

Supporting Statement A
30 CFR Part 800 - Bond and Insurance Requirements for
Surface Coal Mining and Reclamation Operations
under Regulatory Programs

OMB Control Number 1029-0043

Terms of Clearance: None

General Instructions

A completed Supporting Statement A must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain the information specified below. If an item is not applicable, provide a brief explanation. When the question "Does this ICR contain surveys, censuses, or employ statistical methods?" is checked "Yes," then a Supporting Statement B must be completed. OMB reserves the right to require the submission of additional information with respect to any request for approval.

Specific Instructions

Justification

1. *Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.*
2. *Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection. Be specific. If this collection is a form or a questionnaire, every question needs to be justified.*
3. *Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden and specifically how this collection meets GPEA requirements.*
4. *Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.*

5. *If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.*
6. *Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.*
7. *Explain any special circumstances that would cause an information collection to be conducted in a manner:*
 - * requiring respondents to report information to the agency more often than quarterly;*
 - * requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;*
 - * requiring respondents to submit more than an original and two copies of any document;*
 - * requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;*
 - * in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study;*
 - * requiring the use of a statistical data classification that has not been reviewed and approved by OMB;*
 - * that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or*
 - * requiring respondents to submit proprietary trade secrets, or other confidential information, unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.*
8. *If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and in response to the PRA statement associated with the collection over the past three years, and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.*

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every three years — even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

9. *Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.*
10. *Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.*
11. *Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.*
12. *Provide estimates of the hour burden of the collection of information. The statement should:*
 - * *Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.*
 - * *If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.*
 - * *Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here.*
13. *Provide an estimate of the total annual non-hour cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected in item 12.)*
 - * *The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information (including filing fees paid for form processing). Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.*
 - * *If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting*

out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.

** Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.*

- 14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.*
- 15. Explain the reasons for any program changes or adjustments in hour or cost burden.*
- 16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.*
- 17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.*
- 18. Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions."*

Introduction

The Office of Surface Mining Reclamation and Enforcement (OSMRE or we) are submitting this information collection clearance request to renew our authority to collect information for 30 CFR Part 800 - Bond and Insurance Requirements for Surface Coal Mining and Reclamation Operations under Regulatory Programs. The Office of Management and Budget (OMB) previously reviewed and approved this collection of information and assigned it control number 1029-0043.

The regulations at 30 CFR Part 800 primarily implement §509 of the Surface Mining Control and Reclamation Act of 1977 (SMCRA or the Act), which requires that persons planning to conduct surface coal mining operations first post a performance bond to guarantee fulfillment of all reclamation obligations under the approved permit. The regulations also establish bond release requirements and procedures consistent with §519 of the Act, liability insurance requirements pursuant to §507(f) of the Act, and procedures for bond forfeiture should the permittee default on reclamation obligations.

This submission represents a net decrease of 76,178 hours from the currently approved collection burden for 30 CFR Part 800, due to a decrease in permit applications, reducing the burden for that part from 147,817 hours to **71,639 hours**. This collection will see a non-wage cost reduction of \$934,518 due primarily to a significant decrease in the number of current bond release requests, thus decreasing the non-wage cost for that part from \$1,499,614 to a new **\$565,096**.

There have been no regulatory changes in 30 CFR Part 800.

In general, each section of part 800 for which there is an information collection requirement is discussed separately. However, the information collection requirements of 30 CFR 800.11, 800.17, and 800.70, all of which require that a person file a performance bond as a prerequisite for conducting surface coal mining operations, overlap with each other and with §§800.20, 800.21, and 800.23, which establish requirements associated with surety bonds, collateral bonds, and self-bonds, respectively. All bonds filed under §§800.11, 800.17, and 800.70 [including, at present, almost all bonds filed under an alternative bonding system approved pursuant to §800.11(e)] consist of surety bonds, collateral bonds, or self-bonds or some combination thereof. Therefore, to avoid duplication, this information collection request apportions the information collection burden for §§800.11, 800.17, and 800.70 among §§800.20, 800.21, and 800.23. There is no information collection burden for §800.30 because that section merely authorizes bond replacement in situations in which the permittee elects to replace existing bonds for reasons of its own choosing rather than situations in which the Act, regulations, or regulatory authority require bond replacement.

We are also submitting for OMB approval a copy of the bond release form that we use to implement the information collection requirements of 30 CFR 800 in Federal program states. The burden for completing that form has been incorporated into (and has always been a part of) the information collection burden for the various sections within this part.

The responses to some items in the instructions for the supporting statement are identical for each section; those responses appear on pages 7-9 of this document.

The following table summarizes the information collection requirements and changes to the current collection burden for Part 800.

INFORMATION COLLECTION SUMMARY FOR 30 CFR PART 800							
Section	Private sector responses	Hours per response	State responses	Hours per State	Total hours	Current hours	Change to hours
800.14	80	20	79	30	3,970	11,880	-7,910
800.15	0	0	3,445	4.798	13,085	13,784	-699
800.16	6	1.5	6	1	15	15	0
800.20	856	12	844	2	11,960	11,532	428
800.21	342	10.5	335	4	4,931	5,978	-1,047
800.23	24	16.10	23	16	753	1,751	-998
800.40	729	12	718	35.24	34,050	99,252	-65,202
800.50	0	0	25	9.96	249	475	-226
800.60	1,313	2	0	0	2,626	3,150	-524
Totals	0		0		0	0	0

NON-WAGE COST BURDEN FOR 30 CFR PART 800							
Section	Permittee responses	Cost per response	State responses	Cost per State	Total non-wage costs	Current non-wage costs	Change to costs
800.14	80	\$50	79	\$50	\$7,950	\$19,850	-\$11,900
800.15	0	0	550	\$50	\$27,500	\$38,900	-\$11,400
800.16	18	\$3	6	\$3	\$72	\$84	-12
800.20	0	0	0	0	0	0	0
800.21	0	0	0	0	0	0	0
800.23	0	0	0	0	0	0	0
800.40	729	\$605	718	\$123.09	\$529,427	\$1,440,522	-\$911,095
800.50	0	0	49	\$3	\$147	\$258	-\$111
800.60	0	0	0	0	0	0	0
Totals	0		1,402		\$0	\$1,499,614	0

FEDERAL COST BURDEN FOR 30 CFR PART 800				
Section	Oversight	Federal Programs	Non-wage Costs	Total Cost
800.14	\$5,352	\$3,395	\$0	\$8,747
800.15	\$2,676	\$14,584	\$450	\$17,710
800.16	\$358	\$137	\$0	\$495
800.20	\$2,007	\$2,408	\$0	\$4,415
800.21	\$2,007	\$1,873	\$0	\$3,880
800.23	\$2,007	\$1,070	\$0	\$3,077
800.40	\$2,007	\$15,253	\$830	\$18,090
800.50	\$669	\$1,472	\$0	\$2,141
800.60	\$401	\$0	\$0	\$401
Totals	\$0	0	0	0

Items for Which Responses are Identical for All Sections

Justification

3. Collection of information by automated methods generally is not practical because regulatory authorities, mining companies, and financial institutions normally use paper forms as bonding instruments, in part because of legal implications. Almost all respondents are (1) individual mining companies that submit bonds and apply for bond release on an as-needed basis, or (2) State regulatory authorities that determine bond amounts, review bond documents, and process bond release applications. An increasing number of respondents use automated media to store information relevant to the collections of information required for part 800. Some State regulatory authorities use automation to calculate bond amounts.
4. The requested information is time-sensitive and unique to each applicant or surface coal mining operation. Since it is collected infrequently (generally only at the time of application for a permit, permit revision, permit renewal, or release of bond), duplication is minimal. OSMRE is not aware of any other Federal agency that collects this information. OSMRE is the only Federal agency charged with implementation of SMCRA with respect to performance bonds for surface coal mining operations.
5. There are no special provisions for small businesses or other small entities. Nor are any appropriate because the requested information is essential to ensuring and maintaining the integrity of the performance bond and liability insurance required for each surface coal mining operation.
6. If the requested information was not collected or was collected less frequently, OSMRE and State regulatory authorities would be less able to ensure that surface coal mining operations post and maintain viable performance bonds and liability insurance policies as required by §§509 and 507(f) of the Act. OSMRE and State regulatory authorities also would be less able to ensure that all necessary reclamation has been completed before all or part of a bond is released in accordance with §519 of the Act. Finally, the ability of OSMRE and State regulatory authorities to forfeit bond and reclaim the affected acreage would be adversely impacted.
7. No collection of information for part 800 is inconsistent with the guidelines at 5 CFR 1320.5(d)(2) as summarized in the instructions for this item of the supporting statement.
8. In March of 2018, OSMRE contacted the following respondents to obtain their views on the information collection burden imposed by part 800 and the clarity of the regulations:

Program Manager
West Virginia Department of Environmental Protection
Division of Mining & Reclamation
Charleston, WV 25304

Director of Reclamation & AML Divisions
North Dakota Public Service Commission
Bismarck, ND 58505-0480

Director
Alabama Surface Mining Commission
Jasper, AL 35502-2390

North American Coal Corporation – Centennial Natural Resources
Jasper, AL 35501

Coronado Coal LLC
Beckley, WV 25801

Land Administration Specialist
North American Coal Corporation
Bismarck, ND 58501-1204

Office of Surface Mining Reclamation and Enforcement
Knoxville Field Office, Technical Group
Knoxville, TN 37902

We used information provided by these individuals as part of the process of calculating the total burden identified in the responses to items 12 and 13 for each section. We received no comments or suggestions from these individuals regarding the availability of data, frequency of collection, clarity of instructions, nor data elements reported.

[Note: Each regulatory authority has developed its own bonding forms to be completed in primacy States. Therefore, the information collected in the bonding forms may vary from State to State.]

On May 22, 2018, OSMRE published in the Federal Register (83 FR 23720) a notice requesting comments from the public regarding the need for the collection of information, the accuracy of the burden estimate, ways to enhance the information collection, and ways to minimize the burden on respondents. This notice gave the public 60 days in which to comment. No comments were received during this comment period.

