

BUDGET The United States Department of the Interior JUSTIFICATIONS

and Performance Information Fiscal Year 2026

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

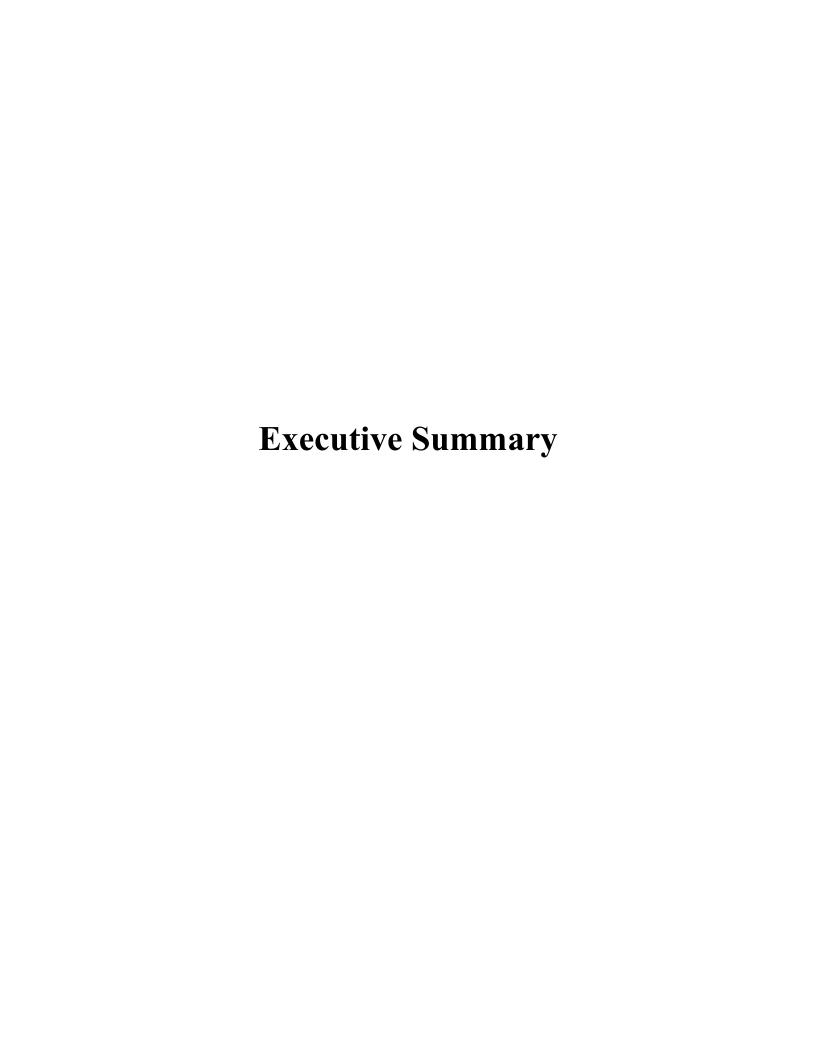
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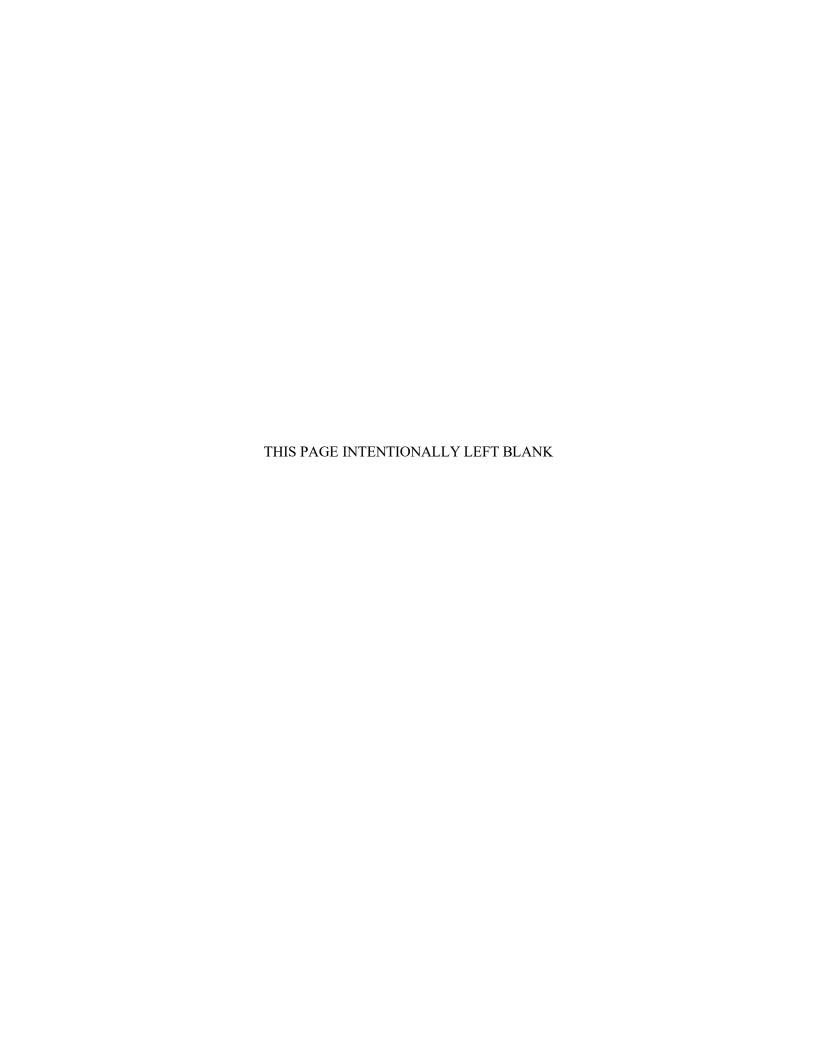


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EXECUTIVE SUMMARY

Introduction

Since its inception on August 3, 1977, the Office of Surface Mining Reclamation and Enforcement (OSMRE) has worked in partnership with States, Tribes, industry, and communities to promote responsible coal mining practices and the restoration of mined lands. OSMRE plays a critical role in ensuring the Country's energy needs are met while balancing environmental protection and supporting economic stability.

The Fiscal Year (FY) 2026 Budget requests \$261.7 million to enhance domestic energy production, optimize workforce efficiency, streamline regulatory processes, reduce permitting burdens, and revitalize previously mined areas through improved financial assistance coordination.

The FY 2026 Budget advances Executive Order 14154 "Unleashing American Energy" and Secretary's Order 3418 "Unleashing American Energy" and revitalizes the coal mining industry by removing impediments imposed by burdensome regulations on the development and use of our Country's abundant energy. The FY 2026 Budget also implements Executive Order 14192 "Unleashing Prosperity Through Deregulation" and Secretary's Order 3421, "Achieving Prosperity Through Deregulation" by supporting OSMRE's work to remove outdated, duplicative, or burdensome regulations and return authority to the American people and their State governments.

OSMRE Mission

OSMRE remains committed to fulfilling its mission under the Surface Mining Control and Reclamation Act of 1977 (SMCRA) in close partnership with States and Tribes.

OSMRE's primary objectives are to:

- (1) Ensure responsible coal extraction with surface coal mining activities being operated in a manner that protects citizens and the environment,
- (2) Provide for public safety and benefit by ensuring that the land is restored to beneficial use following mining, and
- (3) Ensure public safety and mitigate the effects of past mining by reclamation of abandoned coal mines.

The OSMRE is responsible for administering programs under the SMCRA to permit and regulate the surface coal mining operations (Title V) and to restore abandoned and un-reclaimed mined areas (Title IV). Upon approval of their regulatory and reclamation programs, States and Tribes are authorized to carry out these responsibilities under OSMRE oversight. In fulfilling its oversight role, OSMRE provides funding, training, technical assistance, support, and tools to ensure State and Tribal programs maintain consistent, high-quality, and effective regulatory and reclamation efforts nationwide.

Budget Overview

The OSMRE FY 2026 Budget aligns with Administration priorities and SOs by emphasizing domestic energy production, public safety protections, government efficiency, reducing regulatory barriers, and promoting effective resource management.

OSMRE's statutory responsibilities include overseeing programs that permit and regulate surface coal mining operations, as authorized under Title V of the SMCRA. This includes direct permitting on Federal and Indian Lands and regulatory oversight to ensure responsible mining practices.

Additionally, under Title IV of SMCRA, OSMRE administers the Abandoned Mine Land (AML) program, which facilitates the restoration of lands affected by past coal mining activities by minimizing and eliminating public health and safety hazards. States and Tribes, upon receiving approval for their reclamation programs, are authorized to carry out these responsibilities under OSMRE oversight.

All coal mining operations in the United States are required to be permitted and regulated in accordance with SMCRA provisions. As of the end of FY 2024, over 5,200 active mining and reclamation site permits were in effect nationwide, covering approximately 2.2 million acres of surface mining operations. These sites are subject to permit regulations, inspection and enforcement actions, and reclamation bonding requirements.

The FY 2026 President's Budget strategically allocates OSMRE's discretionary funding across business lines to enhance the agency's ability to fulfill its statutory obligations while advancing Administration priorities of achieving cost efficiencies and improving resource management.

OSMRE executes its mission through two accounts (Title IV & Title V) with five budget activities including:

- Environmental Restoration;
- Environmental Protection;
- Technology Development and Transfer;
- Financial Management; and
- Executive Direction and Administration.

The FY 2026 Budget request for OSMRE totals \$261.7 million. The request aligns with the Administration's priorities to emphasize government efficiency, reduce regulatory barriers, and promote effective resource management. The request reflects a strategic effort to streamline operations and enhance efficiency within OSMRE, ensuring that resources are allocated effectively to meet the agency's core mission of overseeing coal mining activities and reclaiming abandoned mine lands.

OSMRE will prioritize resources to support its core mission functions vital to the implementation of the SMCRA. This includes providing technical support and assistance to States and Tribes for regulatory and reclamation programs, facilitating the review and transfer of advanced technologies, and overseeing the AML program administration.

Summary Table – 2026 President's Budget (\$000)

Budget Authority	2024 Actual	2025 Notional ¹	2026 Request
Regulation and Technology	116,186	116,186	101,186
Abandoned Mine Reclamation Fund	162,546	162,546	160,546
Total Current	278,732	278,732	261,732
Permit Fees (offsetting collection)	40	40	40
Civil Penalties (offsetting collection)	237	100	100
Total Current, w/ Offsetting Collections	279,009	278,872	261,872

^{1/} Resource levels included are estimates. The President reserves his authority under the "Full-Year Continuing Appropriations and Extensions Act, 2025" (P.L. 119-4) to revise spending within the amounts provided by Congress.

The FY 2026 budget requests \$52.4 million for regulatory grants to States and Tribes, along with \$130 million for Abandoned Mine Land Economic Revitalization (AMLER) grants to eligible States and Tribes. The remaining budget will be directed toward fulfilling OSMRE's statutory oversight responsibilities, administering Federal regulatory and reclamation programs, offering technical assistance to States and Tribes, and managing fiscal obligations related to revenue collection and grant administration.

Appropriation Language

Regulation and Technology

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended (30 U.S.C. 1201 et seq.), \$101,186,000, to remain available until September 30, 2027, of which \$52,400,000 shall be available for State and tribal regulatory grants, and of which not to exceed \$5,000 may be for official reception and representation expenses: Provided, That appropriations for the Office of Surface Mining Reclamation and Enforcement may provide for the travel and per diem expenses of State and tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training.

In addition, for costs to review, administer, and enforce permits issued by the Office pursuant to section 507 of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended (30 U.S.C. 1257), \$40,000, to remain available until expended: Provided, That fees assessed and collected by the Office pursuant to such section 507 shall be credited to this account as discretionary offsetting collections, to remain available until expended: Provided further, That the sum herein appropriated from the general fund shall be reduced as collections are received during the fiscal year, so as to result in a fiscal year 2026 appropriation estimated at not more than \$101,186,000.

