# Abandoning Responsible Program Management

THE ABANDONED MINE LANDS (AML) RECLAMATION PROGRAM

**The mismanagement of the Abandoned Mine Lands (AML) Reclamation Program has resulted in squandering billions on projects and activities unrelated to the AML Fund's primary purpose of restoring historic abandoned coal mine sites.**

**The coal industry has paid more than $12 billion into the AML fund to reclaim legacy abandoned mines only to see the majority of those funds disappear. Just one in three dollars spent by the fund has gone to priority coal projects that the fund was intended to rehabilitate.**

While today's mining industry plans for the restoration and reclamation of mined land even before mining occurs, decades ago, that was not always the case. To address the issue of legacy mining sites, since 1977, modern coal mining companies have been paying fees on each ton of domestically-produced coal into a fund – the AML Reclamation Fund – to reclaim high-priority coal mines abandoned or not sufficiently reclaimed before 1977. Unfortunately, after 40 years and more than $12 billion paid into the fund, little has been accomplished to restore priority sites.

Approximately $9.4 billion has been spent from the fund. But just $3.6 billion of priority abandoned coal mined lands were reclaimed as of September 30, 2019, according to the Office of Surface Mining (OSM). The $6.1 billion gap between spending and actual reclamation of priority coal AMLs reveals that only one of every three dollars has reached the priority coal projects they were intended to remediate.

The AML fund has become a target for diverting coal industry funds to purposes not intended under the law. According to the Department of the Interior's Inspector General , the lack of oversight, the absence of sound data management, and an unreliable AML database have resulted in:
(1) states diverting AML money to non-coal projects notwithstanding the continued presence of high priority coal projects in the state;
(2) some states expending substantial sums on administrative costs without completing any AML projects; and
(3) the inability to deliver accurate or useful cost accounting for AML projects.

High administrative costs have also diverted funds from their core purpose. A General Accounting Office (GAO) report found that between 1985-1990 $360 million, or 28 percent, of the $1.3 billion spent during that period was used for federal and state administrative expenses.

The AML fee was reauthorized in 2021; however, after 45 years in existence, it has achieved little of its intended purpose.

Many of the issues surrounding the diversion and inefficient use of coal AML fees are not new; they have plagued the program for decades, and they have been examined in congressional hearings, through inspectors general reports, and by other government bodies, all with no improvement.

**A Thoughtful Compromise**

For years, industry worked with members of Congress to find a path to compromise. The Infrastructure Investment and Jobs Act (now Public Law 117-58) in Section 40702 included a reauthorization of the coal abandoned mine program through 2034 with a 20 percent reduction in fees paid by coal production companies. We continue to believe it is important that the program be focused on priority reclamation projects and the oversight required to ensure funds are not squandered on overhead and administrative costs, utilizing fees that better reflect the current state of the industry.