



**U. S. DEPARTMENT OF THE INTERIOR
OFFICE OF SURFACE MINING
RECLAMATION AND ENFORCEMENT
DIRECTIVES SYSTEM**

Subject Number:

FIN-8

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Date: DEC 20 1991

Subject: AML Fee Collection Manual

Approval: 

Title: Director

1. Purpose. This directive establishes the AML Fee Collection Manual, incorporates it into the Office of Surface Mining Reclamation and Enforcement (OSM) Directive System, and informs all AMLFCS users and clients of the AML Fee Collection System (AMLFCS) capabilities.

2. Summary. This directive establishes policies and procedures for all functions of the AMLFCS including: an overview of the system, policy and procedure for calculating interest, penalty and administrative costs (including collection contractor costs); activation and inactivation of mines; blocking procedures for delinquent debt; refunds; excess moisture calculations; billing procedures for delinquent debt and identification of non-respondents.

While this directive is primarily concerned with the Division of Financial Management (DFM), AML Fee Collection Branch, it reflects the close working relationship between DFM, the Division of Debt Management, the Division of Compliance Management, the Applicant Violator System Office and the Solicitor's Office. This manual is the definitive result of concurrence between all Divisions involved.

3. Definitions. Definitions are integral to the text.

4. Policy/Procedures.

a. Concept. The AML Fee Collection Manual provides a means of solidifying policies and procedures between the Division of Financial Management, Division of Debt Management, Division of Compliance Management, Applicant Violator System Office and the Solicitor's Office. The directive is designed to reflect changes as they occur in an effort to promote inter-divisional understanding and singleness of purpose.

b. Responsibilities. It is the responsibility of the Division of Financial Management to maintain the accuracy and timeliness of this directive, to publish changes, and distribute updates as quickly as possible to all users and clients.

5. Reporting Requirements. None.

6. Effect on Other Documents. Clarification and definition.

7. References. Surface Mining Control and Reclamation Act of 1977 and Abandoned Mine Reclamation Act of 1990.

8. Effective Date. October 1, 1991.

9. Contact. Division of Financial Management, (303) 236-0331, FTS 776-0331

10. Keywords. AMLFCS, Abandoned Mine Land Fee Collection System

11. List of Appendices. AML Fee Collection Manual.

Keywords Table of Contents

This AML Directive discusses the policies and procedures in a constantly changing environment. For that reason it must be updated frequently. In order to update it with minimal waste of time and resources, the main section, the Reference Section, is organized alphabetically around the following key words used in the Agency:

activation of permits	non-respondent
administrative costs	non-respondent letter
AMLFCS outputs	OSM-1
Applicant Violator System Office	OSM-1 (example)
Applicant Violator System tape	OSM-1 form letter
bills for collection	payments
bill status codes	penalty
codes	penalty waiver flag
coding sheet (OSM-AMLFCS-1)	permit data base
coding sheet (OSM-AMLFCS-2)	permit number
coding sheet authority	printing
Division of Compliance	processing data
Management	refunds
demand letters (3)	refund offset
due dates	refund policy
dummy IDs	refund processing
entity numbers	reports-hard copy
excess moisture	reports-online
fee computation	MINESUM
fee payments	HISTORY
field offices (OSM)	WHATIF
FIPS codes	servicing levels
inactivation of permits	signoff
inter-agency transfers	suspense accounts
interest	tapes
interest waiver flag	termination codes
intra-agency transfers	transfer request forms
judgement situations	transfers
log on procedures	waivers
Mine Detail Report	wire transfers
mine status reason codes	
MSHA ID	
MSHA tapes	

Acronyms

The following list of acronyms are used throughout this manual.