9. OSMRE and State regulatory authorities provide no payments or gifts to respondents.
10. The Act and Federal regulations do not authorize information concerning performance bonds and insurance to be kept confidential. Under 30 CFR 840.14(b), copies of all

information obtained by the regulatory authority must be made immediately available to the public in the area of mining until at least five years after expiration of the period during which the operation is active or is covered by any portion of a performance bond. The only exceptions are for (1) information protected by other Federal laws or (2) certain permit application information specified in 30 CFR 772.15 and 773.6(d). The latter exception does not apply to performance bonds and insurance policies.

11. There are no questions of a sensitive nature.
12. The estimated wage costs for various disciplines within the mining industry were found on the BLS website at https://www.bls.gov/oes/current/naics4_212100.htm. For simplicity, we have determined that an average compensation of \$50.43 per hour approximates the combination of the individual salaries of those staff (engineers, engineering technicians, administrative assistants, and managers) that prepare and submit industry application. For some sections where the salary consists of a higher salary, such as when a company lawyer is more accurate, we will use the exact salary rather than an average of multiple disciplines. This hourly rate includes benefits based on a multiplier of 1.4 times the base wage costs for private industry. This benefit multiplier is derived from BLS news release entitled Employer Costs for Employee Compensation – December 2017, USDL-18-0451, dated March 20, 2018, and may be found at: <http://www.bls.gov/news.release/pdf/ecec.pdf>.

The estimated wage costs to State employees were found on the BLS website at http://www.bls.gov/oes/current/naics4_999200.htm. For simplicity, we have determined that an average compensation of \$61.08 per hour approximates the combination of the individual salaries of those state regulatory staff (engineers, engineering technicians, hydrologists, biological scientists, and administrative assistants) that would conduct the review. For some sections where the salary consists of the higher salary, such as when a state lawyer is more accurate, we will use the exact salary rather than an average of multiple disciplines. This hourly rate includes benefits based on a multiplier of 1.6 times the base wage costs for state government. This benefit multiplier is derived from BLS news release entitled Employer Costs for Employee Compensation – December 2017, USDL-18-0451, dated March 20, 2018, and may be found at: <http://www.bls.gov/news.release/pdf/ecec.pdf>.

14. Federal wage costs were derived from the Office of Personnel Management's wage table found at https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2018/RUS_h.pdf. We have included benefits based on a multiplier of 1.6 times the wage costs for Federal employees based on the BLS news release USDL-18-0451. The compensation of a GS-13 step 1 Federal employee for the Rest of the United States pay locality area is \$66.90 per hour. This hourly rate includes benefits based on a multiplier by 1.6 for fringe benefit costs times the base wage costs for Federal government.
16. OSMRE has no plans to publish the information collected.

17. OSMRE is not seeking a waiver from the requirement to display the expiration date of the OMB approval of the information collection.
18. There are no exceptions to the “Certification for Paperwork Reduction Act Submissions.”

30 CFR 800.14 - Determination of bond amount

Note: The burden estimates and discussions in the supporting statement for this section include only the burden associated with determining the amount of bond required for a new permit application. The burden associated with determining changes in bond amounts as a result of permit revisions is discussed in the supporting statement for 30 CFR 800.15 and is included in the burden for that section.

Justification

1. Section 509(a) of the Act and 30 CFR 800.14 of the regulations require that the regulatory authority determine the amount of bond required for surface coal mining and reclamation operations.
2. OSMRE and State regulatory authorities under SMCRA use this information to ensure that persons who conduct or intend to conduct surface coal mining and reclamation operations file the amount of performance bond required by §509(a) of the Act and §800.14; i.e., an amount sufficient to ensure completion of the reclamation plan in the event that the regulatory authority has to perform the work under conditions of bond forfeiture.
3. See list of items with identical responses.
4. See list of items with identical responses.
5. See list of items with identical responses.
6. See list of items with identical responses.
7. See list of items with identical responses.
8. See list of items with identical responses.
9. See list of items with identical responses.
10. See list of items with identical responses.
11. See list of items with identical responses.
12. Estimated Information Collection Burden
 - a. Burden Hour Estimates for Respondents

Based on data from State-specific annual evaluation reports averaged over the past three years, we estimate that the 24 State regulatory authorities will approve approximately 79 new permits each year, and OSMRE will approve 1 additional new permit where we are the regulatory authority. The three Appalachian states of Kentucky, Pennsylvania, and West Virginia have approved 80% of the new permits in recent years.

Burden on Mine Applicants

For each new permit application the applicant must prepare and submit an estimated bond amount calculation for the permit. Although §800.14 does not state that permit applicants provide this bond calculation, it is standard practice. Therefore, we are including it as a permittee burden.

Based on discussions with those identified in item 8 and OSMRE expertise, each permit applicant will require between 16 hours and 240 hours, (depending on complexity) and an average of 20 hours, to complete the bond calculation estimates and send them to the regulatory authority. Western mines, such as those in North Dakota where we surveyed, are less frequent but typically much larger, more unique and complex, and require collecting background data that is not as readily available as many other mines. Western United States operators estimate that they can expend as much as 240 hours to calculate the bond. This contrasts with the many smaller mines in the Appalachian coal fields where there is much more background data and completed studies available to shorten the time associated with calculating the bond estimate for a new permit. Therefore, the total burden incurred by permittees is **1,600 hours** (20 hours x 80 applications).

Burden on State Regulatory Authorities

For each new permit application, the regulatory authority must review the permit applicant's bond calculations, then compile their own bonding calculations to determine the bond amount for permit issuance. Some states, such as Kentucky, use an EXCEL spreadsheet where data can be quickly and easily entered, and that performs the calculations and greatly simplifies the process. Based on OSMRE's experience in situations where it is the regulatory authority, and discussions with the State regulatory authority contacted under item 8, we estimate that regulatory authorities need 2 hours to 80 hours, with an average of 30 hours, to calculate the amount of bond required for a new permit. This number varies depending on the size and complexity of the proposed operation; the topography, geology, and hydrology of the site; the experience of the person doing the calculations; potential reclamation difficulties; and if a site visit is necessary.

Therefore, OSMRE estimates that the total burden to the 24 State regulatory authorities to comply with the information requirements of §800.14 is **2,370** (79 new permit applications received by the States x 30 hours per application).

Therefore, the total burden to all respondents is **3,970 hours** (1,600 hours for permit applicants + 2,370 hours for State regulatory authorities).

b. Estimated Annual Wage Cost to Respondents

We estimate that the annual wage cost for each permit applicant for §800.14 is \$1,009 (20 hours x \$50.43 per hour). Therefore, the total wage cost to all industry respondents is \$1,009 x 80 permits = \$80,720.

In addition, it takes 30 hours for each State regulatory authority to review and recalculate the bond estimates for each permit application.

We estimate that the wage costs to State mining engineers and others who process this information to be \$61.08 per hour (including benefits). Therefore, the estimated annual wage cost for SRAs to review and recalculate bonding is \$61.08 per hour x 30 hours = \$1,832, and the total wage cost for all State regulatory authorities is \$144,728 (\$1,832 x 79 permits).

Therefore, the total wage cost to all respondents is \$225,448 (\$80,720 + \$144,728).

(See item 12, page 9 for the discussion of wage costs and benefits multipliers.)

13. Total Annual Non-Wage Cost Burden to Respondents

a. Annualized Capital and Start-Up Costs

OSMRE estimates that the annual non-wage cost burden to the permit applicants and the 24 State regulatory authorities for compliance with §800.14 is \$50 per new permit application, principally for possible travel to the mine site, updating reference materials, and copying. Therefore, for applicants, 80 permit applications x \$50 = \$4,000. For State regulatory authorities, 79 permit applications received x \$50 = \$3,950. The total cost is **\$7,950** (4,000 + 3,950).

b. Operation and Maintenance Costs

Compliance with §800.14 does not involve any operation and maintenance costs apart from those associated with customary business activities.

14. Estimate of Annualized Cost to the Federal Government

Oversight: In keeping with the current guidance concerning oversight of State program implementation, which de-emphasizes process reviews, OSMRE does not anticipate conducting any significant oversight review of State compliance with the requirements of §800.14 in the absence of any indication of programmatic problems. We assume that we will conduct an oversight review of this topic in one State program per year and that each review requires an average of 80 hours for a GS 13/1 regulatory program specialist earning \$66.90 per hour with benefits (see item 14, page 9 for details). Therefore, the

annual cost to the Federal government for this oversight activity is estimated to be **\$5,352** (rounded).

Federal Programs: Based upon data collected from Evaluation years 2015-2017, OSMRE estimates that it will annually approve approximately 1 permit application for which we are the regulatory authority. Because we do not use an alternative bonding system, the time required to assess the amount of bond for each application is estimated to be 50 hours. At an average salary of \$66.90 per hour, including benefits, for a GS 13/1, civil engineer, the annual wage cost to the Federal government to determine bond amounts for new permit applications is \$3,345 (1 application x 50 hours per application x \$66.90 per hour). Non-wage costs, primarily for travel to the mine site, updating reference materials, and copying, total an estimated \$50 (1 application x \$50 per application) per year. Total annual Federal program costs are estimated to be **\$3,395** (\$3,345 for wage costs + \$50 non-wage costs).

Total Federal Cost

\$5,352	Oversight
+ \$3,395	Federal Programs
<hr/>	
\$8,747	Total Federal Cost

15. The currently approved burden hours for §800.14 is 11,880 hours. OSMRE is now requesting 3,970 burden hours for this section. This decrease is due to the significant decrease in new permit applications being received in the past three years.

11,880	hours currently approved
- 7,910	hours due to an adjustment
<hr/>	
3,970	hours requested

This request will reduce the currently approved non-wage cost of \$19,850 to \$7,950 due to a reduction in use.

16. See list of items with identical responses.
17. See list of items with identical responses.
18. See list of items with identical responses.

30 CFR 800.15 - Adjustment of amount

Note: The burden estimates and discussions in this supporting statement apply only to the burden on the regulatory authority. The burden on permittees of actually adjusting the bond is included in the burdens for 30 CFR 800.20, 800.21, and 800.23.

