

PENNSYLVANIA ABANDONED MINE LAND CAMPAIGN: SMCRA TITLE IV FEE REAUTHORIZATION

Anne Daymut

Western Pennsylvania Coalition for Abandoned Mine Reclamation

SMCRA TITLE IV REAUTHORIZATION

- ✘ Review of the need
- ✘ Where are we in the process and what do we support?
- ✘ How you can help

SMCRA REVIEW

- ✘ Surface Mine Control and Reclamation Act of 1977 regulates coal mining across the nation
- ✘ Title IV is a section of SMCRA that contains the Abandoned Mine Land Fund, a mechanism for abandoned mine reclamation
 - + A fee on current coal production
 - + Administered by OSMRE
 - + Distributed to AML-impacted states as annual grants
 - + Grants based on current and historical coal production
 - + Grants fund State BAMRs admin and projects

THE NEED: TITLE IV REAUTHORIZATION

- ✘ As of November 2015, AML Fund Balance was \$2.5 Billion.
- ✘ \$5 Billion P1 and P2 sites remaining in PA alone, \$15 Billion when AMD is included, based on current inventory
- ✘ Set to expire in 2021, meaning no additional fees will be collected after that time
- ✘ Was previously reauthorized in 2006 and took several years
- ✘ Reauthorization Requires an Amendment to SMCRA

PA AML CAMPAIGN

- ✘ Loosely organized group
 - + NGOs, Foundation, State
 - + Began 10 years before the 2006 SMCRA Reauthorization, Have renewed conversations over the last 2 years.
 - + Promotes AML/AMD reclamation
 - + Working with all interested parties
 - + Maintain communications
 - + Integrity

PA AML CAMPAIGN PROPOSAL (4 MAIN POINTS)

1. Extend SMCRA Fee Collection until 2036
2. Restructure the Fees to \$0.35 for both underground and surface coal both Anthracite and Bituminous, \$0.10 for lignite and sub-Bituminous
3. Increase Minimum Program State Funds to \$5 Million annually
4. Exempt Title IV Grants from Sequestration and return sequestered funds back to states.

1. EXTEND FEE COLLECTION UNTIL 2036

- ✘ Based on requested funding levels, projected future production, and estimated costs of cleaning up inventoried sites, it will take 15 years to address most of the abandoned mine problems.

2. RESTRUCTURE OF FEE

- ✘ Since the enactment of SMCRA in 1977, the per ton reclamation fees have never accounted for inflation while the cost of reclamation continues to rise. We propose that the reclamation fee should be restructured to 35 cents per ton of coal produced by surface coal mining and underground mining, except that the reclamation fee for lignite coal shall be at a rate of 2 per centum of the value of the coal at the mine, or 10 cents per ton, whichever is less.

3. INCREASE MINIMUM PROGRAM STATE FUNDS TO \$5 MILLION

- ✘ Since 2006, this funding has been set at \$3 million. In recent years, minimum program states have received significantly less due to sequestration. Additionally, in recent years, OSMRE has discontinued support to states and tribes with AML emergencies forcing states and tribes to use annual allotment to mitigate AML emergencies. Increasing this amount would help make up for past under-funding and ensure that states and tribes with significant AML problems but low production would be able to continue running effective programs. This potentially affects ten states.

4. END SEQUESTRATION

- ✘ Funds in the AML Trust Fund collected through SMCRA Title IV are not taxpayer funds, they are dedicated funds which can only be used for AML reclamation, and thus will not accomplish deficit reduction. The only way to exempt these funds from sequestration is to include it in legislation. If the AML Fund grants continue to be subject to sequestration, States will lose upwards of \$188 Million and Pennsylvania alone stands to lose upwards of \$37 million over the remaining seven years of the current AML program. The SMCRA Title IV grants should be exempt from sequestration and all Title IV sequestered funds should be given back to the states, retroactive to FY 2013.