ABACIS	Advanced Budget/Accounting Control Information System
AML	Abandoned Mine Land
AMLFCS	Abandoned Mine Land Fee Collection System
AVS	Applicant Violator System
AVSO	Applicant Violator System Office
CFR	Code of Federal Regulations
DCM	Division of Compliance Management
DDM	Division of Debt Management
DFM	Division of Financial Management
DOJ	Department of Justice
DT	Deposit Ticket
FIPS	Federal Information Processing Standards
FOD	Field Office Director
MOU	Memorandum of Understanding
MSHA	Mine Safety and Health Administration
OPAC	Online Payments and Collections
OSM	Office of Surface Mining Reclamation and Enforcement
OSM-1	Coal Production and Reclamation Fee Report
SF	Standard Form
SMCRA	Surface Mining Control and Reclamation Act of 1977
SRA	State Regulatory Agency

Introduction

Purpose and Scope

The Branch of Abandoned Mine Land Fee Collection compiled this manual for Field Offices, the Division of Debt Management (DDM), the Division of Compliance Management (DCM), Applicant Violator System Office (AVSO) and other users of the Abandoned Mine Land Fee Collection System (AMLFCS).

This manual establishes policies and procedures surrounding the Abandoned Mine Land Fee Collection System (AMLFCS) and is organized by the following headings.

- **Introduction**

- Purpose and Scope
 - Statutory Authority
 - SMCRA Amendments

- **Overview**

- Mission Statement
 - AMLFCS Personnel
 - System Functions

- **Policy**

- Contains a summary of recent issues such as:
 - penalty and administrative costs
 - activation and inactivation of mines
 - blocking procedures (AVS), etc.

- **Reference Section**

- Alphabetical list of AMLFCS terms with definitions, an explanation of each and reference to related subjects.

- **Appendix 1 and 2**

- Excess Moisture Examples
 - Interest and Penalty Calculation Tables

Three divisions within the Assistant Directorate, Finance and Accounting and the Applicant Violator System Office (AVSO) are responsible for functions of the AML Fee Collection System as follows:

Division of Financial Management (DFM)	accounting operation
Division of Compliance Management (DCM)	audit
Division of Debt Management (DDM)	debt collection
Applicant Violator System Office (AVSO)	activation/inactivation

While this manual is primarily concerned with the Division of Financial Management, AML Fee Collection Branch, all areas work closely together.

The Surface Mining Control and Reclamation Act of 1977, Title IV, Section 401, Abandoned Mine Reclamation, establishes a trust fund on the books of the Treasury for administration by the Secretary of the Interior. The fund consists of amounts secured through reclamation fees and miscellaneous sums. Section 402 of the Act authorizes the collection of a reclamation fee from all coal mine permittee/operators.

Title IV is implemented through the procedures contained in 30 CFR Part 870, Abandoned Mine Reclamation Fund, Fee Collection and Coal Production Reporting.

SMCRA Amendments

The Abandoned Mine Reclamation Act of 1990 amended the Surface Mining Control and Reclamation Act of 1977 in part as follows:

- A portion of the fund will be deposited in an interest bearing account.
- Extended the fee collection authority until September 30, 1995, unless it is further extended by an Act of Congress.
- The Coal Production and Reclamation Fee Report (OSM-1) shall be modified to reflect the "permittee of the surface coal mining operation, any operator in addition to the permittee, the owner of the coal, the preparation plant, tipple, or loading point for the coal, and the person purchasing the coal from the operator. The permit shall also specify the number of the permit required under section 506 and the mine safety and health identification number."

Statutory Authority

The Office of Surface Mining Reclamation and Enforcement's (OSM) basic authorization is derived from the Surface Mining Control and Reclamation Act of August 3, 1977 (30 U.S.C. 1201 et seq.). The purposes of this law include:

protecting society and the environment from the effects of coal mining operations;

reclaiming existing and future mined areas that endanger public health and safety, prevent or damage the beneficial use of land or water resources, or decrease environmental quality;

providing a fund for abandoned mine reclamation;

providing technical and financial assistance to States with primary regulatory authority over coal mining activities within their boundaries.