Justification

1. Section 509(e) of the Act provides that the regulatory authority must adjust the amount of bond required and the terms of acceptance from time to time as the acreage of affected land increases or decreases or the cost of future reclamation changes. Paragraph (a) of §800.15 includes a similar provision. Paragraph (c) clarifies that bond reductions under this provision need not be processed as bond releases.

Paragraph (b) of §800.15 requires that, prior to ordering an adjustment, the regulatory authority notify the permittee, the surety, and any person with an interest in collateral posted as bond. This paragraph also allows the permittee to request an informal conference on the proposed adjustment. These provisions are intended to protect the rights of the permittee and parties with an interest in the bond.

Paragraph (d) of §800.15 requires that the regulatory authority reevaluate bond adequacy as part of the process of reviewing an application for a permit revision. This provision is intended to ensure that the bond amount remains sufficient to complete the reclamation plan in the event of bond forfeiture, as required by §509(a) of the Act. Section 201(c)(2) of SMCRA, which provides that the Secretary must promulgate rules and regulations to carry out the purposes and provisions of the Act, authorizes collection of this information.

2. OSMRE and State regulatory authorities under SMCRA use this information to ensure that persons who conduct or intend to conduct surface coal mining and reclamation operations maintain the amount of performance bond required by §509(a) of the Act, i.e., an amount sufficient to ensure completion of the reclamation plan in the event that the regulatory authority has to perform the work under conditions of bond forfeiture.

Persons receiving notification of proposed bond adjustments pursuant to §800.15(b) use this information to protect their rights and interests. Timely notification is essential to ensure that potentially affected parties are able to exercise their informal review and appeal rights.

3. See list of items with identical responses.
4. See list of items with identical responses.
5. See list of items with identical responses.

6. See list of items with identical responses.
7. See list of items with identical responses.
8. See list of items with identical responses.
9. See list of items with identical responses.
10. See list of items with identical responses.
11. See list of items with identical responses.
12. Estimated Information Collection Burden

- a. Burden Hour Estimates for Respondents

In OSMRE's experience, bond adjustments of the nature addressed by this section occur only in connection with permit revisions. Based upon data from State-specific annual evaluation reports for the 2015-2017 evaluation years, OSMRE estimates that the 24 State regulatory authorities approve approximately 2,345 applications for permit revisions each year (450 for incidental boundary revisions, 120 for additional acreage revisions, and 1,775 for other revisions), excluding applications for the transfer, sale, or assignment of permit rights. OSMRE expects to receive an additional 65 applications for permit revisions annually on lands where it is the regulatory authority.

Consultations with regulatory authorities, coupled with OSMRE's experience in situations where it is the regulatory authority, indicates that the time required reviewing permit revision applications to determine whether a bond adjustment is necessary ranges from 0.5 hours to 20 hours, depending on the nature of the proposed revision and the number of increments to be bonded. The estimated average time needed is 3 hours.

Based on consultations with regulatory authorities and OSMRE staff in Tennessee (where OSMRE is the regulatory authority), OSMRE estimates that 80% of incidental boundary revisions and amendments and approximately 10% of all other permit revision applications require a bond adjustment. Data for the 2015-2017 evaluation years indicate that State regulatory authorities process approximately 2,345 permit revision applications per year. Of this total, approximately 550 revision applications processed by State regulatory authorities require bond adjustments [80 % of 450 incidental boundary revisions (IBR) + 10% of (120 amendments that add acreage but are not IBRs + 1,775 for other amendments that do not add acreage)]. As noted in the supporting statement for §800.14, OSMRE estimates that, on average, a State regulatory authority needs 30 hours to calculate the amount of bond required for issuing a new permit. Based upon consultation with regulatory authorities, recalculating the required bond amount to reflect the impact of a permit revision requires less time, approximately 10 hours, which is attributed to time saving spreadsheets and other computer programs used by regulatory authorities to recalculate the bond.

Likewise, information from regulatory authorities indicate that providing notice to interested parties under paragraph (b) of this section requires an average of 1 hour for each permit revision application that involves a bond adjustment.

Therefore, OSMRE estimates that the total burden to the 24 State regulatory authorities to comply with the information requirements of §800.15 is **13,085 hours**, broken down as follows:

- 7,035 hours to review permit revision applications to determine whether a bond adjustment may be appropriate (2,345 permit revision applications x 3 hours per revision).
- 5,500 hours to determine the size of the bond adjustment (550 permit revision applications that involve a bond adjustment x 10 hours per application).
- 550 hours to notify persons with an interest in the bond being adjusted (550 permit revision applications that involve a bond adjustment x 1 hour per application).

b. Estimated Annual Wage Cost to Respondents

We estimate that the wage costs to State mining engineers and others who process this information to be \$61.08 per hour (rounded and including benefits). Therefore, the estimated annual wage cost for SRA's to prepare bond adjustments is \$61.08 per hour x 13,085 hours = \$799,232.

(See item 12, page 9 for the discussion of wage costs and benefits multipliers.)

13. Total Annual Non-Wage Cost Burden to Respondents

a. Annualized Capital and Start-Up Costs

OSMRE estimates that the annual non-wage cost burden to the 24 State regulatory authorities for compliance with §800.15 averages approximately \$50 for each permit revision application that involves a bond adjustment, principally for travel to the mine site, updating reference materials, office supplies, and copying, for a total of \$27,500 (550 permit revision applications that involve a bond adjustment x \$50 per application).

b. Operation and Maintenance Costs

Compliance with §800.15 does not involve any operation and maintenance costs apart from those customary business practices.

14. Estimate of Annualized Cost to the Federal Government

Oversight: In keeping with the current guidance concerning oversight of State program implementation, which de-emphasizes process reviews, OSMRE does not anticipate conducting any significant oversight review of State compliance with the requirements of §800.15 in the absence of any indication of programmatic problems. We assume that we will conduct an oversight review of this topic in one State program per year and that each review requires an average of 40 hours for a GS 13/1 regulatory program specialist earning \$66.90 per hour with benefits (see item 14, page 9 for details) . Therefore, the annual cost to the Federal government for this oversight activity is estimated to be **\$2,676** (rounded).

Federal Programs: Based upon data collected in 2015-2017, OSMRE estimates that it will annually process approximately 65 applications for permit revisions for lands and operations for which OSMRE is the regulatory authority. Reviewing those applications to determine whether a bond adjustment may be appropriate requires an average of 1 hour, with a total review burden of 65 hours (65 permit revision applications x 1 hour per application).

An estimated 9 [(80% of 4 incidental boundary revisions = 3.2) + (10% of approximately 61 of all others = 6.1)] of those applications involve bond adjustments. As noted in the supporting statement for §800.14, OSMRE needs an average of 50 hours to calculate the amount of bond required for a new permit. In OSMRE's experience, recalculating the required bond amount to reflect the impact of a permit revision requires somewhat less time, an average of approximately 16 hours. Hence, this activity requires a total of 144 hours (9 applications x 16 hours each).

Providing notice to interested parties under 30 CFR 800.15(b) requires an average of 1 hour for each permit revision application that involves a bond adjustment. This item adds a burden of 9 hours (9 applications x 1 hours per application).

Therefore, the total Federal Program burden to comply with the information requirements of 30 CFR 800.15 is 218 hours (65 hours to review permit revision applications to determine whether a bond adjustment may be required + 144 hours to determine the size of the bond adjustment + 9 hours to notify persons with an interest in the bond being adjusted and conduct informal conferences on proposed bond adjustments). At an average salary of \$66.90 per hour (including benefits), the annual wage cost to the Federal government to determine bond amounts for permit revision applications is **\$14,584** (218 hours x \$66.90 per hour).

(See item 14, page 9 for the discussion of wage costs and benefits multipliers.)

Non-wage costs, primarily for travel to the mine site, updating reference materials, office supplies, and copying, total an estimated **\$450** (9 permit revision applications that involve a bond adjustment x \$50 per application) per year.

Total Federal Cost:

	\$ 2,676	Oversight
+	\$ 14,584	Federal programs
+	\$ 450	Non-wage costs
	\$ 17,710	Total Federal cost

15. The currently approved information collection burden for §800.15 totals 13,784 hours. As discussed in item 12.a. we now estimate that the total burden to the 24 State regulatory authorities to comply with the information requirements of §800.15 is 13,085 hours. This 699 hour decrease results from a reduction in the number of applications for revisions requiring new bond calculations.

Therefore, the burden for §800.15 will change as follows:

	13,784	hours currently approved
-	699	hours due to adjustments
	13,085	hours requested

This request includes a non-wage cost of \$27,500, a reduction of \$11,400 from the currently approved \$38,900 due to an adjusted reduction in use.

16. See list of items with identical responses.
17. See list of items with identical responses.
18. See list of items with identical responses.

30 CFR 800.16 - General terms and conditions of bond

Justification

1. Under 30 CFR 800.16(e), a bank or surety company that underwrites a performance bond under SMCRA must promptly notify the regulatory authority and the permittee if the bank is declared insolvent, the surety company files for bankruptcy, or either entity loses its charter or license to do business. The permittee also has an obligation to report any such incapacity to the regulatory authority, which must then notify the permittee of the need to obtain a replacement bond within 90 days.

These requirements are necessary to ensure that all surface coal mining and reclamation operations remain fully bonded in accordance with §509 of the Act. Section 201(c)(2) of SMCRA, which provides that the Secretary must promulgate rules and regulations to carry out the purposes and provisions of the Act, authorizes collection of this information.