WE ALSO SUPPORT

- + Establish line-item in OSM budget for emergency projects
- + Maintain priority ranking
- + Maintain mandatory distribution
- + Maintain 30% set-aside option
- + Transfer of interest to the Combined Benefit Fund
- + Maintain OSM's Watershed Cooperative Agreement Program
- + Funding for Abandoned Mine Drainage Remediation
- + Update of the Inventory
- + Redevelopment of Abandoned Mine Lands
- + Creation of jobs through reclamation and OM&R

WE ALSO SUPPORT:

- ✘ **Emergency Projects:** Section 410 of SMCRA requires OSMRE to fund the emergency AML program using OSMRE's "discretionary share" under Section (402)(g)(3)(B), which is entirely separate from state and tribal non-emergency AML grant funding under Sections (402)(g)(1), (g)(2), and (g)(5). In FY 2011, OSMRE issued guidance to the states that the agency "will no longer declare emergencies." OSMRE has shifted responsibility for emergencies to the states and tribes with the expectation that they will utilize non-emergency AML funding to address them. The result of this shift is that states must utilize a portion of their P1/P2 AML funding to address emergency projects. We urge congress to restore emergency funding and allow states to use their limited resources to address high priority inventories.

WE ALSO SUPPORT:

- ✘ **Priority Ranking:** States have the discretion to use their allocations from the Fund for projects falling into any of the three priorities.
- ✘ **Mandatory Distributions:** With the 2006 amendments to SMCRA, distributions to the states were no longer subject to Congressional appropriation and the distributions were made mandatory. Mandatory distribution should continue so Pennsylvania can receive the most funding possible in a given year.

WE ALSO SUPPORT:

- ✘ **Maintaining the 30% Set-Aside Option for States and Tribes:** Pennsylvania has taken advantage of this provision to construct and maintain AMD treatment systems. It is important to maintain the 30% Set-Aside provision to maintain flexibility for use of funds.
- ✘ ****Maintaining a Transfer of Interest to the Combined Benefit Fund (CBF):** Interest generated on the AMRF is currently transferred to the CBF to defray health care costs for retired miners and their dependents whose companies have gone bankrupt or are no longer in business. The CBF pays for health care expenses remaining after Medicare and Medicaid reimbursement and pays for prescription drugs. There are approximately 60,000 beneficiaries, whose average age is 78 years old.

WE ALSO SUPPORT:

- ✘ **Continuing OSMRE's Watershed Cooperative Agreement Program (WCAP):** Since 1996, WCAP has distributed \$15.2 Million to 178 reclamation projects constructed by non-profit watershed organizations. WCAP has helped to leverage Millions of dollars of additional state, private and foundation funding to projects implemented by non-profit groups.
- ✘ **Continued Focus on Abandoned Mine Drainage Remediation.:** Over 5,500 miles of Pennsylvania's streams are impaired by AMD and many are considered to be Priority 3, placing less emphasis on their remediation. It is widely accepted that the reclamation of impaired streams improves property values and brings much needed revenue to impoverished communities.