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119–4).

Abandoned Mine Reclamation Fund

For necessary expenses to carry out title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended (30 U.S.C. 1231–1245), \$30,546,000, to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended: Provided, That pursuant to sections 3701 and 3717 of title 31, United States Code, the Department of the Interior is authorized to use up to 20 percent from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: Provided further, That funds made available under title IV of Public Law 95–87, as amended, may be used for any required non-Federal share of the cost of projects funded by the Federal Government for the purpose of environmental restoration related to treatment or abatement of acid mine drainage from abandoned mines: Provided further, That such projects must be consistent with the purposes and priorities of the Surface Mining Control and Reclamation Act: Provided further, That amounts provided under this heading may be used for the travel and per diem expenses of State and tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training: Provided further, That of the amounts provided under this heading, not to exceed \$5,000 shall be available for official reception and representation expenses.

In addition, \$130,000,000, to remain available until expended, for grants to States and federally recognized Indian tribes for reclamation of abandoned mine lands and other related activities: Provided, That such additional amount shall be used for economic and community development in conjunction with the priorities described in section 403(a) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1233(a)): Provided further, That of such additional amount, \$86,000,000 shall be distributed in equal amounts to the three Appalachian States with the greatest amount of unfunded needs to meet the priorities described in paragraphs (1) and (2) of such section, \$33,000,000 shall be distributed in equal amounts to the three Appalachian States with the subsequent greatest amount of unfunded needs to meet such priorities, and \$11,000,000 shall be for grants to federally recognized Indian tribes, without regard to their status as certified or uncertified under the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1233(a)), for reclamation of abandoned mine lands and other related activities and shall be used for economic and community development in conjunction with the priorities in section 403(a) of the Surface Mining Control and Reclamation Act of 1977.

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119–4).

Appropriation Language Citations

Regulation and Technology

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87,

• 30 U.S.C. 1260, 1268 – These sections provide for the assessment and collection of penalties levied for violations of the Act, and for the denial of permits to those with unabated violations or unpaid penalties.

- 30 U.S.C. 1252, 1253, 1254, 1271, 1272, 1273, 1295, 1300, 1302 These sections provide for aid to all primacy States for maintaining approved regulatory programs and evaluation of the States' performance in doing so; monitoring implementation of the grant programs; small operator assistance programs; regulatory programs in States without approved programs, on Federal lands, and on Indian lands; processing of permit applications and mine plans for Federal lands operations; designating of lands unsuitable for surface mining through technical reviews; scientific/engineering support and technical training for States operating approved permanent programs and Federally administered programs; initiation of technical studies; issuance of technical publications; approval of experimental practices to meet the needs of approved State programs and Federally-administered programs; preparation of environmental assessments and environmental impact statements for permits and other actions; and training of OSMRE staff and State staff to enable these agencies to more effectively carry out the provisions of the Act.
- 30 U.S.C. 1257, as amended by Public Laws 101-508 and 102-486 Provides for the regulatory authority to designate a qualified laboratory to obtain technical information and prepare technical findings required by the operator for the permit application, and for the regulatory authority to assume the cost for such services. Further, the Act provides for the Secretary to provide or assume the cost of training for regulatory program compliance and permit application preparation for eligible small operators.

Abandoned Mine Reclamation Fund

For necessary expenses to carry out title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87,

- 30 U.S.C. 1231, 1232, 1233 and 1240 Provides for the payment of fees and other monies into the Abandoned Mine Reclamation Fund (Fund). The Fund consists of amounts deposited from time to time, derived from reclamation fees, donations, audit recoveries, interest charges, and administrative collection fees. The funds collected are used for the reclamation and restoration of land and water resources adversely affected by past mining.
- SMCRA provides for the use of the monies for the purpose of protecting public health, safety, and property from extreme danger of adverse effects of coal mining practices; restoration of land and water resources and the environment previously degraded by adverse effects of coal mining practices, and that are adjacent to a site that has been or will be remediated. It also provides that monies in the Fund will be used to cover the administrative expenses of the Federal government, accomplish abandoned mine reclamation, and develop guidelines on the distribution of monies in the Fund.

Infrastructure Investment and Jobs Act

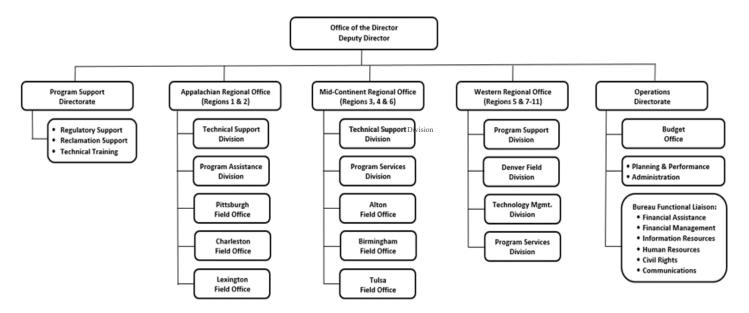
2026 Spend Plan (\$ in 000s)

Account Name	Program Name	2026 Request
Abandoned Mine Reclamation Fund	AML Grants	724,850
Abandoned Mine Reclamation Fund	Financial/Technical Assistance	1,667
Abandoned Mine Reclamation Fund	Administration	22,586
Total		749,103

OSMRE has long administered the AML program to address the environmental and public health hazards posed by abandoned coal mines. Supplemental funding provided under the Infrastructure Investment and Jobs Act (IIJA) allows OSMRE and its partners to significantly increase the rate and extent of reclamation and remediation. This program provides funding to eligible States and Tribes for the reclamation and remediation of these sites, facilitating the elimination of safety risks, restoration of land, and improvement of water quality. OSMRE is allocating and distributing grant funding on an equal annual basis over a 15-year period (2022-2037) to eligible States and Tribes.

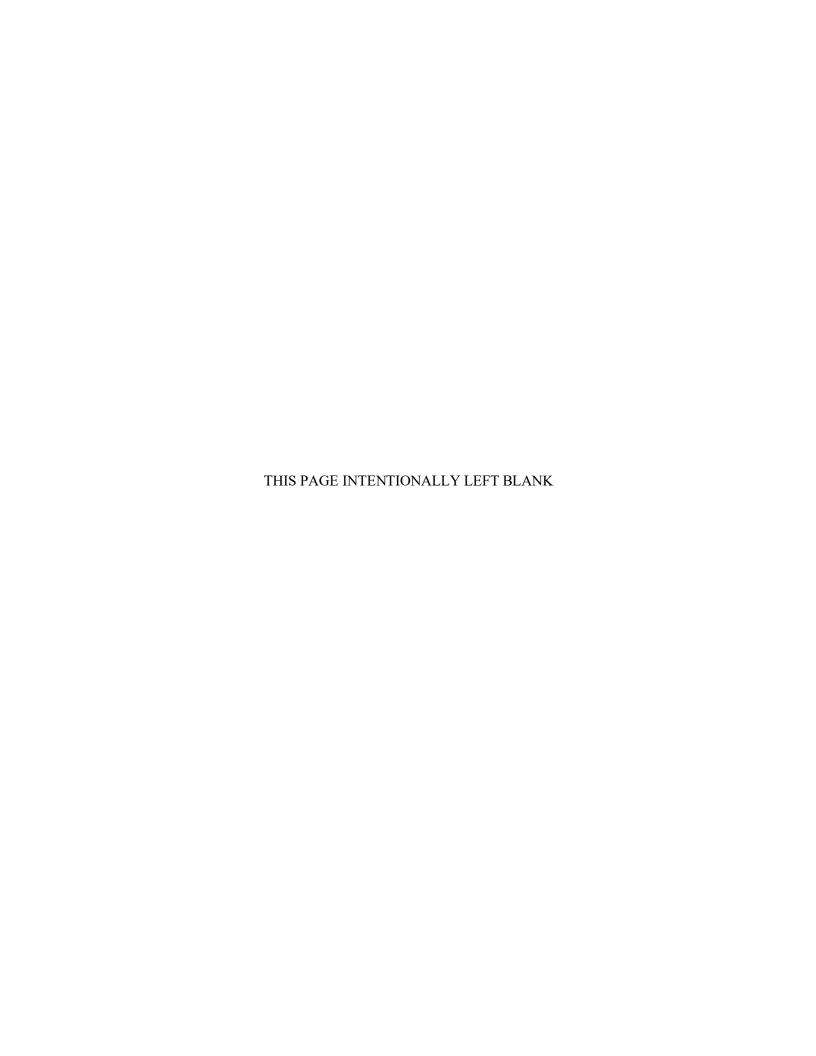
In 2026, OSMRE will provide grants to eligible grant recipients carrying out approved AML Programs.

Organizational Chart



REGULATION AND TECHNOLOGY

Environmental Protection



REGULATION AND TECHNOLOGY ACCOUNT ENVIRONMENTAL PROTECTION

Environmental Protection Activity Budget Request

(Dollars in Thousands)

	2024 Actual	2025 Notional ¹	2026 Request
State and Tribal Funding	[62,400]	[62,400]	[52,400]
Environmental Protection	85,344	85,721	73,344

^{1/} Resource levels included are estimates. The President reserves his authority under the "Full-Year Continuing Appropriations and Extensions Act, 2025" (P.L. 119-4) to revise spending within the amounts provided by Congress.

Program Overview

The President's Budget requests \$73.3 million for the Environmental Protection business line, which includes funding to support 23 primacy States administer regulatory programs, as well as for OSMRE's Federal and Indian Lands Programs. OSMRE provides funding to States through cooperative agreements that allow the States to review permit applications and issue permits, conduct inspections, and ensure timely reclamation. OSMRE also administers Federal programs that encompass coal mine inspections, permitting activities, and educational initiatives related to mining and mineral resources. These efforts support the "Unleashing American Energy" agenda and address the National Energy Emergency by promoting effective coal mining practices and protecting the environment. These programs are administered in the States of Washington and Tennessee and an Indian Lands Program on Tribal Lands of the Navajo Nation, the Hopi Tribe, the Ute Mountain Ute Tribe, the Crow Tribe, and the Cherokee, Choctaw, and Muscogee (Creek) Nations in Oklahoma. These programs safeguard public health and the environment by mitigating the adverse effects of ongoing mining activities and facilitating the reclamation of lands once mining operations conclude. As of the beginning of Fiscal Year 2025, surface coal mining operations spanned over 2.2 million acres nationwide.

Program Details

State and Tribal Funding

The FY 2026 Budget fully funds the projected FY 2026 requirements based on historical execution. OSMRE will also continue to support State regulatory grant requests by re-distributing the available de-obligated prior year funds. Funding may also be used to support the States and Tribes that are pursuing regulatory primacy.

State Grants

The principal means of providing environmental protection within SMCRA is through primacy States that receive Federal grant funding. Currently, 23 States have achieved primacy and serve as coal mining regulatory authorities in the implementation and the on-going management of SMCRA requirements. Primacy States have the most direct and critical responsibilities for conducting regulatory operations to minimize the impact of coal mining operations on people and the environment. These States have the capabilities and knowledge to regulate the lands within their borders. OSMRE provides up to a 50 percent match on State funding in Federal grants to primacy States to help ensure the States have sufficient

resources to regulate coal mining operations within their State.

Cooperative agreements between OSMRE and primacy States that contain Federal lands provide States with grant funding to cover their costs to review permit applications, issue permits, and conduct the required inspections of regulated activities on Federal lands within the State. The additional grant funding provides for uniform enforcement of State program requirements throughout the State and reduces both direct Federal program costs and Federal staff requirements.

Section 705(c) of SMCRA sets the amount that a State may receive through a cooperative agreement at an amount approximately equal to the amount that the Federal government would have to pay to do the same work. The Federal implementing regulations further require that no grant may exceed the actual costs to the State for this activity.