2. OSMRE and State regulatory authorities rely upon notifications from permittees, banks, and surety companies to determine when a properly executed surety or collateral bond ceases to be viable because of the incapacity of the bank or surety company. Subsequent regulatory authority notification of the permittee of the need to obtain replacement coverage is essential to ensure that funds are available to complete the reclamation plan in the event of bond forfeiture, as required by §509(a) of SMCRA.
3. See list of items with identical responses.
4. See list of items with identical responses.
5. See list of items with identical responses.
6. See list of items with identical responses.
7. See list of items with identical responses.
8. See list of items with identical responses.
9. See list of items with identical responses.
10. See list of items with identical responses.
11. See list of items with identical responses.
12. Estimated Information Collection Burden
 - a. Burden Hour Estimates for Respondents

Bank insolvencies and surety company bankruptcies are rare and occur at unpredictable frequencies. For purposes of this analysis, OSMRE is assuming that the notification requirements of §800.16(e) will apply to 0.1% of the surety and collateral bonds in existence in any one year. OSMRE estimates that 98% of all inspectable units (mines and related facilities) rely upon surety or collateral bonds. Therefore, based upon data from State-specific annual evaluation reports for the 2015-2017 evaluation years, OSMRE estimates that the notification requirements of §800.16(e) apply to approximately 6 inspectable units each year ($0.001 \times 0.98 \times 5,900$ total inspectable units for State and OSMRE regulatory authorities). Based on the same data, States would have primary regulatory authority for all 6 of the affected units.

According to OSMRE's experience in situations where it is the regulatory authority, preparing and mailing each notification by banks and permittees requires an average of 0.5 hour. Notification prepared by regulatory authorities require 1 hour. Each affected bond involves four notifications:

- One from the bank or surety company to the permittee;
- One from the bank or surety company to the regulatory authority;
- One from the permittee to the regulatory authority; and
- One from the regulatory authority to the permittee.

Therefore, OSMRE estimates that the aggregate information collection burden on banks and surety companies would be 6 hours (6 affected bonds x 2 notifications per bond x 0.5 hour per notification); the burden on permittees would be 3 hours (6 affected bonds x 1 notification per bond x 0.5 hour per notification); and the burden on State regulatory authorities would be 6 hours (6 affected bonds x 1 notification per bond x 1 hour per notification). The total burden to all respondents to comply with the information requirements of §800.16 is an estimated **15 hours** (6 hours for banks and surety companies + 3 hours for permittees + 6 hours for State regulatory authorities).

b. Estimated Annual Wage Cost to Respondents

We estimate that the wage costs to surety company lawyers to be \$103.22 per hour including benefits x 6 hours = \$619, the estimated wage costs to coal industry lawyers would be \$103.22 x 3 hours = \$342, and the estimated wage costs to State mining engineers would be \$79.90 x 6 hours = \$479. Therefore, the wage cost to all respondents would be \$1,201 (\$619 for surety lawyers + \$342 for permittee lawyers + \$240 for State engineers.)

(See item 12, page 9 for the discussion of wage costs and benefits multipliers.)

13. Total Annual Non-Wage Cost Burden to Respondents

a. Annualized Capital and Start-Up Costs

OSMRE estimates that the annual non-wage capital and start-up cost burden to respondents for compliance with §800.16 is approximately \$3 per notification, principally for delivery charges, for a total of **\$72** [(12 notifications for banks and surety companies + 6 notifications for permittees + 6 notifications for State regulatory authorities) x \$3 per notification].

b. Operation and Maintenance Costs

The notification requirements of 30 CFR 800.16(e) do not involve any operation and maintenance costs apart from expenditures associated with customary business practices.

14. Estimate of Annualized Cost to the Federal Government

Oversight: In keeping with the current guidance concerning oversight of State program implementation, which de-emphasizes process reviews, OSMRE does not anticipate conducting any significant oversight review of State compliance with the requirements of §800.16 in the absence of any indication of programmatic problems. Assuming that OSMRE conducts an oversight review of this topic in one State program per year and that each review requires an average of 4 hours, the annual cost to the Federal government for this oversight activity is **\$358**, assuming a GS 14/5 lawyer reviewing the notices at \$89.58 per hour (rounded and including benefits).

Federal Programs: As noted in item 12.a., based upon data collected for the agency's annual report for the 2015 to 2017 evaluation years, OSMRE estimates that 0 of the 6 inspectable units affected annually will be a unit for which OSMRE is the regulatory authority. However, should bond replacement under this section be necessary for one mine, the annual wage cost to the Federal government to provide the required notification would be an estimated \$134 (1 affected bond x 1 notification per bond x 1.5 hour per notification x \$89.58 per hour for a GS 14/5 lawyer). Non-wage costs, primarily for delivery charges, would total an estimated \$3 (1 notification x \$3 per notification) per year. Total annual Federal program costs in the event of one replacement would be an estimated **\$137** (\$134 wage costs + \$3 non-wage costs).

(See item 14, page 9 for the discussion of wage costs and benefits multipliers.)

Total Federal Cost

\$ 358 Oversight
+ \$ 137 Federal Programs
\$ 495 Total Federal Cost

15. The total burden to all respondents (banks and surety companies, permittees, and State regulatory authorities) to comply with the information requirements of §800.16 is estimated to remain at **15 hours**.

This request includes a non-wage cost of **\$72**. This represents a small decrease from the previous estimate of \$84 due to a decrease in permitting activity.

16. See list of items with identical responses.
17. See list of items with identical responses.
18. See list of items with identical responses.

30 CFR 800.20 - Surety bonds

Justification

1. Under §509(a) of the Act and §§800.11, 800.17, and 800.70, a person seeking a permit to conduct surface coal mining operations must file a performance bond to guarantee faithful performance of all of the requirements of the regulatory program, the permit and the reclamation plan. The bond must be filed on a form prescribed and furnished by the regulatory authority. The Act and regulations allow the bond to be filed on an incremental schedule as mining operations progress. Section 509(e) of the Act and §800.15 provide that the regulatory authority must adjust the amount of bond required and the terms of acceptance from time to time as the acreage of affected land increases or decreases or the cost of future reclamation changes. Section 800.30 allows permittees to replace bonds for any reason when authorized by the regulatory authority.

Section 509(b) of the Act and §800.12 provide that one acceptable type of bond is a surety bond. Like §509(b) of the Act, §800.20(a) requires that a surety bond be executed between the operator and a corporate surety licensed to do business in the State in which the operation is located.

2. Permittees use surety bonds to meet the performance bond requirements of the Act and regulatory program. OSMRE and State regulatory authorities rely upon properly executed surety bonds with viable corporate surety firms to ensure that funds are available to complete the reclamation plan in the event of bond forfeiture.
3. See list of items with identical responses.
4. See list of items with identical responses.
5. See list of items with identical responses.
6. See list of items with identical responses.
7. See list of items with identical responses.
8. See list of items with identical responses.
9. See list of items with identical responses.
10. See list of items with identical responses.
11. See list of items with identical responses.
12. Estimated Information Collection Burden

a. Burden Hour Estimates for Respondents

OSMRE estimates that permittees annually file approximately 1,223 bond instruments with OSMRE and the 24 State regulatory authorities under SMCRA. This number includes the following components:

- 80 initial bonds for new permits (as described in 12.a of 800.14 of this update).
- 550 bond adjustments in concert with permit revisions (as described in 12.a of 800.15 of this update).
- 120 bonds for additional acreage within an existing permit area in accordance with an incremental schedule or similar arrangement.
- 473 replacement bonds filed in concert with an application for the transfer, assignment, or sale of permit rights.

OSMRE’s recent experience as a regulatory authority and other evidence indicates that 70% of all performance bonds filed under SMCRA are surety bonds. Hence, OSMRE estimates that permittees file approximately **856** surety bonds each year ($0.70 \times 1,223$ total bonds of all types). OSMRE estimates that obtaining a surety bond and submitting it to the regulatory authority requires about 12 hours of effort from the permittee based on OSMRE’s experience and prior industry contacts. The burden to secure a surety is about **10,272** hours (856 surety bonds \times 12 hours per bond).

OSMRE also estimates that State regulatory authorities receive approximately 844 surety bonds, while OSMRE received the remaining 12 for lands on which they are the regulatory authority. Since it takes the State regulatory authority 2 hours to review requests, prepare and send decisions to those who obtain a surety bond, the burden to State regulatory authority is **1,688** hours (844 surety bonds \times 2 hours).

Therefore, the total burden to all respondents to comply with the information requirements of §800.20 is **11,960 hours** (10,272 for permittees + 1,688 for State regulatory authorities).

b. Estimated Annual Wage Cost to Respondents

We estimate the following wage costs (rounded) required to complete the collection for this section:

Industry Wage Cost			
Position	Hour Burden per Response	Cost Per Hour (\$) (including benefits)	Total Wage Burden (\$)
Administrative Assistant	1	26.11	26

Lawyer	2	103.22	206
Accountant	9	50.78	457
Total	12		689

Therefore, the estimated total annual wage cost for each permit applicant for §800.20 is \$689. The total wage cost to all industry respondents is \$689 x 856 surety bonds = \$589,784.

In addition, it takes 2 hours for each State regulatory authority to review and recalculate the bond estimates for each permit application.

We estimate that the wage costs to State accountants who process this information to be \$47.79 per hour (including benefits). Therefore, the estimated total annual wage cost for State regulatory authorities to review and recalculate bonding for §800.20 of each surety bond received and processed is \$47.79 per hour x 2 hours = \$96 (rounded). The total wage cost to all State regulatory authorities is \$96 x 844 surety bonds = \$81,024.

Therefore, the total wage cost to all respondents is \$670,808 (\$589,784 + \$81,024).

(See item 12, page 9 for the discussion of wage costs and benefits multipliers.)

13. Total Annual Non-Wage Cost Burden to Respondents

a. Annualized Capital and Start-Up Costs

The information collection requirements of §§800.11, 800.17, 800.20, 800.30, and 800.70 do not involve any capital or start-up costs apart from expenditures associated with customary business practices.

b. Operation and Maintenance Costs

There are no significant or distinct non-wage operations or maintenance costs associated with maintaining surety bond information by the regulatory authority.

14. Estimate of Annualized Cost to the Federal Government

Oversight: In keeping with the current guidance concerning oversight of State program implementation, which de-emphasizes process reviews, OSMRE does not anticipate conducting any significant oversight review of State compliance with the requirements of §800.20 in the absence of any indication of programmatic problems. Assuming that we will conduct an oversight review of this topic in one State program per year and that each review requires an average of 30 hours, the annual cost to the Federal government for a GS 13/1 accountant earning \$66.90 per hour (including benefits) to conduct this oversight activity is estimated to be **\$2,007**.