30 CFR 870.11 Applicability

"The regulations in this part apply to all surface and underground coal mining operations except--

- (a) The extraction of coal by a landowner for his own noncommercial use from land owned or leased by him;
- (b) The extraction of coal for commercial purposes by surface coal mining operations which affects two acres or less during the life of the mine (suspended for any surface coal mining operations beginning on or after June 6, 1987; and for any surface coal mining operations conducted on or after November 8, 1987);
- (c) The extraction of coal as an incidental part of Federal, State, or local government-financed highway or other construction;
- (d) The extraction of coal incidental to the extraction of other minerals where coal does not exceed $16 \frac{2}{3}$ percent of the total tonnage of coal and other minerals removed for commercial use or sale
 - (1) In accordance with part 702 of this chapter for Federal program States and on Indian lands or
 - (2) In any twelve consecutive months in a State with an approved State program until counterpart regulations pursuant to part 702 of this chapter have been incorporated into the State program and in accordance with such counterpart regulations, thereafter; and
- (e) The extraction of less than 250 tons of coal within twelve consecutive months."

Overview

Mission Statement

The AML Fee Collection System (AMLFCS) was established to provide reclamation fee collection and accounting services and maintain an accurate data base of mine information. AMLFCS responsibilities include:

- accounting for reclamation fees and production data submitted by payers;
- maintaining accurate, timely information of debt and non-respondent data;
- providing an automated system to record compliance information including fee, interest, and penalty payments;
- providing reports that monitor the effectiveness of the Fee Compliance program; and
- providing a fiscal-year report of reclamation funds available for allocation to States and to Indian Tribes.

The Division of Financial Management operates the Abandoned Mine Land Fee Collection System (AMLFCS) through the combined effort of two branches, the Branch of AML Fee Collection and the Branch of Financial Systems and Operations.

AMLFCS Personnel

The **Branch of AML Fee Collection** consists of two sections: the Operations Section and the Reports and Analysis Section.

All personnel may be reached at:

(303) 236-0368 or FTS 776-0368.

Branch Chief
Program Analyst

JoAnn Hagan
Pamela Cleary

The **Operations Section** is responsible for all data entry of OSM-1s, money transactions, coding sheets, transfers to/from other funds or accounts, refunds and any other data input that affects the system. This section is also responsible for verification of data input for accuracy; follow up with payers for completeness of data; processing and researching written and telephone requests from users; interfacing with the Applicant Violator System for addition and deletion of mines;

micro-filming and filing of source documents; ordering, distributing and filing reports and system outputs such as OSM-1s, bills, non-respondent letters and payer letters; and archiving documents.

To ensure better customer service, the states have been divided between the accounting technicians as follows:

States	Staff
WV (P-Z), VA, GA	Susan Bell
KY (A-J), TN, AZ	Debbie Humphrey
PA, MD, IA, MO, AR, TX, OK, LA, KS	Cindy Murphy
KY (K-Z), ND, MT, CO, NM, AZ, UT, WA, CA, AK	LeAnne Paiva
WV (A-O), OH, IL, IN	Cindy Torrez

Contractor Supervisor

Jay Bautista

The **Reports and Analysis Section** is responsible for analyzing the accuracy of accounting transactions and data integrity; reconciling the AMLFCS to the general ledger; reconciling all reports within the AMLFCS; parallel testing any system conversions; compiling standard and special reports; developing, revising, and documenting procedures and directives; scheduling month-end and year-end closing, providing user training for the AMLFCS; performing system queries, providing information for Freedom of Information Act requests, and other special projects.

Contractor Supervisor
Accountant
Accountant
Accounting Clerk

Judy Garrison
Lori Wurgler
Valerie DeBell
Ludeen Leiter

The **Branch of Financial Systems and Operations** is responsible for maintaining the hardware and software and performing systems accounting and computer programming to support the system. The system is currently operated on a Hewlett-Packard mini-computer.