Activities that State regulatory authorities conduct with Federal grant and matching State funding include: (1) permit review and issuance and access to the Applicant Violator System to ensure that permits will not be issued to operators with outstanding violations; (2) inspection and enforcement; and (3) ensuring timely reclamation after mining. In addition, individual States may conduct special activities to address specific needs. These activities may include upgrading permitting programs, modernizing systems to improve review of pending permits, and drafting regulations that respond to changes in Federal rules.

State regulatory authorities inspect all active and inactive sites, facilities, and areas that support coal mining and reclamation within their State for compliance with all program requirements. Federal regulations require all active inspectable units under the program to have four complete and eight partial inspections per year. Four complete inspections are required annually for all inactive units. Inspections conducted by primacy States in any given year depend, in part, on the number of active and inactive permits in each State.

Tribal Regulatory Development and Regulatory Program Grants

As allowed by the Energy Policy Act of 1992 and Section 710(i) of SMCRA, OSMRE provides grants to the Crow Tribe, the Hopi Tribe, and the Navajo Nation to assist them in developing regulations and programs for regulating surface coal mining and reclamation operations on Indian Lands. The grant amounts are based on each Tribe's anticipated workload to (1) develop a Tribal program (including Tribal laws, regulations, and policies); (2) assist OSMRE with surface coal mine inspections and enforcement (including permitting activities, mine plan review and bond release); and (3) sponsor employment training and education concerning mining and mineral resources. These grants fund 100 percent of the Tribal primacy development activities.

The SMCRA amendments of 2006 allow Indian Tribes to apply for and obtain approval of a Tribal program regulating, in whole or in part, surface coal mining and reclamation operations on reservation land under the jurisdiction of the Indian Tribe. The legislation also provides for 100 percent funding of the costs of developing, administering, and enforcing an approved Tribal program. Discussions on the submission of applications for Tribal primacy began in 2007. An informal review of the Navajo Nation's Tribal primacy application is substantially complete, but the Navajo Nation has not formally submitted their application. The Crow Tribe and the Hopi Tribe continue to pursue Tribal primacy and have assisted

OSMRE with surface coal mine inspections and enforcement; however, neither Tribe has submitted a formal application for Tribal primacy. The Oklahoma Cherokee, Choctaw, and Muscogee (Creek) Nations are also eligible to pursue Tribal primacy and to seek grant funding for development of their Tribal programs.

State Program Evaluation

State Evaluation program activities serve two purposes: 1) to determine whether States are effectively implementing their approved regulatory programs, and 2) to provide documentation to the public of the work that OSMRE and the States are doing.

Oversight Policy and Procedures

OSMRE assumes an oversight role following approval of a State or Tribal SMCRA regulatory program. That role includes both programmatic evaluations and inspections of individual mine sites to determine whether States with primacy are properly administering, implementing, maintaining, and enforcing their regulatory programs.

As part of the process, a Performance Agreement is developed annually for each State. OSMRE solicits input from all stakeholders, including the public, State agencies, Federal agencies, other stakeholders, and the coal industry, for relevant issues to review in each State. The Performance Agreement is a comprehensive plan that outlines the responsibilities and activities of both the State and OSMRE. It provides details about specific program evaluation goals for each State and the plans to achieve those goals, the types and number of inspections OSMRE plans to provide, technical or programmatic assistance that OSMRE may render to the State, and methods to resolve any new or ongoing problems.

Oversight Inspections

Inspections and site visits are an integral part of OSMRE's oversight activities. OSMRE uses a collaborative system of evaluation designed to build confidence in State, Tribal, and Federal programmatic efforts and enhance achievement of mutually shared environmental and public health and safety goals. OSMRE's oversight inspections maximize the use of State, Tribal, and OSMRE resources with a goal of creating efficiency to strengthen the performance of all parties and avoid duplication of effort and redundancy.

OSMRE will continue to perform oversight inspections in FY 2026 to ensure the integrity of regulatory programs and to help identify more conclusively findings and trends. The actual number of inspections will depend on the number of newly issued permits or permits released due to achieving final reclamation status, the presence or absence of problems, input from the public, and the terms of the Performance Agreements in each State.

Identifying and Correcting Violations of SMCRA

In primacy States, SMCRA requires that an OSMRE inspector provide the regulatory authority (RA) the opportunity to correct any violations observed during an oversight inspection or violations alleged by a citizen. OSMRE will issue a Ten-Day Notice (TDN) to the RA whenever the authorized representative has a reason to believe, based upon information readily available to him or her, that there has been a violation of SMCRA, Federal regulations, the approved regulatory program, or a permit condition (hereinafter

violation). This requirement applies to all requests for Federal inspections that OSMRE receives from citizens under 30 CFR 842.12. The State regulatory authority then has 10 days to take enforcement action, initiate another appropriate action to correct the violation, or demonstrate good cause for not taking such action. If OSMRE determines that the State response is not appropriate, an OSMRE inspector will conduct a Federal inspection of the site and take any necessary enforcement action.

The TDN procedure outlined above does not apply to situations in which there is an imminent danger to public health or safety or if the observed or alleged violation is causing or can reasonably be expected to cause significant imminent environmental harm. If a citizen complainant alleges that an imminent harm violation exists, the OSMRE inspector must issue an immediate cessation order. OSMRE works with the States to resolve any outstanding issues and has procedures in place to monitor corrective actions. On most oversight inspections, OSMRE will not issue a TDN when it finds that the RA's inspector has already taken appropriate action or before the inspection is physically and administratively complete.

OSMRE also has an obligation under Section 521 of SMCRA to take steps to ensure that all types of violations, including violations of performance standards or permit conditions and violations of permitting requirements, are corrected if the State does not correct them. If a State or Tribal program does not show timely, adequate improvements, OSMRE has other tools under 30 CFR Parts 732 (requiring program amendments) and 733 (compelling program change or substituting a Federal program) to ensure enforcement or a program change.

In addition to the corrective actions processes described above, OSMRE's AVS Office promotes the use of alternative enforcement actions to compel compliance with SMCRA. For example, the AVS Office provides training and investigative services, and identifies sites with outstanding violations so that regulatory authorities can consider pursuing alternative enforcement actions when primary enforcement is not enough. OSMRE will continue these enforcement activities throughout FY 2026.

Federal and Indian Lands Programs

The FY 2026 Budget provides the resources required to conduct statutory activities in the Federal Program and Indian Lands Program. It also includes an additional \$40,000 for permitting activities that will be offset with collections from new permit application fees in the Federal and Indian Lands Programs.

States

OSMRE regulates coal mining in States without approved regulatory programs. OSMRE's regulation ensures responsible coal extraction by using up-to-date science and technology. The permit review process in federally administered programs consists of reviewing the permit application package for administrative completeness and technical adequacy, preparation of findings and supporting documentation, and conducting an environmental analysis. The extent of Federal resources expended and the timeframes for review vary depending on the complexity of a permit application, the size of the mine, and the response times of applicants submitting additional information required to process the permit application. The following information highlights key activities in the two States administered under the Federal Program:

Tennessee: The OSMRE Lexington Field Office (LFO) conducts full Federal program functions in the

State of Tennessee and has primary regulatory responsibilities for inspection, enforcement, and permitting of coal mines. Currently there is no active coal production in the State. The State of Tennessee continues working on establishing an approved regulatory program to achieve primacy. OSMRE LFO continues to support the State of Tennessee's efforts, conducting quarterly meetings to provide updates and monitor progress.

<u>Washington</u>: There are two surface coal mines regulated under the Federal Program in Washington: the Centralia Mine and the John Henry Mine, located in Lewis County and King County, respectively. Both mines have permanently ceased mining operations, and the sites are currently undergoing reclamation.

Tribes

OSMRE is responsible for regulating coal mining and reclamation activities on Indian Lands. The Indian Lands Program staff review and approve permit applications and revisions, calculate the amount of reclamation performance assurance bond required, conduct inspections and enforcement activities, and review and approve applications for reclamation liability release. The Budget provides funds for activities to promote responsible mineral extraction on Indian Lands.

OSMRE coordinates closely with Indian Tribes and other resource management entities. OSMRE ensures that the lands and trust resources of federally recognized Tribes and their members are identified, conserved, and protected. In fulfilling these responsibilities, OSMRE operates within a government-to-government relationship with Indian Tribes.

The Crow Tribe, the Hopi Tribe, the Ute Mountain Ute Tribe, and the Navajo Nation have active coal mine permits on their lands. The coal mines on Indian Lands are among the largest in the United States, with a total of 103,674 acres regulated by OSMRE.

The following information describes coal mining operations on Tribal lands administered under the Indian Lands Program:

Navajo Nation and the Hopi Tribe: The McKinley Mine and the Navajo Mine are large surface mines located in McKinley and San Juan Counties, New Mexico. These mines are on lands within the Navajo Nation. The Navajo Mine is an active mine and provides coal to the Four Corners Power Plant in New Mexico. Mining operations permanently ceased at the McKinley Mine in 2009, and it is currently undergoing final reclamation. The Kayenta Mine is a large surface mine located in Navajo County, Arizona, on lands within the Navajo Nation and the Hopi reservation. The Navajo Nation owns most coal resources at this mine, but certain coal resources are jointly owned by the Navajo Nation and the Hopi Tribe. The Kayenta Mine permanently ceased mining in August 2019, and the Navajo Generating Station ceased operations in November 2019, and is currently undergoing final reclamation.

<u>Crow Tribe:</u> The Absaloka Mine is a large surface mine located in Big Horn County, Montana. The Absaloka (South) Mine operates within the boundaries of the Crow Reservation and is regulated by OSMRE. The Absaloka (North) Mine operates outside the boundaries of the Crow Reservation but includes Crow-owned coal resources. The Absaloka (North Mine) is co-regulated by OSMRE and the State regulatory authority.

<u>Ute Mountain Ute Tribe:</u> The King II Mine is an underground mine located in La Plata County, Colorado. The mine extracts Federal coal beneath surface land owned privately by the Ute Mountain Ute. The OSMRE permit includes the lands above the underground mine workings, including approximately nine acres of surface disturbance. No reclamation liability release applications are expected until the mine closes and completes final reclamation of its facilities.

Muscogee (Creek), Cherokee, and Choctaw Nation Tribal Reservations: OSMRE assumed responsibility for regulating coal mining and reclamation activities on Muscogee (Creek), Cherokee, and Choctaw Nation Tribal Reservation lands from the Oklahoma Department of Mines and the Oklahoma Conservation Commission in FY 2021, following the Supreme Court decision in *McGirt v. Oklahoma* and the decisions of the Oklahoma Court of Criminal Appeals in *Hogner v. State*, 500 P.3d 629 (Okla. Crim. App. 2021), and *Sizemore v. State*, 485 P.3d 867 (Okla. Crim. App. 2021). In response, OSMRE has developed and established an Indian Lands program in the State of Oklahoma over the past two fiscal years.

OSMRE Responsibility on Federal Lands

As previously discussed, mining on Federal lands in primacy States is regulated by the respective State regulatory program through a cooperative agreement between the Governor and the Secretary of the Interior. However, SMCRA provides that the Secretary may not delegate to the State the responsibilities to approve mining plans on Federal lands. Until the Secretary (or designee) has approved the mining plan, no person may conduct surface coal mining and reclamation operations on lands containing leased Federal coal. OSMRE is responsible for preparing the decision document recommending approval, approval with conditions, or disapproval for all proposed mining plans and mining plan modifications on Federal lands. OSMRE is the regulatory authority for mining on Federal lands in States that have not entered into a cooperative agreement, and processes valid existing rights claims that involve certain Federal lands under this program activity.

Program Development and Maintenance

Work elements under this program are primarily policy actions, grants management, and special studies that support the other program activities in the Environmental Protection business line.

Program Actions

Work conducted under Program Actions entails rulemaking and analyzing their effects on other statutes and assessing their conformity with executive orders. In addition, the work under this program entails preparation of environmental assessments and environmental impact statements as required under NEPA, and regulatory impact analyses, such as cost benefit analyses. When required, OSMRE involves the public and interested parties in the development of regulations. OSMRE also maintains the administrative record for rules and coordinates rule publication with the Office of the Federal Register.