Federal Programs: As noted in item 12.a., OSMRE estimates that permittees annually submit 856 surety bonds, of which 844 are filed with State regulatory authorities. The remaining 12 are filed with OSMRE for lands and operations for which OSMRE is the regulatory authority. Processing each surety bond requires an average of 3 hours, with a total burden of 36 hours (12 surety bonds x 3 hours per bond). At an average wage rate of \$66.90 per hour for a Federal accountant (including benefits), the annual wage cost to the Federal government for this activity is an estimated **\$2,408** (36 hours x \$66.90 per hour). There are no significant or distinct non-wage costs.

(See item 14, page 9 for the discussion of wage costs and benefits multipliers.)

Total Federal Cost:

	\$ 2,007	Oversight
+	\$ 2,408	Federal programs
	\$ 4,415	Total Federal cost

- The currently approved collection package for §800.20 includes 11,532 burden hours. OSMRE is requesting 11,960 burden hours for this section, which means there is a slight increase of 428 hours requested due to a reestimated in burden to obtain and submit a surety bond.

	11,532	hours currently approved
+	428	hours requested
	11,960	hours requested

- See list of items with identical responses.
- See list of items with identical responses.
- See list of items with identical responses.

30 CFR 800.21 - Collateral bonds

Justification

1. Section 509(b) of the Act provides that an operator may elect to deposit cash, negotiable State or Federal government bonds, or negotiable certificates of deposit of any bank in lieu of a surety bond. The definition of “collateral bond” at 30 CFR 800.5(b) expands the list of acceptable alternatives to a surety bond to include municipal bonds, irrevocable letters of credit from a bank, a perfected first-lien interest in real property in favor of the regulatory authority, and certain investment-grade securities. This expansion is based on section 509(c) of the Act, which authorizes the Secretary to approve alternatives that will meet the objectives and purposes of the bonding program.

Section 509(b) of the Act specifies that cash and the market value of securities must be equal to or greater than the amount of bond required for the bonded area. To implement this provision and to ensure that the collateral is unencumbered, financially viable, and fully accessible in the event of forfeiture, §800.21 requires that the permittee submit either the collateral itself or assorted descriptive and explanatory information to the regulatory authority. For the same reason, §800.21(e)(2) requires that the regulatory authority reevaluate the bond value of all collateral at the time of permit renewal. Section 201(c)(2) of SMCRA, which provides that the Secretary must promulgate rules and regulations to carry out the purposes and provisions of the Act, authorizes collection of this information.

Under §800.21(f), persons (normally a financial institution) with an interest in collateral posted as a bond who desire notification of regulatory authority actions concerning the bond must request such notification at the time that the collateral is offered as a bond. This provision, which also is authorized by §201(c)(2) of the Act, is intended to ensure that the regulatory authority is aware of all persons with an interest in the collateral.

2. Permittees use collateral bonds to meet the performance bond requirements of the Act and regulatory program. OSMRE and State regulatory authorities rely upon properly executed collateral bonds to ensure that funds are available to complete the reclamation plan in the event of bond forfeiture. OSMRE and State regulatory authorities also rely upon the collateral documents or related information submitted by the permittee to determine the value, financial viability, liquidation costs, and accessibility of the proffered collateral.

Persons with an interest in the collateral, normally a financial institution, rely upon the notification provision of §800.21(f) to ensure that they are informed of any regulatory authority actions that may affect their interest in the bond. Timely notification is necessary to preserve that person's informal review and appeal rights.

3. See list of items with identical responses.

4. See list of items with identical responses.
5. See list of items with identical responses.
6. See list of items with identical responses.
7. See list of items with identical responses.
8. See list of items with identical responses.
9. See list of items with identical responses.
10. See list of items with identical responses.
11. See list of items with identical responses.
12. Estimated Information Collection Burden

- a. Burden Hour Estimates for Respondents

As detailed in item 12.a. of the supporting statement for 30 CFR 800.20, OSMRE estimates that permittees annually file 1,223 bond instruments with OSMRE and the 24 State regulatory authorities under SMCRA.

OSMRE's experience as a regulatory authority and prior contact with industry personnel indicate that approximately 28% of all performance bonds filed under SMCRA are collateral bonds. Hence, OSMRE estimates that permittees file approximately 342 collateral bonds each year ($0.28 \times 1,223$ total bonds of all types). OSMRE estimates that obtaining a collateral bond and submitting it and all pertinent information to the regulatory authority requires about 10 hours of effort by the permittee. Therefore, the total burden to permittees to comply with the information requirements of §800.21 is **3,420 hours** (342 collateral bonds x 10 hours per bond) per year.

OSMRE estimates that one person, (normally a financial institution), will request notification pursuant to §800.21(f) for each collateral bond filed. Preparing and filing each request with the regulatory authority requires an estimated 0.5 hour. Therefore, the total burden associated with those requests is **171 hours** (342 collateral bonds x 1 request per bond filed x 0.5 hour per request) per year.

From information gathered in item 8, OSMRE estimates that it will take the State regulatory authority about 4 hours to review requests, prepare and send decisions to those requesting a collateral bond. These collateral bonds typically include irrevocable letters of credit, certificates of deposit, and cash bonds). Of the 342 collateral bonds, 335 are submitted to the State regulatory authorities and 7 with OSMRE. Therefore, the burden to State regulatory authority is **1,340 hours** (335 collateral bonds x 4 hours).

The combined burden for permittees and persons requesting notification, and State regulatory authorities to comply with the information requirements of §800.21 is an estimated **4,931 hours** (3,420 hours for permittees + 171 hours for persons requesting notification + 1,340 hours for State regulatory authorities).

b. Estimated Annual Wage Cost to Respondents

We estimate the following wage costs (rounded) required to complete the collection for this section:

Private Sector Wage Cost

Position	Hour Burden per Response	Cost Per Hour (\$) (including benefits)	Total Wage Burden (\$)
Administrative Assistant	1	26.11	26.11
Lawyer	2.5	103.22	258.05
Accountant	7	50.78	355.46
Total	10.5		0

Therefore, the estimated total annual wage cost for each permit applicant for §800.21 is \$640 (rounded). The total wage cost to all industry respondents is \$640 x 342 surety bonds = \$218,880.

In addition, it takes 4 hours for each State regulatory authority to review and recalculate the bond estimates for each permit application.

We estimate that the wage costs to State accountants who process this information to be \$47.79 per hour (including benefits). Therefore, the estimated total annual wage cost for State regulatory authorities to review and recalculate bonding for §800.21 of each collateral bond received and processed is \$47.79 per hour x 4 hours = \$191. The total wage cost to all State regulatory authorities is \$191 x 335 collateral bonds = \$63,985.

Therefore, the total wage cost to all respondents is \$282,865 (\$218,880 + \$63,985).

(See item 12, page 9 for the discussion of wage costs and benefits multipliers.)

13. Total Annual Non-Wage Cost Burden to Respondents

a. Annualized Capital and Start-Up Costs

The information collection requirements of §§800.11, 800.17, 800.21, 800.30, and 800.70 that apply to permittees and other persons with an interest in the bond do not involve any

capital or start-up costs apart from expenditures associated with customary business practices.

b. Operation and Maintenance Costs

There are no significant or distinct non-wage operation or maintenance costs associated with obtaining and submitting a collateral bond or requesting notification under §800.21(f).

14. Estimate of Annualized Cost to the Federal Government

Oversight: In keeping with the current guidance concerning oversight of State program implementation, which de-emphasizes process reviews, OSMRE does not anticipate conducting any significant oversight review of State compliance with the requirements of §800.21 in the absence of any indication of programmatic problems. Assuming that we will conduct an oversight review of this topic in one State program per year and that each review requires an average of 30 hours, the annual cost to the Federal government for a GS 13/1 accountant earning \$66.90 per hour (including benefits) to conduct this oversight activity is estimated to be \$2,007.

Federal Programs: As noted in item 12.a., OSMRE estimates that permittees annually submit 342 collateral bonds, of which 335 are filed with State regulatory authorities and the remaining 7 are filed with OSMRE for lands and operations for which OSMRE is the regulatory authority. Processing each collateral bond requires an average of 4 hours, with a total burden of 28 hours (7 collateral bonds x 4 hours per bond). At an average wage rate of \$66.90 per hour for a Federal accountant (including benefits), the annual wage cost to the Federal government for this activity is an estimated \$1,873 (28 hours x \$66.90 per hour). There are no significant or distinct non-wage costs.

(See item 14, page 9 for the discussion of wage costs and benefits multipliers.)

Total Federal Cost:

	\$ 2,007	Oversight
+	\$ 1,873	Federal programs
	\$ 3,880	Total Federal cost

15. The currently approved information collection package for 30 CFR 800.21 includes 5,978 burden hours. OSMRE is requesting a new burden of 4,931 hours for this section, which represents a decrease of 1,047 hours due to a reduction in use.

	5,978	hours currently approved
-	1,047	due to an adjustment
	4,931	requested

16. See list of items with identical responses.

17. See list of items with identical responses.
18. See list of items with identical responses.

30 CFR 800.23 - Self-bonding

Justification

1. Section 509(c) of the Act provides that the regulatory authority may accept the bond of the applicant itself (a “self-bond”) without separate surety when the applicant demonstrates to the satisfaction of the regulatory authority the existence of a suitable agent to receive service of process and a history of financial solvency and continuous operation sufficient for authorization to self-insure or bond the requisite amount. To implement this provision, OSMRE adopted 30 CFR 800.23, which prescribes the documentation, financial statements, and affidavits that a company must submit to demonstrate that it meets the requirements for self-bonding.

