

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 50

Session of
1987

INTRODUCED BY PETRARCA, J. L. WRIGHT, SWEET, DISTLER, VAN HORNE,
FARGO, HALUSKA, TRELLO, PRESTON, BELFANTI, STABACK,
CAPPABIANCA, BURD, CARLSON AND BALDWIN, JANUARY 28, 1987

REFERRED TO COMMITTEE ON MINES AND ENERGY MANAGEMENT,
JANUARY 28, 1987

AN ACT

1 Amending the act of May 31, 1945 (P.L.1198, No.418), entitled,
2 as amended, "An act providing for the conservation and
3 improvement of land affected in connection with surface
4 mining; regulating such mining; providing for the
5 establishment of an emergency bond fund for anthracite deep
6 mine operators; and providing penalties," providing for the
7 establishment of an emergency bond fund to reclaim certain
8 surface mined lands; and further providing for the
9 obligations of operators.

10 The General Assembly of the Commonwealth of Pennsylvania
11 hereby enacts as follows:

12 Section 1. Section 4 of the act of May 31, 1945 (P.L.1198,
13 No.418), known as the Surface Mining Conservation and
14 Reclamation Act, is amended by adding subsections to read:

15 Section 4. Mining Permit; Reclamation Plan; Bond.--* * *

16 (e.2) (1) Within thirty (30) days of the effective date of
17 this act, the department shall establish an emergency bond fund
18 for the purpose of reclaiming any surface mined lands which may
19 be abandoned after the effective date of this act and on which
20 the per-acre performance bond required by subsection (d) and

established by department regulations has not been posted due to
circumstances set forth in subsection (e.3). The department
shall collect from the following classes of licensed surface
mine operators a fee of one dollar (\$1) for each ton of coal
extracted from surface mining operations for which the
department's per-acre bond has not been posted due to
circumstances set forth in subsection (e.3):

A. licensed surface mine operators who submit to the
department three letters of rejection from three separate
bonding companies licensed to do business in this Commonwealth,
stating that the operator has been denied a bond and the grounds
for rejection, and

B. licensed surface mine operators whose bonds are canceled
due to the insolvency or bankruptcy of any insurance company or
surety company licensed to do business in this Commonwealth.

(2) The department shall deposit such moneys into the
emergency bond fund. The department may establish such
recordkeeping and reporting requirements as may be necessary for
the purpose of implementing this subsection. Each operator
affected by this subsection shall remit such moneys to the
department within forty-five (45) days following the sale of the
tonnage on which the fee has been levied. The collection and
deposit of such moneys shall continue until the fund has reached
a level that equals the number of acres for which no per-acre
bond has been posted multiplied by the per-acre bonding
requirement as established by rules and regulations of the
department.

(e.3) If the bonds of any surface coal mine operator are
canceled due to the insolvency or bankruptcy of any insurance
company or surety company authorized to do business in this

1 Commonwealth, and if replacement bonds from any other company
2 are unavailable to such operator, even though the operator
3 possesses sufficient financial resources to otherwise qualify
4 for a bond, or if the operator has received the letters of
5 rejection provided for in subsection (e.2), the operator shall
6 so notify the department in writing. Notice to the department in
7 the case of an operator who has received the letters of
8 rejection provided for in subsection (e.2) shall contain the
9 letters of rejection and such other information as the
10 Environmental Quality Board may, by regulation, prescribe. In
11 lieu of the per-acre bond required by this section, the
12 operator's reclamation obligation for each site for which a
13 permit has been applied shall be secured by the fund provided
14 for in subsection (e.2) until such time as said site has been
15 reclaimed or until an original or replacement bond, as the case
16 may be, has been obtained by the operator: Provided, however,
17 That no permit shall be issued under this subsection unless the
18 operator has filed with the department the minimum ten thousand
19 dollar (\$10,000) bond for the entire permit area, as required by
20 subsection (d). At such time as the operator has satisfied a
21 reclamation obligation secured by the fund provided for in
22 subsection (e.2), the department shall release to the operator
23 the fees collected, in whole or in part, according to the bond
24 release schedule provided for in subsection (g). Any operator
25 whose bond obligation is met by this subsection and whose permit
26 application has been approved shall, throughout the term of the
27 permit, undertake all reasonable actions to obtain an original
28 or replacement bond, as the case may be, for said site. The
29 Environmental Quality Board may adopt regulations which require
30 the operator to demonstrate, from time to time, that he has made

1 such reasonable attempts to obtain an original or replacement
2 bond.

3 (e.4) In collecting the fees provided for in subsection
4 (e.2) and in securing reclamation obligations pursuant to
5 subsection (e.3), the department shall maintain a separate
6 record for each operator. The fees paid by an operator may be
7 used only to secure the reclamation obligations of said
8 operator.

9 * * *

10 Section 2. This act shall take effect immediately.