OSMRE assists States with the development, administration, implementation, and maintenance of their approved regulatory program. OSMRE evaluates State-initiated program changes (statutory, regulatory, or changes in the program's provisions, scope, or objectives), and decisions to approve or disapprove State program amendments are Federal rulemaking actions. In the case where States may be required to

amend their programs because of changes to SMCRA and/or Federal regulations, OSMRE notifies the State of the required change, and reviews and evaluates the State program amendment submission. When a State program amendment is required due to changes in the States program, the State will submit an amendment describing the change for OSMRE to review and evaluate. As part of the review and evaluation of any State program amendment, OSMRE solicits public comments, holds public meetings, maintains the administrative record, and publishes the decisions as final rules in the Federal Register.

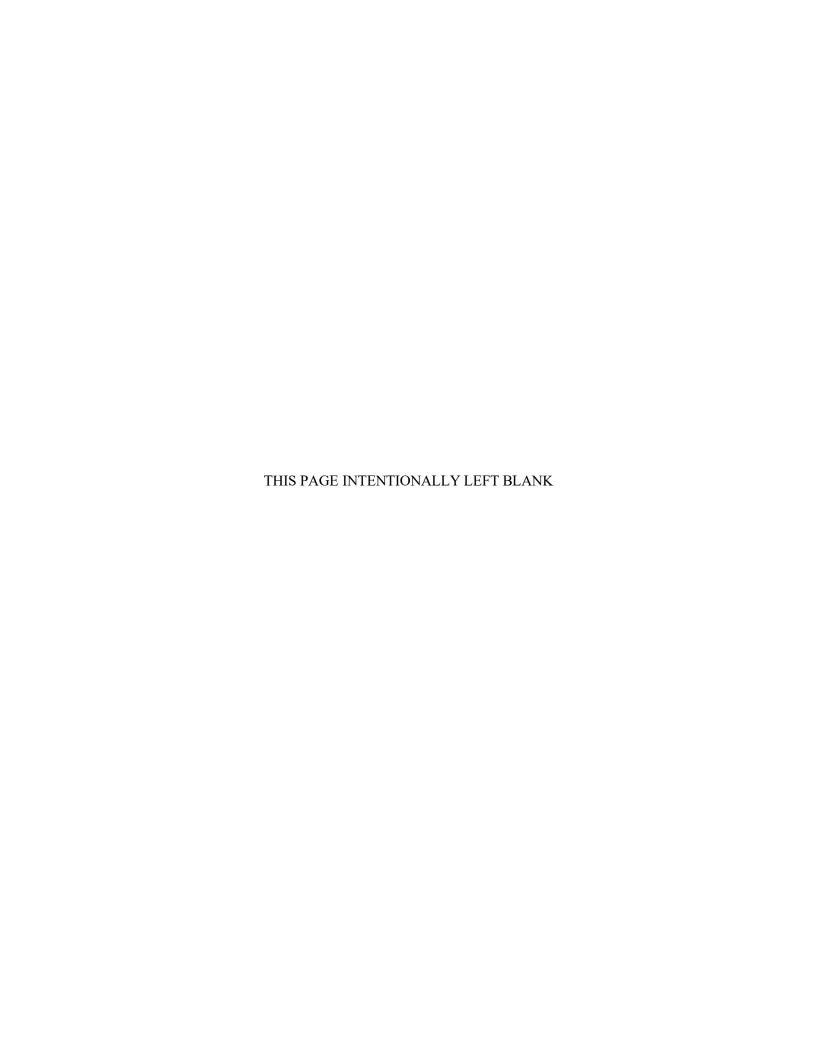
FY 2026 Planned Program Activities

The Environmental Protection program will participate in the following activities in FY 2026:

- Provide State regulatory program grants to support primacy States fulfill their responsibilities under SMCRA
- Review compliance guidance requirement for improving coordination and timeliness for approvals.
- Continue oversight steering committee conversations with State RAs to discuss impediments to meaningful and effective oversight, including revising current OSMRE oversight directives.
- Review the formal Tribal primacy submission from the Navajo Nation, should it decide to formally submit one.
- Continue review of informal submissions from the Crow and Hopi Tribes.
- Review all applications to mine Federal coal and provide recommendations on mining plan decision approvals, including the preparation of effects analyses in compliance with NEPA.
- Conduct all required inspections on State and Indian lands and administer enforcement actions where violations have occurred.
- Monitor the effectiveness of the implementation of Kentucky's program amendments related to its bonding.
- Achieve the goals for performance measures identified in this business line for protecting the environment and reclaiming lands to beneficial use.
- Continue administration of the SMCRA program on Muscogee (Creek), Cherokee, and Choctaw Nation Reservations and establish an Indian Lands program in Oklahoma.
- Continue ongoing consultations with Muscogee (Creek), Cherokee, and Choctaw Nations.

REGULATION AND TECHNOLOGY ACCOUNT

Technology Development and Transfer



REGULATION AND TECHNOLOGY ACCOUNT TECHNOLOGY DEVELOPMENT AND TRANSFER

Technology Development and Transfer Activity Budget Request

(Dollars in Thousands)

	2024 Actual	2025 Notional ¹	2026 Request
Technology Development and Transfer	15,419	15,683	14,419

¹/Resource levels included are estimates. The President reserves his authority under the "Full-Year Continuing Appropriations and Extensions Act, 2025" (P.L. 119-4) to revise spending within the amounts provided by Congress.

Program Overview

The President's Budget requests \$14.4 million for OSMRE to promote Technology Development and Transfer (TDT) activities to meet environmental protection goals for coal mining. This section provides an overview of the Regulatory TDT activities, but OSMRE also uses many of the Regulatory TDT activities in AML Restoration. The TDT activity offers Federal resources for technical assistance, training, technology development, and technology transfer activities for Federal, State, and Tribal regulatory staff. These activities enhance the technical skills needed for States and Tribes to operate their regulatory programs and comply with SMCRA requirements. TDT funding also supports OSMRE in building effective partnerships with stakeholders to achieve OSMRE's restoration and protection goals.

Program Details

The following program activities support OSMRE's goal of enhancing the skills and knowledge of States and Tribes for effective SMCRA implementation. This goal is vital for the success of surface mining and reclamation programs and is achieved through quality technical information, expertise, and training.

The TDT program supports necessary technical skills that States and Tribes need to operate their regulatory programs. The FY 2026 Budget provides resources for OSMRE's technical assistance, training, technology development, and technology transfer programs.

Technical Assistance

OSMRE offers technical assistance to State and Tribal regulatory staff, as well as OSMRE personnel involved in reviewing and overseeing State programs, and developing rules or policies.

OSMRE provides technical assistance and site-specific technology support to help States and Tribes with science and engineering expertise needed to regulate active mining operations. Areas of assistance include, but are not limited to:

- Rulemaking
- Citizen complaint investigations
- Review of offsite impacts
- State program amendments
- State mining permit evaluation
- Blasting policy
- Dam safety program

- Prime farmland reclamation
- Placement of coal combustion residue
- Reclamation bonding sufficiency and bond release
- Threatened and endangered species
- Restoration of mined land with native vegetation

- Land unsuitability determinations
- Participation as technical experts on interagency committees
- Acid Mine Drainage (AMD) prevention and remediation
- Acid and toxic forming materials handling
- Surface and groundwater dewatering

- Stream and underground mine flooding
- Mountaintop mining and valley fills
- Permit findings
- Subsidence caused by underground mining.
- Assistance in fostering Tribal primacy by helping Tribes develop technical capabilities.

The following examples highlight a few specific areas of technical assistance provided to State and Tribes by OSMRE.

AMDTreat

One of OSMRE's key tools for addressing water-quality issues is the AMDTreat software program, developed in collaboration with the Pennsylvania Department of Environmental Protection (PADEP), the U.S. Geological Survey (USGS), and the West Virginia Department of Environmental Protection. OSMRE staff continuously improve and enhance the AMDTreat software treatment modules to ensure the program remains relevant to the concerns of regulators and the public regarding AMD.

Rare Earth Elements and Critical Minerals Evaluations

Coal mine waste and AMD, along with associated metal precipitates, are being evaluated nationwide as potential sources of rare earth elements (REEs) and critical minerals (CMs), which are vital for many high-tech devices. By recovering REEs and CMs from coal waste and AMD, OSMRE creates economic opportunities in coal communities and establishes a sustainable supply chain for these materials.

Reforestation

OSMRE continues its effort to encourage proper reforestation practices to transform reclaimed mined land to healthy, productive forests. This reforestation initiative increased the use of the Forestry Reclamation Approach (FRA), held technical and policy symposia, and introduced a reforestation website to explain the methods and benefits of reforestation. Through the Appalachian Regional Reforestation Initiative (ARRI), OSMRE provides technical assistance to a 33-member science team made up of researchers from across the country and members of the American Bird Conservancy, the American Chestnut Foundation, the U.S. Geological Survey, and the U.S. Forest Service.

Training

Technical training provides OSMRE, State, and Tribal staff the necessary information and skills to implement the surface mining reclamation and enforcement program. OSMRE provides comprehensive training in essential disciplines for implementing the SMCRA, including aquatic biology, geology, engineering, hydrology, blasting, agronomy, innovation, and botany. Additionally, OSMRE offers courses on permit approval, bond release, reclamation, and enforcement to enhance technical expertise and establish professional standards.

Technology Transfer

Technology transfer is an integral component of OSMRE's Environmental Protection activity, providing essential support to State and Tribal programs. Technology transfer is accomplished through a variety of activities including workshops and technical forums; publication of workshop and forum proceedings, handbooks, and other materials; maintenance of the OSMRE technical library and various information

websites; and educational outreach. The OSMRE national and regional technology transfer teams meet monthly to evaluate initiatives or on-going activities to encourage networking and information sharing that will result in program improvement or enhancement. OSMRE's technology transfer activities bring a new approach to nationwide cooperation and customer service.

One of OSMRE's missions is to advance and transfer technologies that improve the effectiveness and efficiency of the science of coal mining and mine land reclamation. Advancing these technologies improves mining and reclamation practices and provides better science-based decision-making. OSMRE will continue to advance coal mine site technologies and practices to deliver more comprehensive ecosystem restoration, including reforestation and reclamation using native vegetation and plant habitat.