Other Offices Dependent on the AMLFCS

Division of Debt Management

DDM has the primary responsibility for collecting unpaid AML reclamation fees, including implementing further action for delinquent debts. This responsibility includes determining the proper bill status code, waiver and termination of debt in accordance with the Debt Collection Act and monitoring of payment agreements.

Division of Compliance Management

DCM performs audits of permittee/operators who are responsible for paying reclamation fees to enforce compliance.

Applicant Violator System Office

AVSO provides DFM with new permit information so that the OSM-1 form can be mailed. DFM provides debt information to AVSO for permit blocking purposes.

Solicitor's Office

Upon referral of debt by DDM to the Solicitor's Office, Solicitors perform the legal steps necessary to obtain payment of the AML debt.

System Functions

The primary functions of the system as performed by the AML Fee Collection Branch are:

- generate OSM-1, Coal Production and Reclamation Fee Report.
- account for receipts in order to meet the requirements of SMCRA, to fund allocations to states, and to meet the guidelines for reporting to Treasury.
- produce bills and accounts receivable detail for unpaid fees in accordance with the Debt Collection Act.
- produce non-respondent notices to mine operators.
- produce online and hard copy reports for users.

The way the system performs these functions is illustrated in the next few pages beginning with the sources for information entered into the AML Fee Collection System (AMLFCS).

How information is entered into the system . . .

The AML Fees Collection System receives information through these sources:

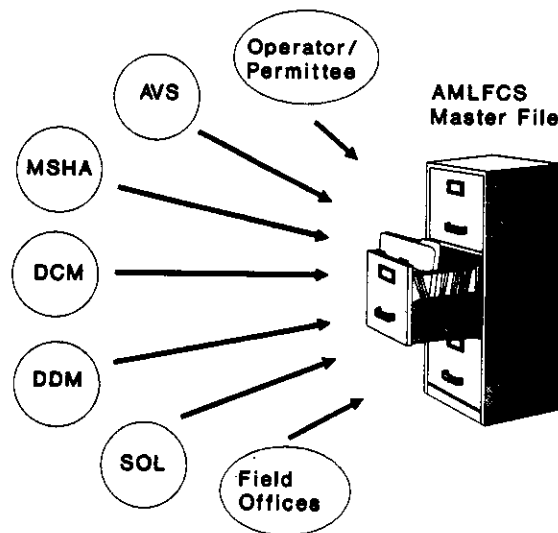
1) Applicant Violator System Office (AVSO) information for new permits/MSHA issued and transferred.

2) a quarterly tape from the Mine Safety and Health Administration (MSHA) establishing new mine IDs or MSHA IDs. This update is used for verification purposes only.

3) coding sheets from solicitors, DDM, auditors and AVS (for example, change of a mine from an underground to surface).

4) OSM-1 forms from mine permittee/operators conveying updated information on their mines.

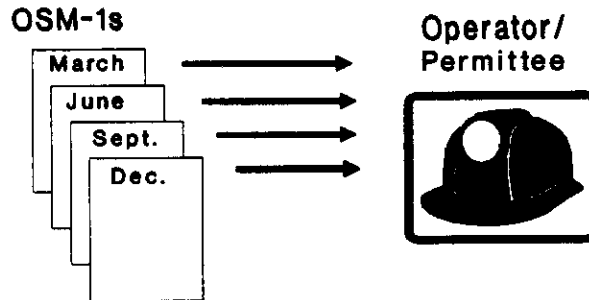
All new mine data is coordinated through the Applicant Violator



System and updated in the AMLFCS by Branch staff. Quarterly data transmission from AVS verifies the accuracy of active permits/MSHA IDs.

Initial contact with the mine . . .

The reporting and revenue collection process is initiated in the third month of each quarter when AMLFCS issues pre-printed OSM-1s to permittee/operators of active mines.



