

Applicant/Violator System Office System Advisory Memorandum



SAM # 14 DATE: January 23, 1998

Subject: DELINQUENT AML RECLAMATION FEES, AML NON-RESPONDENCY, and AML AUDIT DEBT

The Applicant/Violator System (AVS) will generate a system recommendation of "DENY" in the presence of three types of non-compliance with Abandoned Mine Land (AML) reclamation program regulations under Title IV of the Surface Mining Control and Reclamation Act of 1977 (SMCRA or the Act). The three types of AML non-compliance are delinquent reclamation fees, non-respondency, and audit debt. This Memorandum provides information describing these violations, how they may be identified in AVS, and how they may be resolved.

1. Delinquent AML Reclamation Fees

AML reclamation fees represent the amount of Federal fee levied on coal tonnage produced during a calendar quarter. Payment of the reclamation fees to OSM is required in accordance with Section 402 of the Act. Payment is expected to accompany the quarterly submission of the Coal Reclamation Fee Report (OSM-1) on which a mining operation reports its quarterly production. Reclamation fees are deemed delinquent if they remain unpaid more than 30 days after the end of a calendar quarter. The date of delinquency, or violation date, is the last day of the calendar quarter.

In AVS, delinquent AML reclamation fees are abbreviated "AML" under the type of violation (VTYPE) in a list of violations. The PERMIT field will contain the Mine Safety and Health Administration (MSHA)¹ identification number for reclamation fees that were delinquent on or before September 30, 1991. For reclamation fees that became delinquent on or after October 1, 1991, the PERMIT field will contain the permit number for the mining operation. The violation number field (VIOLNO) will always be blank for delinquent reclamation fees.

2. Non-Respondents

AML non-respondents are permittees and/or their operators that have failed to

¹ the Mine Safety and Health Administration is an office of the U.S. Department of Labor.

submit a report of their coal production on the OSM-1 form and/or to pay reclamation fees within 30 days following the end of a calendar quarter. Even if coal production for an active mining operation during a calendar quarter is zero, submission of an OSM-1 form to document zero production is still required.

The VTYPE for AML non-respondency is abbreviated "NRSP" in a list of violations in AVS. The VIOLNO field will always be blank for non-respondents.

3. **Audit Debt**

Audit debt represents the amount of reclamation fees owed on the difference between tonnage reported on an OSM-1 form and a company's records of the amount of coal produced. A Fee Compliance Auditor from OSM's Division of Compliance Management will compare the information reported on a company's OSM-1 forms against the company's in-house production records. This comparison process is an audit. The violation date is the first day of the calendar quarter in which the under-reported tonnage is identified.

The VTYPE for audit debt is abbreviated "AUD" in a list of violations in AVS. The PERMIT field will contain the MSHA identification number for audit debt billed on or before September 30, 1991. For audit debt billed on or after October 1, 1991, the PERMIT field should contain the permit number for the mining operation. The VIOLNO field will contain the audit bill number.

RESOLUTION OF AML DEBT

The amount of debt shown in AVS for delinquent reclamation fees and audits must never be interpreted as the amount that will settle the debt. As of June 28, 1996, the amount of debt shown in AVS is the principal. Accruing amounts of penalty, interest, and administrative costs will not be shown in AVS. These costs, however, remain recoverable debt.

Should a regulatory authority receive an inquiry regarding any AML Bill Status code, please refer the inquiry to the AVS Office in Lexington, AVS Recommendations Coordinator. Based upon the status code, the Recommendations Coordinator will then refer the inquiry to the appropriate Federal agency.

Definitions for AML Bill Status codes are contained in the AVS Users Guide at Appendix 4.

Questions regarding reclamation fee payments, non-respondency, audit debt, or how the violator (or another entity) is linked to the debt, should be directed to the AVS Recommendations Coordinator at 1-800-643-9748.

Signed; _____

**Earl D. Bandy, Jr., Chief,
AVS Office, Lexington**