of Technical Services, OSM Headquarters)

U.S. Department of the Interior, 1991. *RecTec* Number 7, May 1991. Office of Surface Mining, Washington, D.C. 4 pp. (Division of Technical Services, OSM Headquarters)

U.S. Department of the Interior, 1991. *RecTec* Number 8, July 1991. Office of Surface Mining, Washington, D.C. 4 pp. (Division of Technical Services, OSM Headquarters)

U.S. Department of the Interior, 1991. *RecTec* Special Issue on Subsidence, 1991. Office of Surface Mining, Washington, D.C. 4 pp. (Division of Technical Services, OSM Headquarters)

U.S. Department of the Interior, 1991. *TECHNOTES Guidance Manual on Subsidence Control*, TN91-1. Office of Surface Mining, Pittsburgh, Pa. 2pp. (Office of Technology Transfer, OSM Eastern Support Center)

U.S. Department of the Interior, 1991. *TECHNOTES Underground Mine Fire Stabilization Using Cellular Cement Grout and Fire Suppressant Foam*, TN91-2. Office of Surface Mining, Pittsburgh, Pa. 2 pp. (Office of Technology Transfer, Eastern Support Center)

U.S. Department of the Interior 1991. *TECHNOTES Long-term Effects of Surface Coal Mining on Ground-Water Levels and Quality in Two Small Watersheds in Eastern Ohio*, TN91-3. Office of Surface Mining, Pittsburgh, Pa. 2pp. (Office of Technology Transfer, Eastern Support Center)

U.S. Department of the Interior 1991. *TECHNOTES Experimental Practices: Case Histories 1991 Edition*, TN91-4. Office of Surface Mining, Pittsburgh, Pa. 2 pp. (Office of Technology Transfer, Eastern Support Center)

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* As of September 30, 1991.