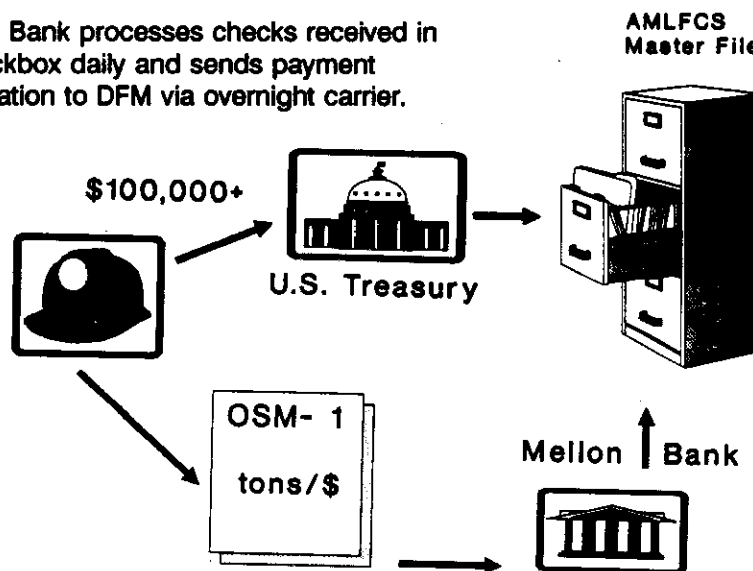
Quarterly production reporting . . .

Permittee/operators must report tonnage and any moisture deductions on an OSM-1 and pay the appropriate fees by the 30th day of the month *following* the end of each quarter.

The OSM-1 and accompanying payment must be deposited in the Mellon Bank lockbox; however, if the fee is \$100,000 or more, permittee/operators must wire transfer the correct amount to the U.S. Treasury. Also see wire transfer.

DFM retrieves payment information from the Fedwire service, but relies on the OSM-1s sent to the Mellon lockbox and transmitted by overnight carrier to DFM for detailed information about the wire transfer payments.

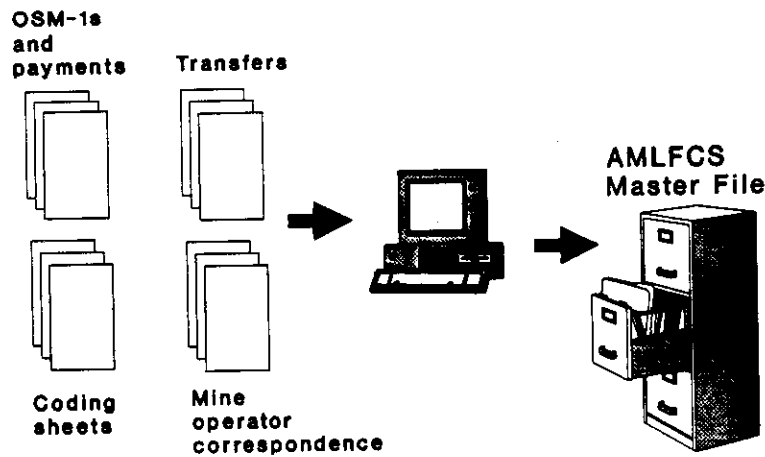
Mellon Bank processes checks received in the lockbox daily and sends payment information to DFM via overnight carrier.



Entering the data . . .

DFM receives OSM-1s and payments, coding sheets, other agency transfers, and mine permittee/operator correspondence.

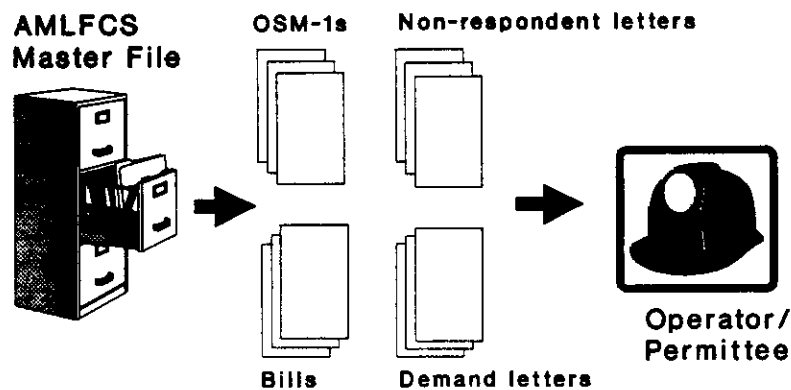
Data is entered on the Hewlett-Packard 3000 minicomputer through a terminal and then verified for accuracy.