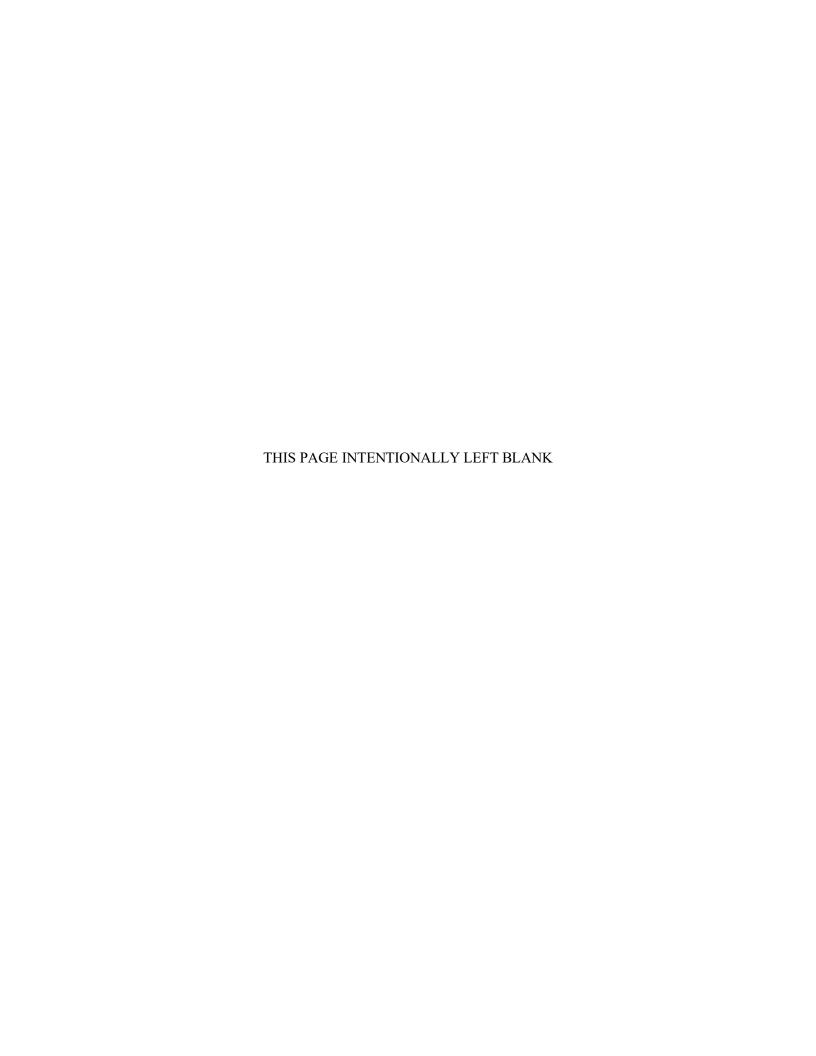
FY 2026 Planned Program Activities

In FY 2026 planned activities in Technology Development and Transfer include:

- Providing technical assistance to States and Tribes, making use of emerging technologies for field data collection and in-house information processing capabilities.
- Continuing to coordinate blaster certificate activities with State personnel, Federal agencies (Mine Safety and Health Administration, Occupational Safety and Health Administration, and the Bureau of Alcohol, Tobacco, Firearms and Explosives), and professional organizations (International Society of Explosives Engineers, Institute of Makers of Explosives and National Fire Protection Association).
- Supporting State and Tribal coal reclamation programs with direct technical support.
- Developing course materials and topics that are relevant, useful, and technically sound.
- Serving customers needing information from the National Mine Map Repository (NMMR).
 NMMR will continue its outreach efforts to better target map collections, enhance its database management systems, and coordinate with the States' mapping programs to synchronize efforts.
 NMMR will also work towards allowing digital downloads of map scans.
- Continuing the Applicant Violator System (AVS) modernization effort, including re-design of the AVS to address its outdated IT architecture and programming language.

REGULATION AND TECHNOLOGY ACCOUNT

Financial Management



REGULATION AND TECHNOLOGY ACCOUNT FINANCIAL MANAGEMENT

Financial Management Budget Request

(Dollars in Thousands)

	2024 Actual	2025 Notional ¹	2026 Request
Financial Management	514	481	514

¹/Resource levels included are estimates. The President reserves his authority under the "Full-Year Continuing Appropriations and Extensions Act, 2025" (P.L. 119-4) to revise spending within the amounts provided by Congress.

Program Overview

The President's Budget requests \$514,000 for the Financial Management function funded through Regulation and Technology (R&T) appropriations to efficiently support the mission while achieving key administrative goals, including cost efficiency and reduction initiatives. Regulation and Technology facilitates Revenue Management, Grants Accounting, and Financial Management functions in service of the OSMRE Environmental Protection program mission. The following section discusses Financial Management activities funded under the Regulation and Technology appropriation only.

Program Details

Revenue Management

Revenue management includes the accounting and collection of revenue other than reclamation fees, such as civil penalties assessed under Federal citations for mining violations, and Federal performance bonds forfeited by coal mine permittees.

This FY 2026 Budget request is for the Revenue management program activity to manage non-fee revenues and receivables. These include the following:

- Federal civil penalties issued for mining operation violations;
- Bond forfeitures by Federally permitted mining companies;
- Fees for mine permit reviews and administration; and
- Other miscellaneous fees and receipts.

OSMRE utilizes a range of debt collection tools, which include demand letters, personal contact with the debtor, use of payment plans, referral to private collection agencies through the Department of the Treasury, litigation through the Department of Justice, and referral to the Department of the Treasury for payment offset. In accordance with the Digital Accountability and Transparency Act of 2014, OSMRE refers civil penalty debt that is more than 120 days delinquent to the Department of the Treasury for collection.

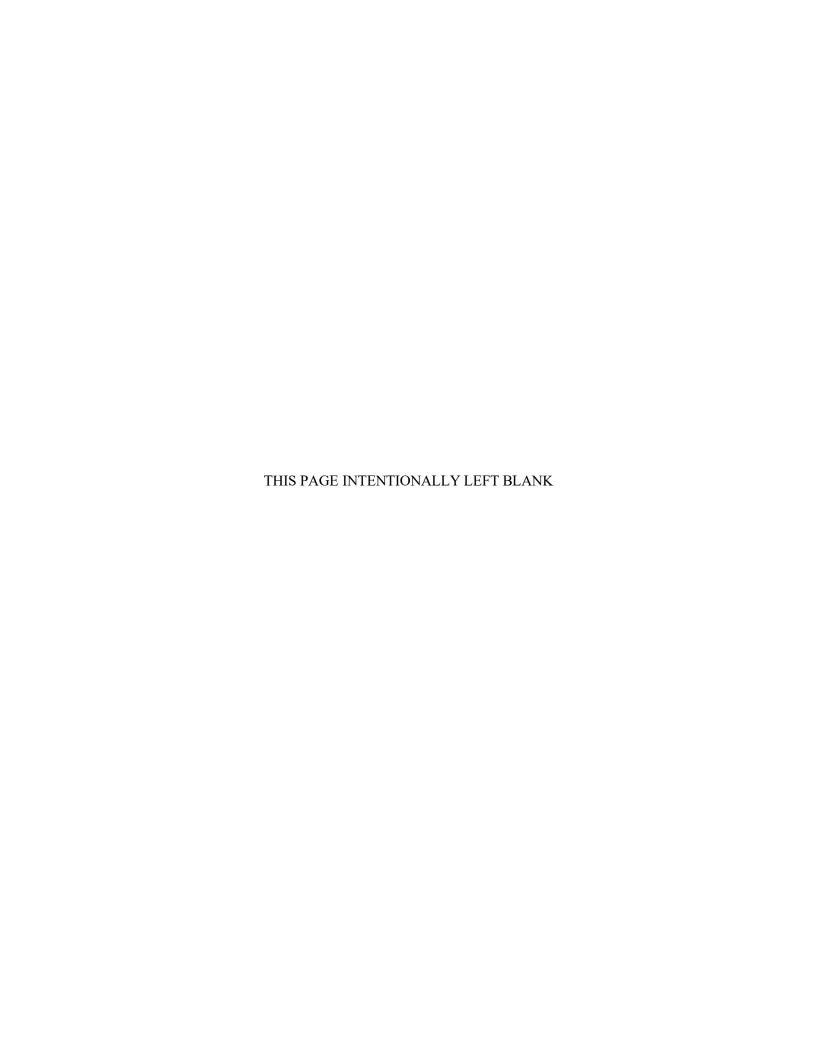
Levying penalties and fees helps to ensure operators comply with coal mining regulations and ensure the land is restored to beneficial use at the conclusion of mining operations. The bonds and penalties assessed motivate responsible coal resource extraction management practice to protect the public, property and the environment.

Grants Accounting & Financial Management

Grants accounting under R&T activities supports field offices in the disbursement of regulatory grants to States and Tribes under the Environmental Protection program. The Grants Accounting & Financial Management activity includes the disbursement, accounting, reporting, and recovery of grant funds. Funding provides training to program financial staff and supports financial systems to maintain quality program resources and conduct accurate revenue collections. The Financial Management function relies on contractors with program knowledge to support work activities.

REGULATION AND TECHNOLOGY ACCOUNT

Executive Direction and Administration



REGULATION AND TECHNOLOGY ACCOUNT EXECUTIVE DIRECTION AND ADMINISTRATION

Executive Direction and Administration Budget Activity Request

(Dollars in Thousands)

	2024 Actual	2025 Notional ¹	2026 Request
Executive Direction and Administration	14,909	14,301	12,909

^{1/} Resource levels included are estimates. The President reserves his authority under the "Full-Year Continuing Appropriations and Extensions Act, 2025" (P.L. 119-4) to revise spending within the amounts provided by Congress.

Program Overview

The President's Budget requests \$12.9 million for the Executive Direction and Administration activity, which supports all the bureau's programs. This activity includes the Director's Office and staff offices, administration, and internal financial management for the organization. Executive Direction and Administration provides internal executive direction and administrative support to programs, regions, and field offices through the development and coordination of agency policy, budget, plans, and other guidance documents. Additionally, Executive Direction and Administration also oversees the implementation of Departmental and Administration initiatives in the Bureau.

The responsibilities for Executive Direction and Administration are accomplished through the efficient and effective operations of the two mission-critical bureau business lines (Environmental Restoration and Environmental Protection) and the two business lines providing support functions (Technology Development and Transfer and Financial Management). The Executive Direction and Administration activity supports the DOI's strategic goals by providing the required leadership and administrative support functions for OSMRE programs.

Program Details

Executive Direction

This activity provides executive direction, leadership, and policy and program management guidance for all areas of responsibility for OSMRE. The Executive Direction activity includes the salaries and operating expenses for the Office of the Director and two immediate staff offices, which include; Planning, Analysis, and Budget; Office of Administration.

Office of the Director

The Director of OSMRE, a Senate-confirmed position, is the Chief Executive. The Director provides the leadership and direction of OSMRE activities as required under SMCRA. The Director's primary objectives are to aggressively pursue the reclamation of AML sites and to prevent environmental problems in the coalfields during active mining by working collaboratively with the State regulatory agencies and other involved agencies. OSMRE makes every effort to ensure full public participation in the development and implementation of its regulatory responsibilities. This extensive outreach approach develops cooperative partnerships with OSMRE's regulatory partners, and stakeholders, optimizing SMCRA implementation.

The Deputy Director is OSMRE's Chief Operating Executive. The Deputy Director provides direct

supervision for the business operations of the Bureau to the staff offices, as well as executive leadership to the other programs and offices.

In FY 2026, OSMRE will continue outreach efforts such as public meetings on proposed rulemakings, which promote public participation in policy making and facilitate discussion and information exchange on the current state of the coal industry. OSMRE will continue to take constructive steps to engage and collaborate with States, Tribes, citizens, other stakeholders, and industry.

Office of Planning, Analysis and Budget

The Office of Planning, Analysis and Budget (OPAB) performs nationwide planning, program analysis, and budget administration for OSMRE. OPAB coordinates efforts to promote compliance with major management legislation including the Government Performance and Results Act of 1993, the Government Performance and Results Modernization Act of 2010, the Foundations for Evidence-Based Policymaking Act of 2018, the Federal Managers Financial Integrity Act of 1982, the Antideficiency Act, and the Congressional Budget and Impoundment Control Act of 1974, along with supporting direction such as OMB Circulars A-11 and A-123. OPAB also serves as the liaison with the DOI OIG, GAO, and the Department in response to audit reports.

The Office:

- Supports the development of OSMRE's and DOI's strategic plans;
- Collects, reviews, and reports annual regulatory and reclamation program accomplishment data;
- Carries out formulation, presentation, and execution of OSMRE's budget;
- Prepares and produces budget testimony;
- Provides budget training and guidance for OSMRE departments;
- Completes accurate and timely United Mine Workers of America and transfers and budget allocations;
- Provides guidance on acquisition and contract projects to verify funds availability;
- Coordinates internal control and other program assessment reviews, in accordance with Executive Orders and Departmental initiatives; and
- Coordinates OSMRE's responses to audits and tracks all findings throughout the process of resolution and implementation.