Under §800.23(g), the permittee must notify the regulatory authority any time that the financial conditions of the permittee or corporate guarantor change in a manner that would render the pertinent entity ineligible for self-bonding. The permittee must then obtain a replacement bond within 90 days. These requirements are necessary to ensure that all surface coal mining and reclamation operations remain fully bonded in accordance with section 509 of the Act. Section 201(c)(2) of SMCRA, which provides that the Secretary must promulgate rules to carry out the purposes and provisions of the Act, authorizes collection of this information.

2. Permittees use self-bonds to meet the performance bond requirements of the Act and regulatory program. OSMRE and State regulatory authorities rely upon the information submitted under §800.23 to ensure that only eligible entities receive approval to self-bond and that the self-bond documents are legally binding on the permittee or corporate guarantor. These information collection requirements are necessary to ensure that funds are available to complete the reclamation plan in the event of bond forfeiture.

OSMRE and State regulatory authorities also rely upon the notification required by §800.23(g) as the most expeditious means of determining when a permittee with a properly executed self-bond ceases to be eligible for self-bonding because of changes in the financial position of the permittee or corporate guarantor. Obtaining replacement coverage is essential to ensure that funds are available to complete the reclamation plan in the event of bond forfeiture, as required by §509(a) of SMCRA.

3. See list of items with identical responses.
4. See list of items with identical responses.
5. See list of items with identical responses.
6. See list of items with identical responses.
7. See list of items with identical responses.

8. See list of items with identical responses.
9. See list of items with identical responses.
10. See list of items with identical responses.
11. See list of items with identical responses.
12. Estimated Information Collection Burden

- a. Burden Hour Estimates for Respondents

As detailed in item 12.a. of the supporting Statement for 30 CFR 800.20, OSMRE estimates that permittees annually file 1,223 bond instruments with OSMRE and the 24 State regulatory authorities under SMCRA.

OSMRE's experience as a regulatory authority, prior contact with industry personnel and other evidence indicates that 2% of all performance bonds filed under SMCRA are self-bonds. This percentage has steadily decreased in the last few years as some states are no longer allowing self-bonds. Hence, OSMRE estimates that permittees file approximately 24 self-bonds each year ($0.02 \times 1,223$ total bonds of all types). OSMRE estimates that completing the forms and obtaining and submitting the information needed to apply for a self-bond requires about 16 hours of effort by the permittee. Therefore, the total burden to permittees to obtain self-bonds is **384 hours** (24 self-bonds \times 16 hours per bond) per year.

The extent to which self-bonded entities experience a negative change in their financial condition of a magnitude necessary to require notification to the regulatory authority under §800.23(g) is unpredictable. For the purpose of this exercise, OSMRE estimates that such notification will be necessary once each year. Preparation and submittal of each notification requires an average of one hour. Therefore, the total burden to permittees to provide notification under §800.23(g) is about **1 hour** per year.

OSMRE estimates that it will take the State regulatory authority about 16 hours to review the 23 requests they receive in primacy States (OSMRE is expected to review the remaining 1 request filed with OSMRE for lands and operations for which OSMRE is the regulatory authority). This burden includes the time to prepare and send decisions to those requesting a self-bond. The burden to State regulatory authority is **368 hours** (23 self-bonds \times 16 hours).

The combined burden for permittees and State regulatory entities to comply with the information requirements of 30 CFR 800.23 is an estimated **753 hours** (384 hours to obtain self-bonds + 1 hour to provide notification + 368 hours for State regulatory authorities) per year.

- b. Estimated Annual Wage Cost to Respondents

We estimate the following wage costs (rounded) required to complete the collection for this section:

Industry Wage Cost

Position	Hour Burden per Response	Cost Per Hour (\$) (including benefits)	Total Wage Burden (\$)
Administrative Assistant	1	26.11	26.11
Lawyer	3	103.22	309.66
Accountant	12	50.78	609.36
Total	16		945.13

Therefore, the estimated total annual wage cost for each permit applicant for §800.23 is \$945. The total wage cost to industry respondents to submit self-bonds is \$945 x 24 self-bonds = \$22,680.

In addition, those who must submit notification of a negative change in their financial condition would experience a wage cost of \$103 per hour for a lawyer x 1 notification x 1 hour = \$103. Therefore, the wage cost to all industry respondents is \$22,783 (\$22,680 + \$103).

In addition, it takes 16 hours for each State regulatory authority accountant to review and recalculate the bond estimates for each permit application.

We estimate that the wage costs to State accountants who process this information to be \$47.79 per hour (including benefits). Therefore, the estimated total annual wage cost for State regulatory authorities to review and recalculate bonding for §800.23 of each self-bond received and processed is \$47.79 per hour x 16 hours = \$765. The total wage cost to all State regulatory authorities is \$765 x 23 self-bonds = \$17,595.

Therefore, the total wage cost to all respondents is \$40,378 (\$22,783 + \$17,595).

(See item 12, page 9 for the discussion of wage costs and benefits multipliers.)

13. Total Annual Non-Wage Cost Burden to Respondents

a. Annualized Capital and Start-Up Costs

The information collection requirements of §800.11, 800.17, 800.23, 800.30, and 800.70 that apply to permittees and guarantors do not involve any capital or start-up costs apart from expenditures associated with customary business practices.

b. Operation and Maintenance Costs

There are no significant or distinct non-wage operation or maintenance costs associated with obtaining and submitting a self-bond under 30 CFR 800.23(g).

14. Estimate of Annualized Cost to the Federal Government

Oversight: In keeping with the current guidance concerning oversight of State program implementation, which de-emphasizes process reviews, OSMRE does not anticipate conducting any significant oversight review of State compliance with the requirements of §800.23 in the absence of any indication of programmatic problems. Assuming that we will conduct an oversight review of this topic in one State program per year and that each review requires an average of 30 hours, the annual cost to the Federal government for a GS 13/1 accountant earning \$66.90 per hour (including benefits) to conduct this oversight activity is estimated to be **\$2,007**.

Federal Programs: As noted in item 12.a., OSMRE estimates that permittees annually submit 24 self-bonds, of which 23 are filed with State regulatory authorities and the remaining 1 is filed with OSMRE for lands and operations for which OSMRE is the regulatory authority. Since Tennessee does not allow self-bonding, we will assume that this application is received from Indian Lands. Processing each self-bond requires an average of 16 hours, with a total burden of 16 hours (1 self-bond x 16 hours per bond). At an average wage rate of \$66.90 per hour for a Federal accountant (including benefits), the annual wage cost to the Federal government for this activity is an estimated **\$1,070** (16 hours x \$66.90 per hour). There are no significant or distinct non-wage costs.

(See item 14, page 9 for the discussion of wage costs and benefits multipliers.)

Total Federal Cost:

	\$ 2,007	Oversight
+	\$ 1,070	Federal programs
	\$ 3,077	Total Federal cost

15. The currently approved information collection package for 30 CFR 800.23 includes 1,751 burden hours. OSMRE is requesting 753 burden hours for this section. This 998 hour reduction is due to a decrease in usage. Therefore, OSMRE requests the following correction:

	1,751	hours currently approved
-	998	hours due to an adjustment
	753	hours requested

16. See list of items with identical responses.
17. See list of items with identical responses.

18. See list of items with identical responses.

30 CFR 800.40 - Requirement to release performance bonds

Justification

1. Section 519 of the Act establishes numerous application and procedural requirements for release of performance bonds filed under §509 of SMCRA. The corresponding procedural requirements in 30 CFR 800.40 essentially track these provisions, adding (1) a requirement that the permittee submit a certification that all applicable reclamation activities have been completed in accordance with the approved program and reclamation plan, and (2) an opportunity for an informal conference on a proposed bond release. Section 201(c)(2) of SMCRA, which provides that the Secretary must promulgate rules and regulations to carry out the purposes and provisions of the Act, authorizes collection of the additional information. Also, the informal conference provisions are consistent with §102(i) of the Act, which encourages public participation in regulatory program proceedings.
2. OSMRE and State regulatory authorities use the information collected for §800.40 to determine whether an applicant for bond release has met all applicable release criteria, and how much of the bond must be retained to ensure completion of the remaining reclamation requirements. Persons with an interest in the bond, property owners, local governmental bodies, planning agencies, sewage and water treatment authorities, water companies, and the public at large use the required letters of notification and newspaper notices to decide whether to participate in the bond release process or appeal the final agency decision to ensure protection of their interests. Permittees likewise use the application, notification, and appeal processes to protect their interest in securing bond release.
3. See list of items with identical responses.
4. See list of items with identical responses.
5. See list of items with identical responses.
6. See list of items with identical responses.
7. See list of items with identical responses.
8. See list of items with identical responses.
9. See list of items with identical responses.
10. See list of items with identical responses.
11. See list of items with identical responses.

12. Estimated Information Collection Burden

a. Burden Hour Estimates for Respondents

Based on OSMRE's experience as a regulatory authority, and data from all of the states in the Western Region, OSMRE estimates that permittees request approximately **729** bond releases each year (6,073 IUs from Table 2 of the 2017 Annual Evaluation Reports x 12% or 0.12). Of those applications, OSMRE estimates that **718** are filed with the 24 State regulatory authorities, while 11 are filed with OSMRE for lands and operations for which we have primary regulatory responsibility.

There is no significant burden difference to either permittees or regulatory authorities among the various phases of bond release: Phase I (backfilling and grading), Phase II (topsoiling and establishment of revegetation), and Phase III (final). Therefore, the burden estimates do not differentiate among the phases. The demonstration of revegetation success, which is required for Phase III bond release can be quite time-consuming. However, that burden is reflected in the information collection authority for 30 CFR 816.116 and 817.116, which establish the revegetation success demonstration requirements. The information collection authority for §800.40 reflects only the burden associated with the bond release process, which begins with the preparation of an application for bond release.

Burden to Permittees

OSMRE estimates, based on discussions with operators identified in item 8, that preparing, submitting, and revising a bond release application requires an average of 12 hours, although the actual time required will vary greatly depending on the complexity of the site. This estimate includes preparation of the application, obtaining a notarized certification of compliance with reclamation requirements, preparation of the public notice for advertisement in the local newspaper, and preparation and mailing of letters to adjoining property owners, local governmental bodies, planning agencies, sewage and water treatment authorities, and water companies. Hence, the total burden to permittees to comply with the information collection requirements of §800.40 is an estimated **8,748 hours** (729 applications x 12 hours per application).