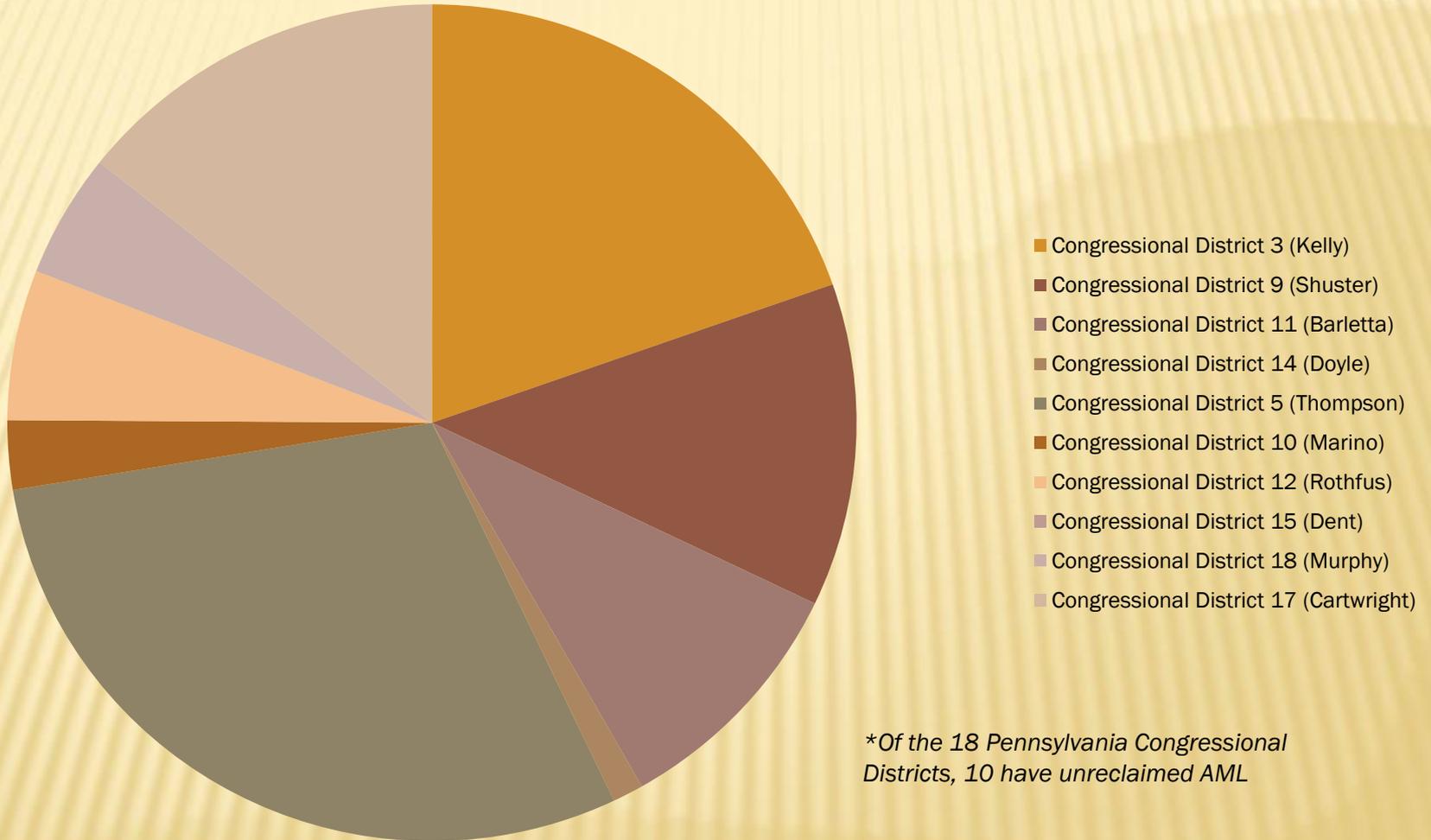
WE ALSO SUPPORT:

- ✘ **Encouraging the Redevelopment of Abandoned Mine Lands:** As abandoned mine lands are reclaimed, they offer potential locations for economic development projects. By developing and marketing abandoned mine lands that would normally struggle to attract new investment, these “grayfields” can be turned into regional assets by creating economic opportunities, preventing sprawl, and conserving open space and natural resources.