Office of Administration

The Office of Administration (OA) develops and administers OSMRE's administrative policies and procedures and implements the Bureau's administrative support activities in the following program areas:

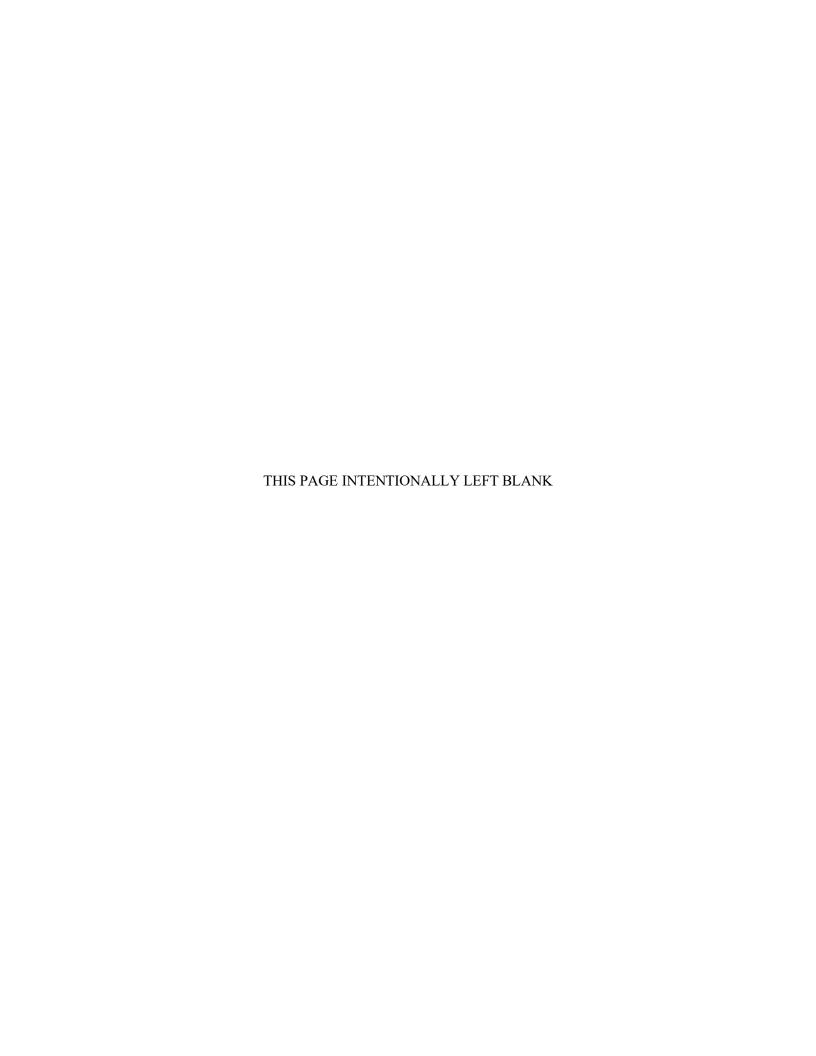
- Emergency Management;
- Physical Security;
- Occupational Safety and Health;
- Property and Fleet Vehicles;
- Space Management;
- Directives Management; and
- Federal Transit Benefit Program.

OA also provides administrative support to Headquarters' offices. These support activities include office moves, provision of general supplies and services, mailroom functions, and local official transportation.

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ABANDONED MINE RECLAMATION FUND

Environmental Restoration



ABANDONED MINE RECLAMATION FUND ENVIRONMENTAL RESTORATION

Environmental Restoration Activity Budget Request

(Dollars in Thousands)

	2024 Actual	2025 Notional ¹	2026 Request
Environmental Restoration	146,403	146,772	145,903

¹⁷Resource levels included are estimates. The President reserves his authority under the "Full-Year Continuing Appropriations and Extensions Act, 2025" (P.L. 119-4) to revise spending within the amounts provided by Congress.

Program Overview

The President's Budget requests \$145.9 million for Environmental Restoration. As stewards of our Country's natural and cultural resources, DOI is entrusted with safeguarding these resources for future generations. Environmental issues associated with abandoned coal mine sites—such as water pollution, open portals and pits, refuse piles, and land stripped of natural vegetation—degrade our natural resources and create public health and safety risks. OSMRE's AML programs focus on resolving these problems, which restores our land and water resources. These improvements also encourage local communities and other partners to make further investments that drive economic redevelopment—such as new businesses and recreation facilities—improve wildlife habitat, and/or conserve land. Mine site restoration improves the environment, safeguards people and property, and revitalizes communities through direct and indirect job creation.

OSMRE continually reviews existing Environmental Restoration policies. Whenever necessary, policies are revised to meet the needs of the programs, and to reflect changes to the law. OSMRE assists States and Tribes to build on their reclamation successes by providing ongoing technical assistance on reclamation practices.

Through the Environmental Restoration Program, OSMRE evaluates State and Tribal AML Programs, ensures abatement of mining related hazards, and fosters partnerships to address acid mine drainage (AMD).

AML problems are classified by priority:

<u>Priority 1:</u> Protection of public health, safety, and property from extreme danger of adverse effects of coal mining practices.

Priority 2: Protection of public health, safety, and property from adverse effects of coal mining practices.

Priority 3: Restoration of land and water resources and the environment previously degraded by adverse effects of coal mining practices.

The national inventory that OSMRE oversees identifies approximately 25,000 problem areas¹ associated with AML sites.

¹ A problem area is a geographical area containing one or more abandoned mine land problems.

Abandoned Mine Reclamation Fund

The Fund established by SMCRA is capitalized with fees collected from coal mine operators in the United States based on the amount of coal they produce. OSMRE distributes these funds to States and Tribes to finance reclamation of AML sites. The IIJA extended OSMRE's authority to collect these fees through September 30, 2034, and reduced the amount of the fees by 20 percent.

Table 8 identifies which States and Tribes have approved AML Programs and receive AML grants from permanent mandatory appropriations, and which do not have approved programs and instead rely on discretionary funding administered by OSMRE.

Table 8 – State, Tribal, And Federal Responsibilities For The AML Program And Emergency Issues

Responsible Party	AML Program & Emergency Issues		
State and Tribal	Alabama	North Dakota	
Responsibility	Alaska	Ohio	
	Arkansas	Pennsylvania	
	Colorado	Tennessee	
	Illinois	Texas	
	Indiana	Utah	
	Iowa	Virginia	
	Kansas	West Virginia	
	Kentucky	Wyoming	
	Louisiana		
	Maryland	Tribes:	
	Mississippi	Crow Tribe	
	Missouri	Hopi Tribe	
	Montana	Navajo Nation	
	New Mexico		
Federal Responsibility	California	Tribes:	
	Georgia	Cherokee Nation	
	Idaho	Choctaw Nation	
	Massachusetts	Muscogee (Creek) Nation	
	Michigan		
	North		
	Carolina		
	Oregon		
	Rhode Island		
	South Dakota		
	Washington		

The FY 2026 AMR Fund appropriation for Environmental Restoration will support State Program Evaluation, Federal Reclamation Program Projects, Federal Reclamation Program Operations, and

Program Development and Maintenance. Funding appropriated from the AMR Fund also covers Federal expenses requested by Technology Development and Transfer, Financial Management, and Executive Direction and Administration business lines explained in other sections.

Program Details

State and Tribal Program Evaluation

SMCRA requires OSMRE to monitor the progress and quality of each State and Tribal AML Program to confirm the reclamation programs function effectively. These evaluations of State and Tribal reclamation programs help facilitate more efficient and effective use of program dollars.

OSMRE reviews documents submitted by States and Tribes (e.g., grant applications, amendments, and reports), conducts periodic funding drawdown reviews, and completes on-site evaluations of selected reclamation projects. OSMRE also provides States and Tribes with expert technical assistance for these projects. OSMRE, States, and Tribes hold conferences and forums to discuss reclamation issues, technology, and solutions to reclamation problems.

OSMRE utilizes topic-specific oversight reviews to monitor State and Tribal AML Program operations. Instead of reviewing entire programs each year, OSMRE field offices work closely with each State or Tribe to develop a performance agreement, which identifies the areas to be reviewed and establishes performance measures. OSMRE reviews any performance agreements that last longer than a year to gauge the status of the program.

Federal Reclamation Program - Projects

OSMRE directly addresses environmental hazards occurring in States or Tribal lands without AML programs on a priority basis. It also administers high priority projects funded by Federal civil penalties collected from operators and projects funded from bonds forfeited by operators of Federally permitted sites.

The FY 2026 Budget includes funding for Federal reclamation projects, Federal reclamation projects on Tribal lands in Oklahoma, Federal emergency reclamation projects, and watershed cooperative agreements. In addition to the requested funds, OSMRE will also continue to administer Federal reclamation projects in FY 2026 utilizing available civil penalty funds collected as authorized in SMCRA.

Watershed Cooperative Agreement Program (WCAP)

WCAP's funding priority and technical focus is to restore streams affected by AMD to a level that will support a diverse biological community and provide recreational opportunities for the public. The WCAP provides funds to not-for-profit organizations (i.e., watershed organizations) to support their AMD reclamation projects. The maximum award amount for a WCAP cooperative agreement is \$100,000 per approved agreement, however, exceptions to the funding limit can be made if justified. All WCAP cooperative agreements are awarded with a two-year performance period. Funds can be used for construction or administrative costs associated with the project.

Civil Penalty Projects

SMCRA authorizes Federal civil penalties collected under Section 518 of the Act to be used for reclaiming

lands mined and abandoned sites. OSMRE is authorized to assess monetary civil penalties nationwide on active coal mining operations. These monetary assessments are available to fund reclamation of bond forfeiture sites and to fund projects proposed by both State and Federal regulatory authorities.

Federal Emergency Projects

Federal emergency projects are conducted to immediately abate emergency abandoned mine hazards in States and on Tribal lands without an approved AML Program. Emergency projects address abandoned coal mine lands that present an immediate danger to public health, safety, or general welfare. Examples of such emergencies include landslides near homes and across roads, land subsidence occurring under houses and public buildings, mine and coal waste fires, and mine openings such as vertical shafts discovered near populated areas.

When notified of an emergency, typically within 48 hours OSMRE personnel review available information and visit the site to perform an investigation. If the emergency is determined to be AML-related, OSMRE conducts remedial action as quickly as possible to abate the situation. The initial response does not always fully reclaim the site but does mitigate the immediate human health or safety hazard. The remaining reclamation is completed after the emergency has been addressed. Emergency projects can occur all over the country and these mining related hazards can take many forms.

The following are examples of the OSMRE's Federal Emergency Project work conducted in the States of Washington and Oklahoma (Indian Country):

- In FY 2024, OSMRE contracted work on an AML emergency project in Carbonado, Washington. The project entailed mitigating land subsidence issues and closing an open portal on property adjacent to a residential community of 3,000 people and managed by the county for a high use trail system connecting the City of Seattle to Mount Rainier. The number of people using this section of the trail system annually is estimated to be greater than 100,000. OSMRE provided nearly \$230,000 for architecture, engineering, and construction services to reclaim the features. Reclamation was completed by using polyurethane foam (PUF) and concrete to backfill the subsidence features and to seal the open portal.
- In FY 2024, personnel in the OSMRE-Tulsa Field Office created a Special Emergency Response Team (SERT) and structured it using Incident Command System (ICS) organization, roles, and functions for responding to AML emergency on Tribal lands in Oklahoma. OSMRE undertook four AML emergency projects in FY 2024 on Indian Lands in Oklahoma. Three of the declared emergencies involved the collapse of an underground mine causing surface subsidence resulting in surface openings. The surface openings were excavated to a solid bottom, backfilled with rocks of various sizes creating a solid surface. Topsoil was then placed over the area and graded to provide a seedbed in which permanent vegetation could grow. The fourth emergency involved a concrete lined vertical opening that became exposed due to mine subsidence. The vertical opening was backfilled with rocks of various sizes creating a solid surface so that a steel reinforced concrete cap could be placed over the area.



Left: Subsidence feature reclaimed using a PUF plug with a steel mesh-reinforced concrete veneer. Photo taken on November 8, 2023. Right: Completed site restoration at the subsidence feature. Photo taken November 13, 2023. Photos taken by OSMRE Project Manager Cody Yankey.

Federal Reclamation Program - Operations

Federal Reclamation Program Operations funding enables OSMRE staff to administer watershed cooperative agreements and address Federal emergencies, high priority projects, and civil penalty projects. Emergency projects are handled through the process described in the previous section. The process for Federal high priority projects is similar, beginning with the determination of whether a condition is related to an abandoned coal mine. If so, OSMRE determines the priority for reclamation.