Burden to State Regulatory Authorities

OSMRE's experience in situations in which it is the regulatory authority, and discussions with those identified in item 8, indicate that reviewing a bond release application, calculating the amount of the bond that may be released, and preparing and sending the required decision notification letters to the permittee and other interested parties requires an average of 35 hours per application, for a total burden of **25,130 hours** (718 applications received by State regulatory authorities x 35 hours per application) per year. This estimate does not include travel time and other routine elements of the bond release inspection required by 30 CFR 800.40(b). The burden for the non-technical aspects of that inspection is included in the burden for 30 CFR 840.11, and approved separately by

OMB. OSMRE's experience indicates that the actual bond release application review burden for a particular site varies between 16 and 48+ hours, depending on the complexity of the site and application. The State regulatory authorities contacted under item 8 provided an estimate within that range.

In addition, based on its own experience and the estimates provided by the State regulatory authority listed in item 8, OSMRE estimates that approximately 5% (36) of the 718 bond release applications processed by State regulatory authorities result in an informal conference, and that 1% (7) involve a public hearing. Under 30 CFR 800.40(f) and (g), the regulatory authority must provide public notice and prepare and make available a verbatim record and transcript of each public hearing. Similarly, under §800.40(h), the regulatory authority must prepare a record of each informal conference and provide all parties with written findings. OSMRE estimates that complying with those provisions requires an average of 4 hours per case, for a total burden of **172 hours** [(36 informal conferences + 7 public hearings) x 4 hours per conference or hearing].

Hence, the total burden to the 24 State regulatory authorities to comply with the information collection requirements of §800.40 is an estimated **25,302** (25,130 hours for application review and decision notification + 172 hours related to conferences and hearings) per year. Because the level of mining varies greatly from State to State, the level of bond release activity exhibits a similar variation.

Combined Burden for All Respondents

The combined burden for all respondents for 30 CFR 800.40 is an estimated **34,050 hours** (8,748 hours for permittees + 25,302 hours for State regulatory authorities).

b. Estimated Annual Wage Cost to Respondents

We estimate that the annual wage cost for each bond release applicant for §800.40 is \$605 (12 hours x \$50.43 per hour for the combination of industry disciplines typically part of preparing and submitting a request). The total wage cost to all industry respondents is \$605 x 729 requests = \$441,045.

In addition, it takes 25,302 hours for all State regulatory authorities to review and recalculate the bond estimates for each permit application, and to hold the informal conferences and hearings. At \$61.08 per hour, the estimated annual wage cost for State regulatory authorities to process all bond request and subsequent hearings is \$61.08 per hour x 25,302 hours = \$1,545,446.

Therefore, the total wage cost to all respondents is \$1,986,491 (\$441,045 + \$1,545,446).

13. Total Annual Non-Wage Cost Burden to Respondents

a. Annualized Capital and Start-Up Costs

Based on past experience and consultations, OSMRE estimates that the annual non-wage cost burden to **permittees** for compliance with 30 CFR 800.40 totals **\$441,045**, with the following components:

- \$32,805 for notification letters (729 bond release applications x 15 letters per application x \$3 per letter for mailing expenses and office supplies);
- \$189,540 for public notices in local newspapers (729 bond release applications x \$65 per application per week for publication x 4 weeks); and
- \$218,700 for mapping expenses, duplication costs, notary fees, delivery charges, and other costs associated with preparing and submitting a bond release application (729 applications x \$300 per application).

Based on past experience and consultations, OSMRE also estimates that the annual non-wage cost burden to the **24 State regulatory authorities** for compliance with 30 CFR 800.40 totals **\$88,382**, with the following components:

- \$71,800 for travel to the minesite, duplication expenses, and miscellaneous costs associated with review and processing of a bond release application (718 applications submitted to State regulatory authorities x \$100 per application);
- \$12,924 for decision notification letters to the permittee, the municipality, persons with an interest in the bond, and objectors (718 bond release applications submitted to State regulatory authorities x 6 letters per application x \$3 per letter for mailing expenses and office supplies);
- \$910 for public notices in local newspapers for public hearings (7 public hearings conducted by State regulatory authorities x \$65 per hearing per week for publication x 2 weeks);
- \$2,100 for court reporter services for preparation of a verbatim record for public hearings (7 public hearings x \$300 per hearing); and
- \$648 for furnishing written findings for each informal conference to all parties to the conference (36 informal conferences x 6 letters per conference x \$3 per letter for mailing expenses and office supplies).

Therefore, OSMRE estimates that the annual non-wage cost burden to all respondents for compliance with 30 CFR 800.40 totals **\$529,427** (\$441,045 for permittees + \$88,382 for State regulatory authorities).

b. Operation and Maintenance Costs

The information collection requirements of 30 CFR 800.40 that apply to permittees do not involve any capital or start-up costs apart from expenditures associated with customary business practices.

14. Estimate of Annualized Cost to the Federal Government

Oversight: In keeping with the current guidance concerning oversight of State program implementation, which de-emphasizes process reviews, OSMRE does not anticipate conducting any significant oversight review of State compliance with the requirements of §800.40 in the absence of any indication of programmatic problems. Assuming that we will conduct an oversight review of this topic in one State program per year and that each review requires an average of 30 hours, the annual cost to the Federal government for a GS 13/1 regulatory program specialist/engineer earning \$66.90 per hour (including benefits) to conduct this oversight activity is estimated to be **\$2,007**.

Federal Programs: OSMRE estimates that it annually receives approximately 11 applications for bond release for lands and operations for which OSMRE is the regulatory authority. Reviewing a bond release application, calculating the amount of the bond that may be released, preparing and sending the required decision notification letters to the permittee and other interested parties, and taking the steps necessary to actually release all or part of a bond require an average of 20 hours per application, for a total burden of 220 hours (11 applications received by OSMRE x 20 hours per application) per year. At an average wage rate of \$66.90 per hour for a regulatory program specialist/engineer (rounded and including benefits), the annual wage cost to the Federal government for this activity is an estimated **\$14,718** (220 hours x \$66.90 per hour). There are no significant or distinct non-wage costs. This estimate does not include travel time or other routine aspects of the bond release inspection required by 30 CFR 800.40(b). The burden for non-technical aspects of this inspection is included in the burden for 30 CFR 842.11 since it would count as an inspection for purposes of that section.

In addition, OSMRE estimates that approximately 1 of the 11 bond release applications that it processes involve an informal conference, and that it will involve a public hearing. Under 30 CFR 800.40(f) and (g), the regulatory authority must provide public notice and prepare and make available a verbatim record and transcript of each public hearing. Similarly, under §800.40(h), the regulatory authority must prepare a record of each informal conference and provide all parties with written findings. OSMRE estimates that complying with these provisions requires an average of 4 hours per case, for a total burden of 8 hours [(1 informal conference + 1 public hearing) x 4 hours per conference or hearing]. At \$66.90 per hour, the cost for this requirement would be **\$535** (\$66.90 per hour x 8 hours).

Therefore, the total Federal program cost is **\$15,253** (\$14,718 + \$535).

(See item 14, page 9 for the discussion of wage costs and benefits multipliers.)

The annual non-wage cost burden to the Federal government to comply with the information requirements of 30 CFR 800.40 totals **\$830**, with the following components:

- \$550 for travel to the minesite, duplication expenses, and miscellaneous costs associated with review and processing of a bond release application (11 applications submitted to OSMRE x \$50 per application);
- \$132 for decision notification letters to the permittee, the municipality, persons with an interest in the bond, and objectors (11 bond release applications submitted to OSMRE x 4 letters per application x \$3 per letter for mailing expenses and office supplies);
- \$130 for public notices in local newspapers for public hearings (1 public hearing conducted by OSMRE x \$65 per hearing per week for publication x 2 weeks);
- \$300 for court reporter services for preparation of a verbatim record for public hearings (1 public hearing x \$300 per hearing); and
- \$18 for furnishing written findings for each informal conference to all parties to the conference (1 informal conference x 6 letters per conference x \$3 per letter for mailing expenses and office supplies).

Therefore, annual Federal program costs total:

Total Federal Cost:

\$	2,007	Oversight
+	\$ 15,253	Federal programs
+	\$ 830	Non-wage costs
	\$ 18,090	Total Federal cost

15. The currently approved information collection package for 30 CFR 800.40 includes 99,252 burden hours. OSMRE is now requesting **34,050** burden hours for this section. The 65,202 hour decrease results from an estimated decrease in the number of estimated bond release applications.

Therefore, the burden for §800.40 will change as follows:

	99,252	hours currently approved
-	65,202	hours due to an adjustment
	34,050	hours requested

This information collection request changes the currently approved non-wage costs to respondents from \$1,440,522 to **\$529,427** due to a decrease in use.

16. See list of items with identical responses.

17. See list of items with identical responses.
18. See list of items with identical responses.

30 CFR 800.50 - Forfeiture of bonds

Justification

1. Section 509(a) of the Act provides that the amount of bond required for surface coal mining and reclamation operations under SMCRA must be sufficient to assure completion of the reclamation plan if the work had to be performed by the regulatory authority in the event of forfeiture. To implement this provision, 30 CFR 800.50 establishes notification procedures and related requirements governing forfeiture of bonds and reclamation of sites for which bonds have been forfeited. Section 201(c)(2) of SMCRA, which provides that the Secretary must promulgate rules and regulations to carry out the purposes and provisions of the Act, authorizes collection of this information.
2. OSMRE and State regulatory authorities under SMCRA use the information required under §800.50 to collect the funds needed to complete the reclamation plan when the regulatory authority has to perform the work under conditions of bond forfeiture. Other persons, such as the surety or persons with an interest in collateral posted as bond, rely upon the notifications required by §800.50(a) as a warning system that allows them to take action to avoid forfeiture if desired.
3. See list of items with identical responses.
4. See list of items with identical responses.
5. See list of items with identical responses.
6. See list of items with identical responses.
7. See list of items with identical responses.
8. See list of items with identical responses.
9. See list of items with identical responses.
10. See list of items with identical responses.
11. See list of items with identical responses.