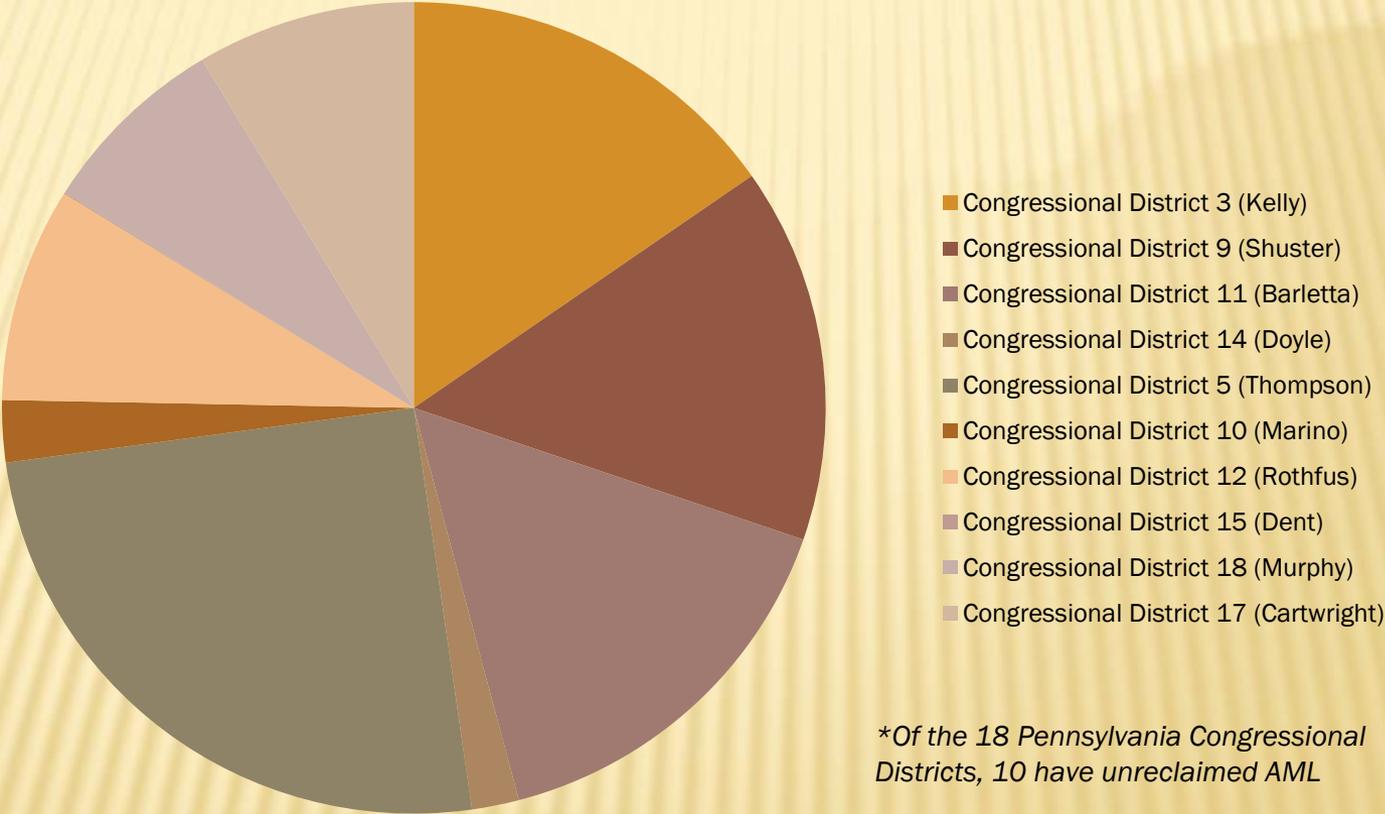
HOW YOU CAN HELP

- ✘ A grassroots effort
 - + Watershed Organization Resolutions
 - + County Resolutions
 - + Outreach to Legislators
 - ✘ Advocacy vs. Lobbying...Call me for advice