Once the determination is made, the Federal Reclamation Program staff obtains approval for project funding and develops the abatement plan. This process includes seven elements:

- 1. Compliance with the National Environmental Policy Act (NEPA), Endangered Species Act (ESA), and the National Historic Preservation Act (NHPA).
- 2. Obtaining the right of entry for access.
- 3. Developing engineering plans and specifications needed for abatement.
- 4. Preparing and mailing bid packages to potential construction contractors.
- 5. Conducting pre-bid and pre-construction conferences.
- 6. Awarding contracts.
- 7. Coordinating, managing, and inspecting all aspects of the ongoing construction, and reviewing, approving, and paying invoices.

Program Development and Maintenance

The Program Development and Maintenance activity is an integral part of the State and Tribal funding program. An important part of OSMRE's role in State and Tribal AML Program operations is reviewing and approving the AML projects. In addition to reviewing and approving the projects, OSMRE assesses and discloses potential environmental impacts of the proposed Federal actions. All AML projects funded under the Environmental Restoration activity are considered "Major Federal Actions" under NEPA. Hence, OSMRE personnel must evaluate every project to determine the type of environmental assessment (Categorical Exclusion, Environmental Assessment, or Environmental Impact Statement) required under

NEPA. In some cases, these reviews require consultations under other Federal laws, including the NPHA, ESA, and the Clean Water Act.

To better monitor and track the AML projects, OSMRE uses e-AMLIS, a mission-critical information system that continues to be refined and improved every year. Additionally, OSMRE continues to support and participate in grants management via GrantSolutions, which is an electronic grants announcement and application system. OSMRE also uses the DOI Financial and Business Management System (FBMS) financial assistance module for internal processing of all grant and cooperative agreement obligations, deobligations, and closeout transactions. FBMS is DOI/OSMRE's system of record that contains comprehensive information on AML grant allocations and expenditures. OSMRE also assists States and Tribes with development, administration, implementation, and maintenance of their approved AML Programs. States and Tribes making changes to their AML programs must get approval from OSMRE through reclamation plan amendments.

Abandoned Mine Land Economic Revitalization Program

The Budget request \$130 million for the AMLER program. This program administers grants to six Appalachian States and three Tribal AML programs to return coal mining sites to productive use and support economic development.

FY 2026 Planned Program Activities

In FY 2026, the ongoing and planned activities in the Environmental Restoration program activity include:

- Administering the State and Tribal Evaluation Programs.
- Administering the WCAP and providing grants to eligible recipients.
- Administering the Federal Reclamation Program.
- Responding to Federal AML emergencies in non-program States and Tribes within the allotted time mandated by the program.
- Providing AML Fee-based grants to States and Tribes.
- Conducting government-to-government consultations and maintaining responsibility for the reclamation of abandoned mine sites on Tribal lands in Oklahoma.
- Initiating contracting and construction on three AML reclamation projects on Tribal lands in Oklahoma.
- Completing designs and construction contract specifications for two AML reclamation projects on Tribal lands in Oklahoma.
- Soliciting and selecting an A&E firm for a contract to perform designs and project monitoring for selected AML reclamation projects and emergencies on Tribal lands in Oklahoma.
- Vetting land ownership and securing Right-of-Entry agreements from landowners with abandoned coal mine lands in Oklahoma for future reclamation project selection.
- Continuing review of State and Tribal reclamation plans and completion of informal engagement meetings.
- Improving tracking of authorizations to proceed (ATPs), which are the formal notification of grant approval for the expenditure of grant funds to begin construction on a specific project.
- Ongoing inventory of AML features in Washington State during FY 2025 and continuing into FY 2026.
- The Federal Assistance Manual will be revamped and updated to align with revised 2 CFR 200, Uniform Guidance and name will change to the Federal Financial Assistance Manual (FFAM).
- Administer the AMLER program.

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ABANDONED MINE RECLAMATION FUND

Technology Development and Transfer



ABANDONED MINE RECLAMATION FUND TECHNOLOGY DEVELOPMENT AND TRANSFER

Technology Development and Transfer Budget Request

(Dollars in Thousands)

	2024 Actuals	2025 Notional ¹	2026 Request
Technology Development and Transfer	4,095	4,129	3,595

^{1/} Resource levels included are estimates. The President reserves his authority under the "Full-Year Continuing Appropriations and Extensions Act, 2025" (P.L. 119-4) to revise spending within the amounts provided by Congress.

Program Overview

The AML Technology Development and Transfer (TDT) Activity supports technical skills that States and Tribes need to operate their AML reclamation programs. The FY 2026 Budget requests \$3.6 million to provide resources for OSMRE's reclamation-focused technical assistance, training, and technology development and transfer programs.

Program Details

The following program activities support OSMRE's goal to strengthen the skills, knowledge, and capabilities of the States, Tribes, and OSMRE staff to implement SMCRA effectively. This goal, achieved by providing quality technical and scientific information, expertise, and training, is critical for the reclamation program's success. OSMRE also provides opportunities for students and recent graduates, either directly or through cooperative agreements, to engage in technical and natural resources activities. OSMRE's TDT activities include technical assistance, technical policy and-site specific assistance, technical training, technical systems resources, and technology transfer.

OSMRE's stakeholders (States, Tribes, the public, and industry) continue to express support for TDT efforts and encourage OSMRE to provide the types of technical support needed to comply with SMCRA effectively and efficiently, NEPA, and other environmental and safety laws. Helping the States, Tribes, and industry achieve up-front compliance reduces the need for additional regulatory resources.

Technical Assistance

OSMRE provides technical assistance to State and Tribal reclamation staff, and to OSMRE staff, that review and oversee State programs, develop rules or policy, litigate SMCRA challenges or enforcement actions, or maintain other technical support infrastructure, and technical training programs.²

OSMRE uses customer surveys to record OSMRE's technical assistance responsiveness to its customers. By meeting technical assistance needs, OSMRE can better achieve its Environmental Restoration mission goals. OSMRE delivers technical assistance and site-specific technology support to assist States and Tribes with science and engineering expertise in restoring AML sites. As part of technical assistance,

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² OSMRE also utilizes appropriations to the Environmental Restoration business lines to deliver customized technical assistance for abandoned mine land projects.

OSMRE specialists work on site-specific technical aspects of reclamation cost estimates, calculation surveying, revegetation, geologic sampling, AML designs, subsidence and AMD abatement. The areas of assistance are wide-ranging and include:

- Guideline development,
- State program amendments,
- AML problem evaluation,
- Unmanned aircraft systems
- Soil substitution,
- Placement of coal combustion residue,
- Reforestation on mine lands,
- Restoration of mined land with native vegetation,
- Evaluation of rare earth elements and critical minerals on AML sites,
- Participation as technical experts on interagency committees, and
- AMDTreat software enhancement and training.

The following paragraphs highlight a few of the specific areas of technical assistance offered by OSMRE.

AMDTreat

One of OSMRE's primary tools used to help customers with assessing water-quality issues is the AMDTreat software program. AMDTreat was developed cooperatively by OSMRE, the Pennsylvania Department of Environmental Protection (PADEP), the U.S. Geological Survey (USGS), and the West Virginia Department of Environmental Protection. The AMDTreat software treatment modules are continuously undergoing improvements and enhancements by OSMRE staff to keep the program relevant with the issues that regulators and the public are concerned with regarding AMD.

Evaluation of Rare Earth Elements and Critical Minerals on AML Sites

Coal mine waste and coal mine AMD and associated metal precipitates are being evaluated nationwide as a potential source of rare earth elements (REEs) and critical minerals (CMs), which are essential for many high-tech devices and the clean energy transition. The recovery of REEs and CMs from coal waste and AMD creates a potential economic opportunity for coal communities and establishes a potential sustainable source for these materials.

Reforestation

OSMRE continues its effort to encourage good reforestation practices to transform reclaimed mined land to healthy, productive forests through the use of Forestry Reclamation Approach (FRA). OSMRE has held technical and policy symposia and introduced a reforestation website to explain the FRA and benefits. In addition, through the Appalachian Regional Reforestation Initiative (ARRI), OSMRE provides technical assistance to a 28 -member science team made up of university researchers from across the country and members of the American Bird Conservancy, the American Chestnut Foundation, the USGS, and the U.S. Forest Service, and publishes bulletins on state-of-the-art reforestation practices.

Training

Technical training provides OSMRE, State, and Tribal staff the necessary information and skills to

implement the surface mining reclamation and enforcement program. See the Regulatory TDT section for details about the specific functions that this Activity supports.

Technology Transfer

Technology transfer is an integral component of OSMRE's Environmental Restoration activity, providing essential support to State and Tribal programs. State technical representatives communicate frequently with OSMRE regional staff to share resources whenever practicable to resolve regional technical issues. OSMRE partners with other Federal agencies, States, Tribes, and industry to develop technology transfer priorities. The following paragraphs highlight a few of the technology transfer programs offered by OSMRE. See the Regulatory TDT section for more technology transfer details.

Geographical Information Mapping System Programs

ArcGIS Online: ArcGIS Online (AGOL) is a cloud-based interactive web-mapping platform designed to increase productivity, collaboration, and interoperability across the Federal government. The AGOL web mapping system plays a crucial role in facilitating access to OSMRE and shared geospatial data. For mine inspectors conducting fieldwork, AGOL enables collaboration with SMCRA partners—including inspectors, office staff, and managers—in near-real time. This capability significantly boosts efficiency throughout all workflow stages. For OSMRE, ArcGIS Online provides a web mapping solution for individual users and allows OSMRE to collaborate across the government through maps, ArcGIS StoryMaps, and dashboards that tell an interactive story and provide immersive charts or data analytics.

<u>Mobile GIS:</u> OSMRE's strategy has been to empower each region and field personnel to assist in the enhancement of field mapping software and solutions. Part of that strategy is to ensure OSMRE personnel have the tools they need to facilitate their field work and to collaboratively improve workflow efficiencies in FY 2026.

<u>Unmanned Aircraft Systems (UAS):</u> OSMRE delivers vital technical assistance through the deployment of UAS at mining sites. These drones capture hundreds of high-resolution photographs, which are subsequently processed into comprehensive images and elevation models. OSMRE utilizes these models to accurately calculate the volumes of various mining features, such as spoil piles and pits, thereby facilitating precise assessments of reclamation costs. OSMRE will revisit the location post-reclamation to conduct a comparative analysis. This systematic approach culminates in a clear before-and-after evaluation of reclamation efforts, highlighting the effectiveness of OSMRE in providing technical assistance to State partners.