12. Estimated Information Collection Burden

a. Burden Hour Estimates for Respondents

Under §§800.50(a) and 800.21(f), the regulatory authority must provide written notification by certified mail to the permittee, the surety, and persons with an interest in collateral posted as bond whenever the regulatory authority decides to forfeit all or part of the bond. The notification must specify the amount of bond to be forfeited and the conditions under which forfeiture may be avoided.

Data from OSMRE's annual report for the 2017 evaluation years indicate that the 24 State regulatory authorities forfeited bond for 19 sites during that year. We will assume that OSMRE will forfeit 1 additional bond annually on lands where it is the regulatory authority. However, we estimate that approximately 25% of all forfeiture notices never progress to actual forfeiture because the surety or another party enters into a compliance agreement to reclaim the sites. Therefore, OSMRE estimates that approximately **25** forfeiture notices [(4/3) x 19 bond forfeitures] were submitted during 2017 and that they will send a similar number in succeeding years.

Based on a combination of information supplied under item 8 and our recent experience as a regulatory authority, OSMRE estimates that preparation and mailing of those notices to the permittee requires an average of 8 hours per notice. Sending a copy of the notice to the surety or person with an interest in collateral posted as a bond requires an additional 2 hour per notice for the 98% of bonds that are either surety or collateral bonds. Therefore, OSMRE estimates that the total burden to the 24 State regulatory authorities to comply with the notice and notification requirements of §800.50 is **249 hours** [(25 forfeiture notices x 8 hours per notice) + (0.98 x 25 forfeiture notices x 2 hours per notice for notification of persons with an interest in the bond)].

b. Estimated Annual Wage Cost to Respondents

We estimate that the wage cost to State accountants who prepare and send the bond forfeiture notices to be \$47.79 per hour (including benefits). Therefore, the estimated annual wage cost for State regulatory authorities to comply with §800.50 is \$47.79 per hour x 225 hours = \$10,753.

(See item 12, page 9 for the discussion of wage costs and benefits multipliers.)

13. Total Annual Non-Wage Cost Burden to Respondents

a. Annualized Capital and Start-Up Costs

OSMRE estimates that the annual non-wage cost burden to the 24 State regulatory authorities for compliance with the notification requirements of §800.50 averages approximately \$3 for each bond forfeiture notification, principally for postage (certified mail) and office supplies. Since these regulatory authorities annually send 25 notices to

permittees and 24 (98% of 25) notices to persons with an interest in the bond (see item 12.a.), the total non-wage cost burden is an estimated **\$147** [(25 notices to permittees + 24 (rounded down) notifications to other persons) x \$3 per notice].

b. Operation and Maintenance Costs

Compliance with the information collection requirements of 30 CFR 800.50 does not involve any operation and maintenance costs apart from those associated with customary business practices.

14. Estimate of Annualized Cost to the Federal Government

Oversight: In keeping with the current guidance concerning oversight of State program implementation, which de-emphasizes process reviews, OSMRE does not anticipate conducting any significant oversight review of State compliance with the requirements of §800.50 in the absence of any indication of programmatic problems. Assuming that we will conduct an oversight review of this topic in one State program per year and that each review requires an average of 10 hours, the annual cost to the Federal government for a GS 13/1 regulatory program specialist/engineer earning \$66.90 per hour (including benefits) to conduct this oversight activity is estimated to be **\$669**.

Federal Programs: OSMRE forfeited a total of 4 bonds during the 2015-2017 evaluation years, and we estimate 1 bond forfeiture annually on lands for which OSMRE is the regulatory authority. Preparation of a bond forfeiture notice requires an average of 20 hours, which includes consultation with solicitors and a surname approval process. Sending a copy to the surety or person with an interest in the collateral requires another 2 hours per notice.

At an average wage rate of \$66.90 per hour for a regulatory program specialist/ engineer (including benefits), the annual wage cost to the Federal government for this activity is an estimated **\$1,472** (\$66.90 per hour x 22 hours) (rounded). There are no significant or distinct non-wage costs.

(See item 14, page 9 for the discussion of wage costs and benefits multipliers.)

Total Federal Cost:

\$ 669	Oversight
+ \$1,472	Federal programs
\$2,141	Total Federal cost

15. The currently approved information collection package for 30 CFR 800.50 includes 475 burden hours. OSMRE is requesting 249 burden hours for this section, a reduction due to a change in use.

Therefore, the burden for §800.50 will change as follows:

475 hours currently approved
- 226 hours change due to a decrease in use
249 hours requested

This information collection request changes the currently approved non-wage costs to respondents from \$258 to \$147 due to a decrease in use.

16. See list of items with identical responses.
17. See list of items with identical responses.
18. See list of items with identical responses.

30 CFR 800.60 - Terms and conditions for liability insurance

Justification

1. Section 507(f) of SMCRA mandates collection of the information required by 30 CFR 800.60, which implements this section of the Act. Section 507(f) specifies that each application for a surface coal mining permit must contain either a certificate of personal injury and property damage liability insurance or evidence of self-insurance. Both this section and 30 CFR 800.60 provide that the policy must be maintained in full force and effect during the terms of the permit and any renewal, including the length of all reclamation operations. The regulations further specify that the policy must include a rider requiring that the insurer notify the regulatory authority whenever substantive changes are made in the policy, including termination or failure to renew.
2. OSMRE and State regulatory authorities use the certificate required by this section to verify that persons conducting or proposing to conduct surface coal mining and reclamation operations have a valid insurance policy in effect to provide compensation for any personal injury or property damage that may result from surface coal mining operations, to the extent that the injured party is entitled to compensation under State law.
3. See list of items with identical responses.
4. See list of items with identical responses.
5. See list of items with identical responses.
6. See list of items with identical responses.
7. See list of items with identical responses.
8. See list of items with identical responses.
9. See list of items with identical responses.
10. See list of items with identical responses.
11. See list of items with identical responses.
12. Estimated Information Collection Burden
 - a. Burden Hour Estimates for Respondents

Based upon OSMRE's experience as a regulatory authority and data from the State-specific annual evaluation reports for the 2015-2017 evaluation years, OSMRE estimates that permittees annually file 1,313 insurance certificates or evidence of self-insurance

with OSMRE and the 24 State regulatory authorities under SMCRA. This number includes the following components:

- 80 certificates filed with new permit applications.
- 760 certificates filed with permit renewal applications.
- 473 certificates filed with an application for the transfer, assignment, or sale of permit rights.

Maintaining personal injury and property damage liability insurance is a customary and usual business practice, and a prudent operator would carry liability insurance in amounts greater than those required by the statute. Therefore, OSMRE is not including the time required to obtain a policy as part of the burden for this section. Based on prior consultations, OSMRE estimates that copying and submitting a certificate of coverage or evidence of self-insurance to the regulatory authority requires about 2 hours for the permittee. Therefore, the total burden to permittees to comply with the information requirements of 30 CFR 800.60 is **2,626 hours** (1,313 certificates x 2 hour per certificate) per year.

b. Estimated Annual Wage Cost to Respondents

We estimate that the wage cost to a coal company's engineering technician to copy and submit the insurance policy certificate to the regulatory authority is \$42.04 per hour (including benefits). Therefore, the estimated annual wage cost for all permit applicants to comply with §800.60 is \$42.04 per hour x 1,313 certificates x 2 hours each = \$110,397.

(See item 12, page 9 for the discussion of wage costs and benefits multipliers.)

13. Total Annual Non-Wage Cost Burden to Respondents

a. Annualized Capital and Start-Up Costs

Insurance premiums vary considerably. Some companies base their premiums on coal production while others rely upon payroll to establish the rate base. According to information provided several years ago, the annual premium cost of a liability insurance policy based on coal production is \$3,000 for operators producing between 0 and 50,000 tons of coal per year, \$5,000 for operators producing 100,000 tons of coal per year, and \$25,000 for operators producing 750,000 tons of coal per year.

However, as noted in item 12.a., purchasing and maintaining a personal injury and property damage liability insurance policy is a customary and usual business practice that should not be considered as an expense imposed solely by statute or regulation. There are no other capital or start-up costs.

b. Operation and Maintenance Costs

The information collection requirements of 30 CFR 800.60 do not involve any operation or maintenance costs apart from expenditures (such as annual policy renewals) associated with customary business practices.

14. Estimate of Annualized Cost to the Federal Government

Oversight: In keeping with the current guidance concerning oversight of State program implementation, which de-emphasizes process reviews, OSMRE does not anticipate conducting any significant oversight review of State compliance with the requirements of §800.60 in the absence of any indication of programmatic problems. Assuming that we will conduct an oversight review of this topic in one State program per year and that each review requires an average of 6 hours, the annual cost to the Federal government for a GS 13/1 regulatory program specialist/engineer earning \$66.90 per hour (including benefits) to conduct this oversight activity is estimated to be **\$401**.

Federal Programs: As noted in item 12.a, OSMRE estimates that permittees annually submit 1,313 insurance certificates. Based on data collected for sites for which OSMRE is the regulatory authority during Evaluation Years 2015 through 2017, only 13 of those are annually filed with OSMRE. OSMRE is only required to ensure that the company has an insurance certificate, check it for completeness, and file it with the permit. This does not constitute a burden since it is a customary business activity.

(See item 14, page 9 for the discussion of wage costs and benefits multipliers.)

Total Federal Cost:

\$ 401 Oversight
+ \$ 0 Federal programs
\$ 401 Total Federal cost

15. The currently approved information collection package for 30 CFR 800.60 includes 3,150 burden hours. OSMRE is requesting **2,626** burden hours for this section due to a reduction in use.

3,150 hours currently approved
- 524 hours due to an adjustment
2,626 hours requested

16. See list of items with identical responses.
17. See list of items with identical responses.
18. See list of items with identical responses.