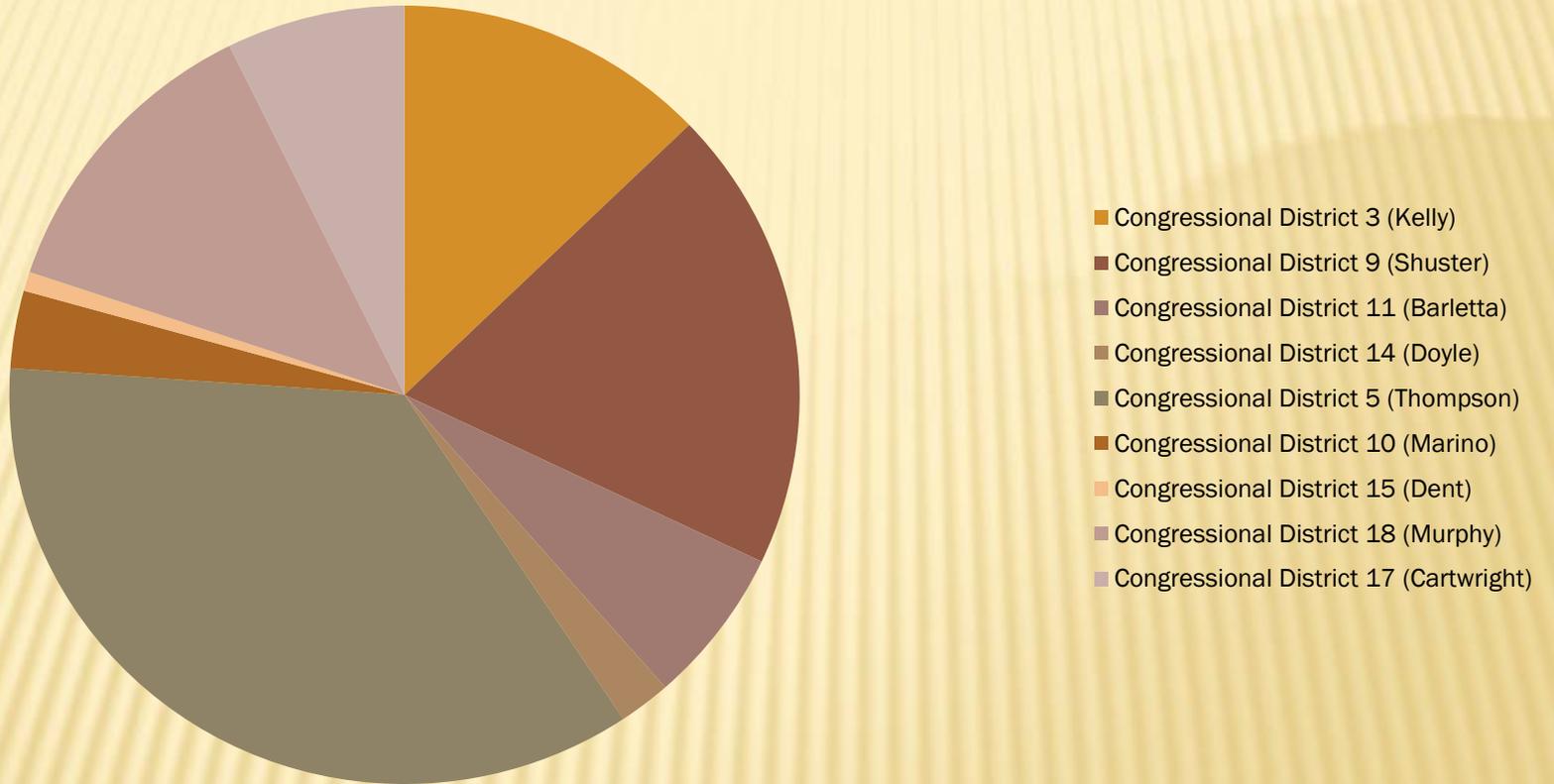
Cost to Reclaim Remaining High Priority AML in Pennsylvania per Congressional District