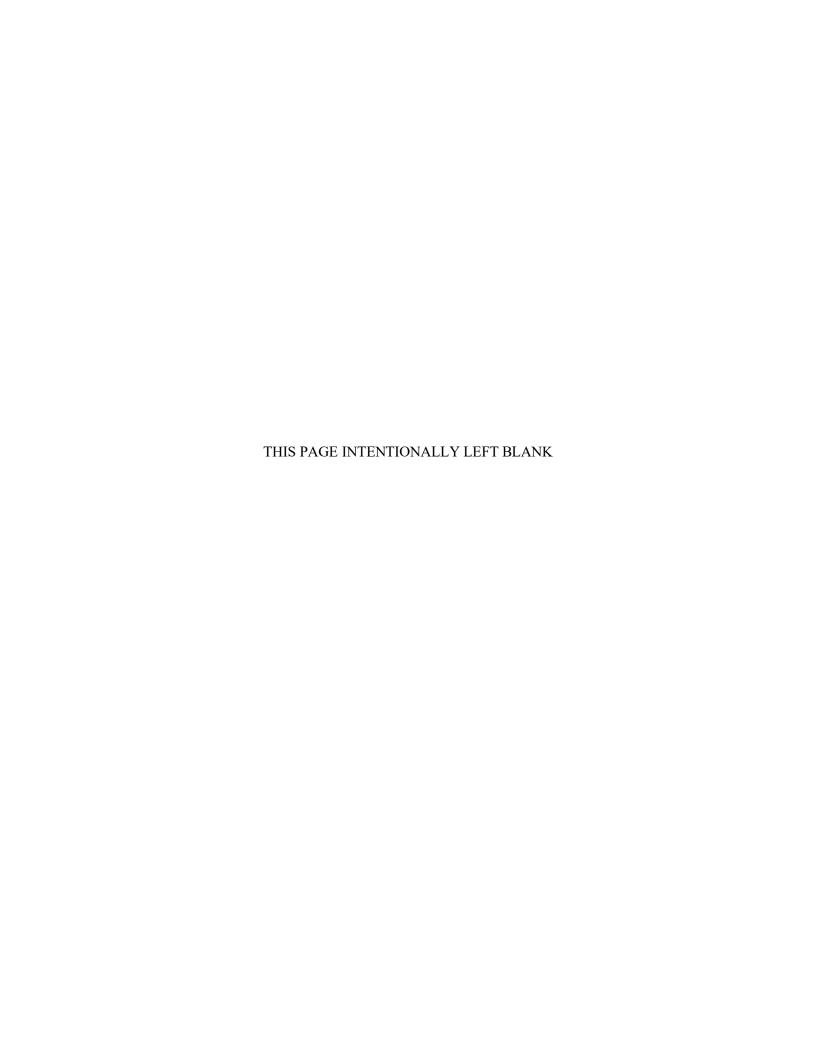
FY 2026 Planned Program Activities

In FY 2026, ongoing and planned activities in Technology Development and Transfer include:

- Providing technical assistance to States and Tribes, making use of emerging technologies for field data collection and in-house information processing capabilities.
- Supporting development of domestic sources of critical minerals.
- Supporting State and Tribal coal reclamation programs with direct technical support using GIS to support field data collection both internally and with States and Tribes.
- Upgrading data collection applications and methodologies so that data collected in the field is better used and shared.
- Developing course materials and topics that are relevant, useful, and technically sound applications.
- Continuing to provide effective unmanned aircraft systems (UAS) services.

ABANDONED MINE RECLAMATION FUND

Financial Management



ABANDONED MINE RECLAMATION FUND FINANCIAL MANAGEMENT

Financial Management Activity Budget Request

(Dollars in Thousands)

	2024 Actual	2025 Notional ¹	2026 Request	
Financial Management	5,836	5,504	5,836	

^{1/}Resource levels included are estimates. The President reserves his authority under the "Full-Year Continuing Appropriations and Extensions Act, 2025" (P.L. 119-4) to revise spending within the amounts provided by Congress.

Program Overview

The 2026 Budget requests \$5.9 million for the Financial Management function, which plays a pivotal role in advancing the Abandoned Mine Land program's mission under Title IV of the Surface Mining Control and Reclamation Act. This function encompasses fee collections, compliance and audits, grants financial management, and the investment of the AML Fund balance.

Program Details

Fee Compliance

Fees collected from active coal operators are used by OSMRE, States, and Tribes to mitigate the effects of historic mining by pursuing reclamation of abandoned mine lands. OSMRE collects fees from active coal operators based on tons of coal produced for sale, use, or transfer.

The FY 2026 Budget requests funding for the OSMRE Fee Compliance Program to ensure coal operators accurately report coal production and pay appropriate reclamation fees. The program goal is to maximize compliance by applying policy and collection procedures fairly and consistently at a reasonable cost.

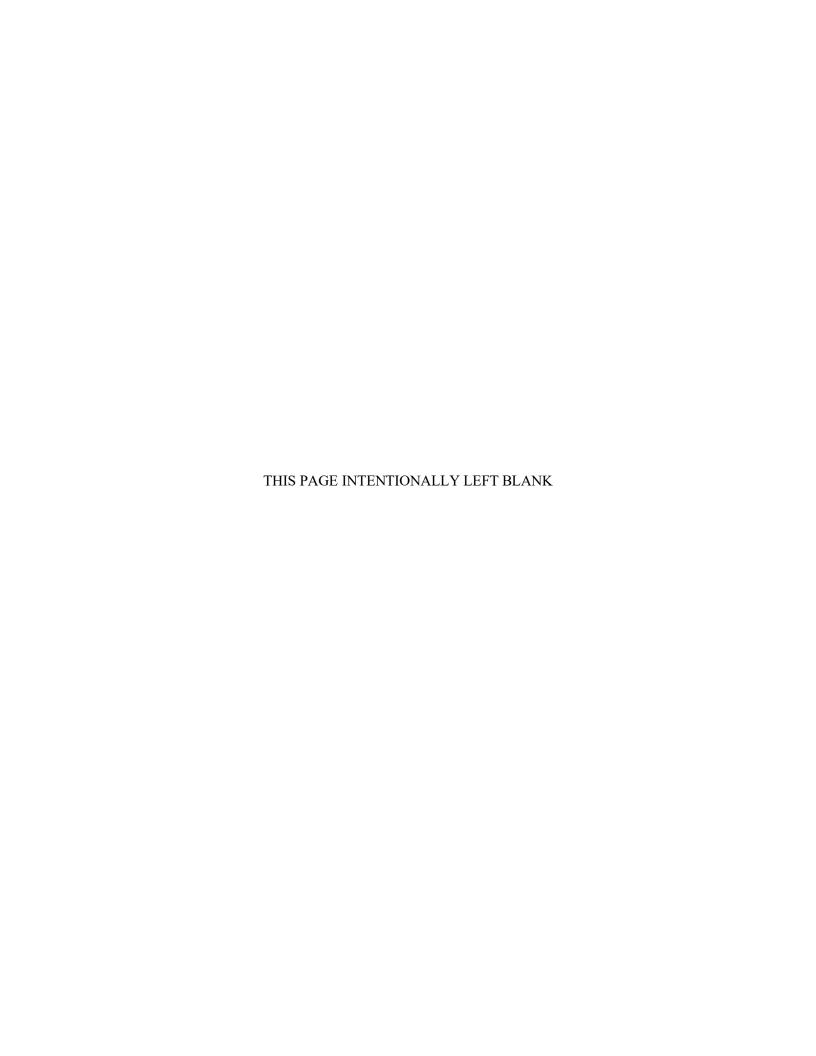
The Fee Compliance Program is comprised of two integrated components – collections and audits – that work hand-in-hand to maximize compliance, minimize the burden on industry, and ensure the efficient use of resources. Key initiatives that OSMRE will pursue in FY 2026 include:

- Maintaining the systems vital to maintain collections, fee rates, tonnage, and violations.
- Increasing the use of automation in conducting fee compliance audits to further improve efficiency.
- Maintaining current auditing systems to efficiently allocated resources and track auditor performance.

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ABANDONED MINE RECLAMATION FUND

Executive Direction and Administration



ABANDONED MINE RECLAMATION FUND EXECUTIVE DIRECTION AND ADMINISTRATION

Executive Direction and Administration Activity Budget Request

(Dollars in Thousands)

	2024 Actual	2025 Notional ¹	2026 Request	
Executive Direction and	6,212	6,141	5,212	
Administration	0,212	0,141	3,212	

¹/Resource levels included are estimates. The President reserves his authority under the "Full-Year Continuing Appropriations and Extensions Act, 2025" (P.L. 119-4) to revise spending within the amounts provided by Congress.

The Budget requests \$5.2 million for Executive Direction and Administration activities. As noted in the Regulation and Technology section, the Executive Direction and Administration activity supports all the bureau's programs, including AML programs. Executive Direction and Administration provides internal executive direction and administrative support to programs, regions, and field offices through the development and coordination of agency policy, budget, plans, and other guidance documents. Additionally, Executive Direction and Administration oversees the implementation of Departmental and Administration initiatives in the Bureau.

The responsibilities for Executive Direction and Administration funded through the AMR appropriation focus on Environmental Restoration and the two business lines providing support functions (Technology Development and Transfer and Financial Management). The Executive Direction and Administration activity supports DOI's strategic goals by providing the required leadership and administrative support functions for OSMRE programs. For more details concerning OSMRE's Executive Direction and Administration see the Regulation and Technology section.

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2026 Request

OTHER EXHIBITS

Disclosure of Administrative Expenses

Public Law 118-42, Consolidated Appropriations Act, 2024, requires disclosure of program assessments used to support Government-wide, Departmental, or agency initiatives or general operations in annual budget justifications to Congress.

SEC. 403. The amount and basis of estimated overhead charges, deductions, reserves, or holdbacks, including working capital fund charges, from programs, projects, activities and subactivities to support government-wide, departmental, agency, or bureau administrative functions or headquarters, regional, or central operations shall be presented in annual budget justifications and subject to approval by the Committees on Appropriations of the House of Representatives and the Senate. Changes to such estimates shall be presented to the Committees on Appropriations for approval.

Working Capital Fund

Dollars in Thousands (\$000)

2025 Notional ¹	,	ĺ	

Activity	Central	Direct	TOTAL	Central	Direct	TOTAL
OS Shared Services	758.7	11.9	770.6	940.4	11.8	952.2
OS Activities	1,211.0	70.8	1,281.8	1,490.0	95.2	1,585.2
IT Shared Services	723.9	1,069.0	1,792.9	764.9	1,340.0	2,104.9
Interior Business Center	149.7	95.0	244.7	162.8	118.6	281.4
TOTAL, WCF Billing	2,843.3	1,246.7	4,090.1	3,358.1	1,565.6	4,923.7

^{1/}Resource levels included are estimates. The President reserves his authority under the "Full-Year Continuing Appropriations and Extensions Act, 2025" (P.L. 119-4) to revise spending within the amounts provided by Congress.

External Administrative Costs

OSMRE funds external administrative costs, to include amounts paid to the Department of the Interior to support Departmental or government-wide costs, in the General Services activity within the Executive Direction and Administration activity.

Bureau Administrative Costs

OSMRE does not assess a charge for overhead, deductions, reserves, or holdbacks against the amounts requested in each of its business lines; rather, Bureau level administrative costs are identified in the Executive Direction and Administration business line in the budget justification. The Executive Direction activity provides executive direction in overall leadership and bureau-wide policy and program performance management guidance. The Administrative Support activity includes all the administrative functions necessary to support program activities including Administration, Human Resources, Administrative Financial Management, and Information Technology. In addition to the DOI Working

Capital Fund, the General Services activity includes essential fixed costs to support OSMRE's program missions such as rent, printing, mail services, Code of Federal Regulations (CFR) publications, telecommunications, and technology contracts. Further information on specific elements of each activity can be found in the Executive Direction and Administration section.

Support functions at the regional and field offices ensure various activities are integrated so the mission is accomplished. Most of these costs are comprised of the salary and benefits for field office directors, regional directors, and their administrative staff. These costs are not identified under Executive Direction and Administration, but rather included in the program funding requested in the respective business lines.

Activity Based Costing allows OSMRE to internally track the indirect costs associated with its various organizational units and program activities. This is important in determining the full cost of program activities for evaluation purposes. By having employees report and track costs at the lowest work breakdown structure level, managers can assess both the direct and indirect costs of programs and activities.

Good Accounting Obligation in Government Act

The Good Accounting Obligation in Government Act (GAO-IG Act, P.L. 115-414) enacted January 3, 2019, requires that Agencies report the status of each open audit recommendation issued more than one year prior to the submission of the Agency's annual budget justification to Congress. The Act requires Agencies to include the current target completion date, implementation status, and any discrepancies on closure determinations.

The Department of the Interior leadership takes audit follow-up very seriously and considers our external auditors, to include the Government Accountability Office (GAO) and Office of the Inspector General, valued partners in not only improving the Department's management and compliance obligations but also enhancing its programmatic and administrative operations. As stewards of taxpayer resources, the Department applies cost-benefit analysis and enterprise risk management principles in recommendation implementation decisions. The Department's GAO-IG Act Report will be available at the following link: https://www.doi.gov/cj