



House of Representatives

COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

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MEMO

TO: All House Members

FROM: Representative Scott E. Hutchinson

SUBJECT: Co-Sponsorship: Amending the Surface Mining Conservation & Reclamation Act

Former HB 2016

DATE: January 5, 2011

I plan to introduce an amendment to the Surface Mining Conservation and Reclamation Act (SMCRA) (P.L. 1198, No. 418). Specifically, the amendment will allow the Department of Environmental Protection (DEP) to use future premiums collected on outstanding surface mine conversion assistance bonds to help cover the annual operation and maintenance costs (O&M costs) of water treatment systems constructed for Alternative Bonding System (ABS) Legacy sites.

An ABS Legacy Site is a mine site permitted under the Alternate Bonding System (which was in place during the period 1982-2001), contains a post-mining pollution discharge with insufficient funding to cover the cost of water treatment, and the operator responsible for the discharge is no longer in business. These are discharges created by past mining activities and are not the result of any active operations.

Pennsylvania is obligated by court order to ensure that sufficient funding is available to complete the reclamation of all the sites forfeited under the defunct ABS, including post-mining water treatment costs. To address the court's decision, Pennsylvania amended its regulations and initiated adjustments to the reclamation fee paid by current surface mining permit holders. This fee is currently set at \$100 per acre, and is now being used to help provide funding to cover the treatment costs at ABS Legacy Sites.

The amendment to SMCRA that I am proposing will allow DEP to use the premiums being collected on outstanding conversion assistance bonds to help supplement the reclamation fee as a funding source for this purpose. This will also afford all stakeholders, including the Department of Environmental Protection, an opportunity to consider and develop a permanent funding mechanism to finance the annual O&M costs of the treatment systems for ABS Legacy Sites.

It is important to note that this amendment will not require any additional funding to be appropriated to DEP to implement its provisions. It merely provides the Department the discretion to use the premiums paid by surface mine operators to the financial assistance conversion bond program to help defray the costs associated with treating pollution discharges at ABS legacy sites.

This amendment was unanimously recommended by the Mining and Reclamation Advisory Board, a statutorily created panel consisting of public and private members whose purpose is to advise the Department on surface-mining related issues

If you are interested in joining me as a co-sponsor, please contact Jessica Guyer at 783-8188 or via email at jguyer@pahousegop.com. Thank you for your consideration.

PREVIOUS CO-SPONSORS INCLUDE: CAUSER, EVERETT, HENNESSEY, HORNAMAN, PYLE, RAPP, ROAE, SIPTROTH, SONNEY, STERN, STEVENSON AND VULAKOVICH