Unreclaimed High Priority AML in Pennsylvania per Congressional District

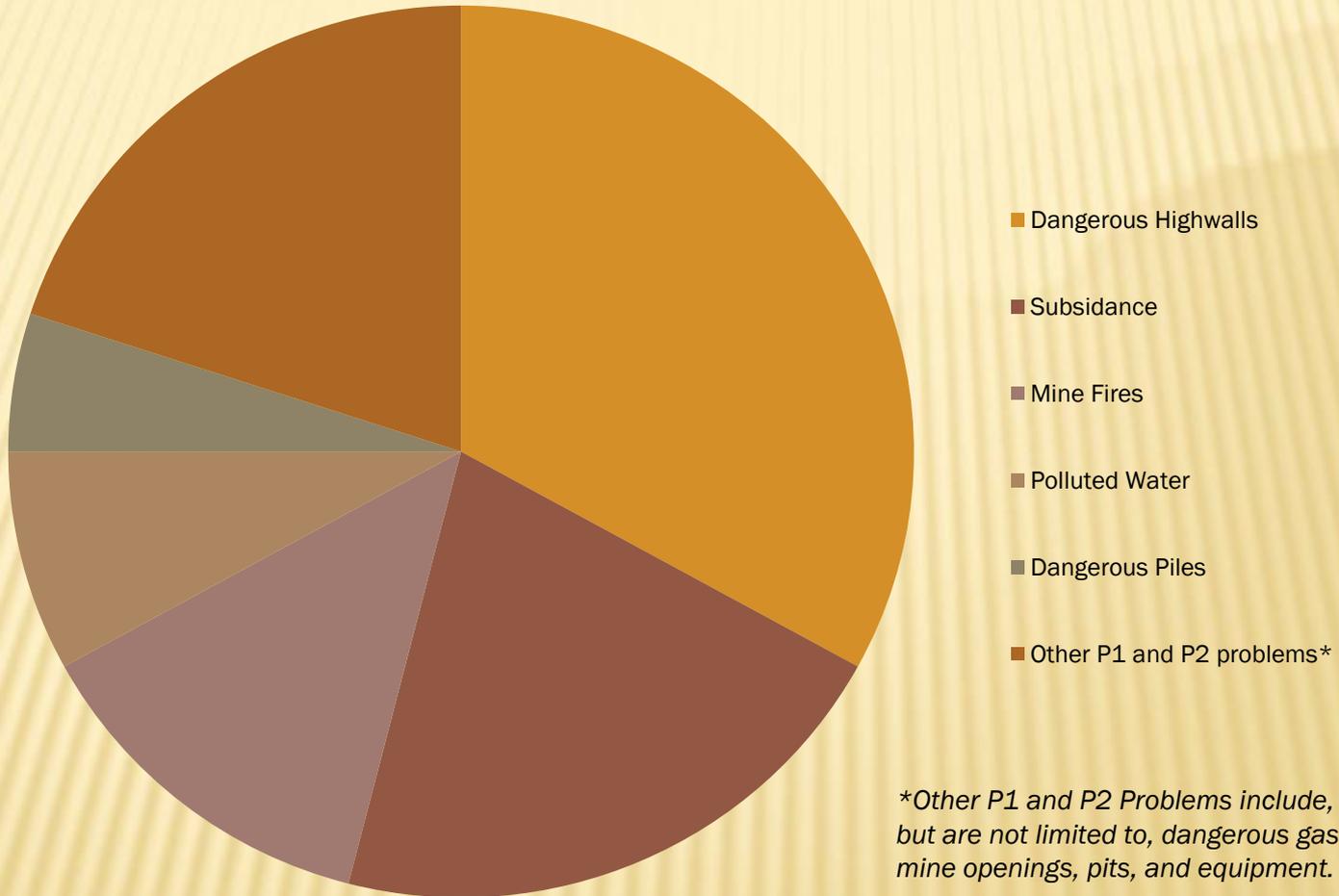


AMD-Impaired Stream Miles in Pennsylvania per Congressional District



**Of the 18 Congressional Districts in Pennsylvania, 9 have AMD-impaired streams*

Pennsylvania AML Issue Spending as of June 2015



CUSTOMIZABLE OUTREACH KIT

- ✘ Reauthorize SMCRA Poster
- ✘ Website
 - + Fact Sheet
 - + OSM's Infographic with State/Tribe-specific data
 - + Short Video
 - + Longer video (yet to be published)

RE-AUTHORIZE SMCRA

TITLE IV FEE COLLECTION

The Surface Mining Control and Reclamation Act (SMCRA) of 1977 has cleaned up thousands of dangerous and polluting abandoned coal mines in dozens of States and Tribes across our Nation. This is accomplished through the collection of fees placed on the active coal industry.

The collection of the fees associated with SMCRA are set to end in 2021, leaving billions of dollars worth of abandoned mine problems left unreclaimed.

An action by Congress can re-authorize the collection fees and allow communities to recover from decades of environmental, social, and economical impacts caused by abandoned mine lands.

Contact your US Representatives and urge them to Reauthorize SMCRA.

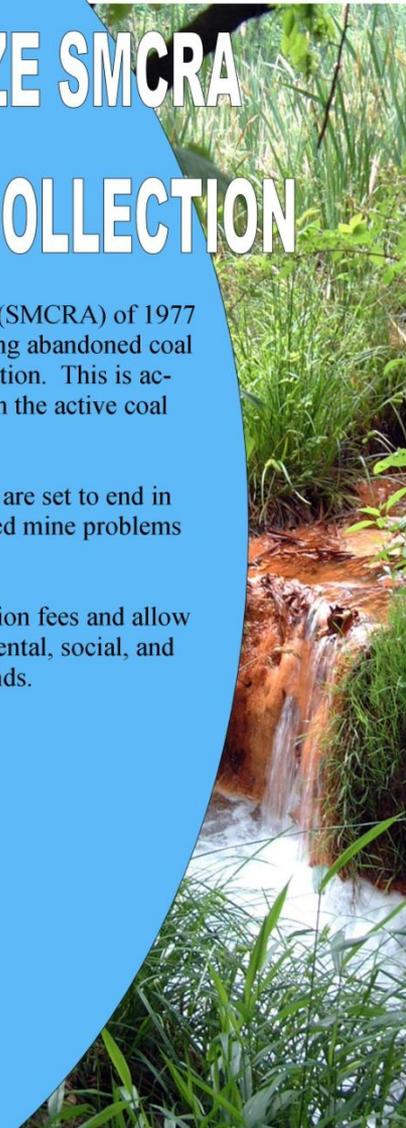
PA US Delegation:

Lou Barletta (R) (11th district)	Brendan Boyle (D) (13th district)
Bob Brady (D) (1st district)	Matt Cartwright (D) (17th district)
Ryan Costello (R) (6th district)	Charlie Dent (R) (15th district)
Michael F. Doyle (D) (14th district)	Mike Fitzpatrick (R) (8th district)
Mike Kelly (R) (3rd district)	Tom Marino (R) (10th district)
Pat Meehan (R) (7th district)	Timothy F. Murphy (R) (18th district)
Scott Perry (R) (4th district)	Joe Pitts (R) (16th district)
Keith Rothfus (R) (12th district)	Bill Shuster (R) (9th district)
Glenn Thompson (R) (5th district)	Senator Bob Casey
Senator Pat Toomey	

The Abandoned Mine Land (AML) Campaign is a collaboration of non-profit organizations, industry, States, Tribes working towards the reauthorization of SMCRA.

Amlcampaign.wpcamr.org

Western Pennsylvania
Coalition for Abandoned
Mine Reclamation
(WPCAMR)
724-832-3625



AMLCAMPAIGN.WPCAMR.ORG

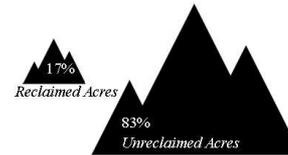


AMLCAMPAIGN.WPCAMR.ORG

- ✘ News postings
- ✘ Links to legislation and hearings
- ✘ List of partners
- ✘ Supporting documentation
 - + OSMRE Infographic
 - + AML Campaign Fact Sheet
 - + PA AML Inventory maps per Congressional District
- ✘ Helpful presentations and success stories
- ✘ Sample resolutions

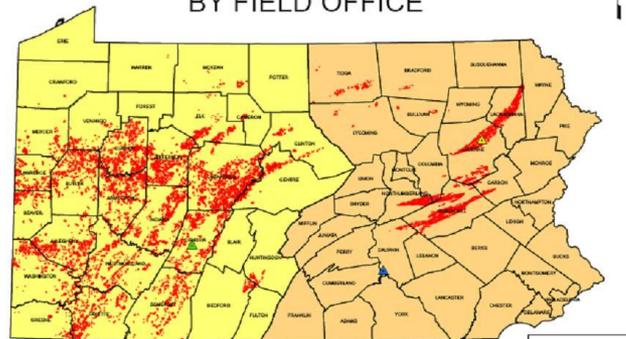
INFOGRAPHIC

PENNSYLVANIA'S ABANDONED MINE LAND INVENTORY



As of the end of 2014, the federal electronic Abandoned Mine Land Inventory System (eAMLIS) reports more than 67,041 acres of abandoned coal mine sites have been reclaimed, with a construction cost of \$602.6 million. However, the true cost is difficult to calculate. The Commonwealth of Pennsylvania partners with private individuals, non-profit organizations, foundations, and industry to accomplish its goals. These contributions are not considered in eAMLIS.

ABANDONED MINE LAND PROBLEMS BY FIELD OFFICE



MOVING FORWARD

✘ National Level

- + Produce Longer Film featuring AML issues nationwide
- + Update website with new partner information and Legislative roundup regularly

✘ PA AML Campaign

- + Schedule Meetings with PA Delegation and beyond
- + Reach out to local governments and non-profits
- + Resolutions

OTHER INITIATIVES

- ✘ Good Samaritan protection
- ✘ Operations, Maintenance, and Rehabilitation funding

DISCUSSION

- ✘ Why is PA a leader in AMR?
- ✘ What is unique about environmental work in PA?
- ✘ Is there a difference between environmental work and watershed work?
- ✘ Why have watershed organizations been so successful in PA?
- ✘ What can other states learn from PA?

THANK YOU



Anne Daymut

anne@wpcamr.org

724-832-3625