Forms distribution . . .

From the information entered into the AMLFCS, the following forms are generated requesting response from the permittee/operator.

- OSM-1s
- bills for collection
- demand letters
- non-respondent letters



Inquiries and reports . . .

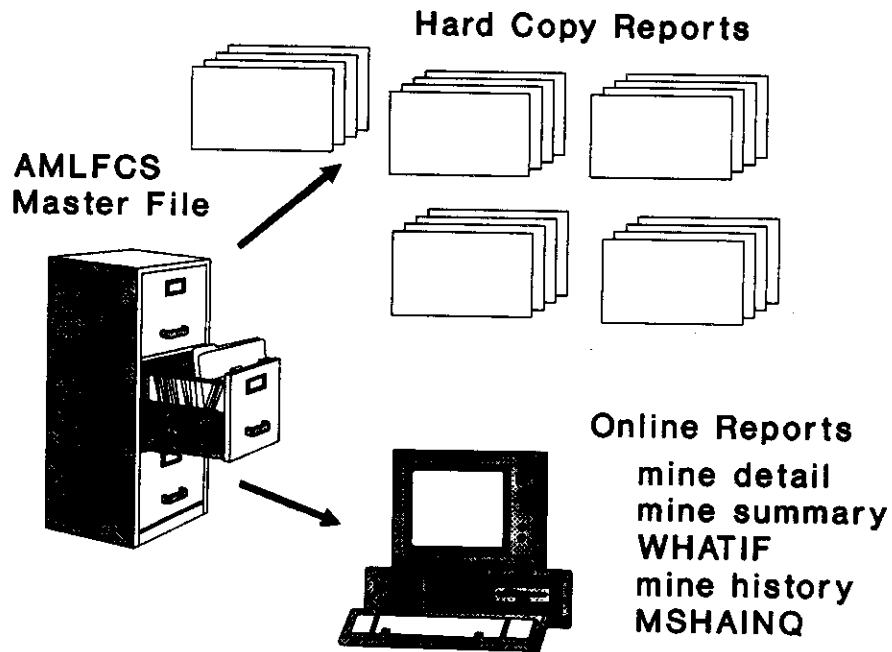
The AMLFCS produces reports for Federal, State and Field Offices for their use in regulating mining activity.

The following hard-copy reports are generated by the AMLFCS:

Bill Status Reports
Mines Owing Money
OSM/MSHA Tonnage Comparison
Financial Reports
Non-respondent Reports
Audit Reports by State

The AML Fee Collection System also produces the following online reports to be used by various offices as research tools:

- mine detail
- mine summary
- "WHAT IF" reports
- mine history
- MSHAINQ



Policy

This chapter contains a summary of policies and policy changes.

Settlement Agreement

Section 9 of the settlement agreement between Save Our Cumberland Mountains, Inc., et al. and Manuel Lujan, Jr., Secretary, United States Department of the Interior, et al., signed January 24, 1990, states that the Office of Surface Mining should take all reasonable steps to assure that data required on the OSM-1 (Coal Production and Reclamation Fee Report) is completed. To accommodate this requirement, follow up letters are sent to permittee/operators requesting completion of deficient OSM-1 forms.

See OSM-1 (Coal Production and Reclamation Fee Report).

Activation of Mines

The policy states new mines will be entered into the AMLFCS only after coordination with the Applicant Violator System (AVS).

See Applicant Violator System and Applicant Violator System Tape.

Inactivation of Mines

The policy states mines will not be inactivated in the AMLFCS until the transfer or inactivation is approved by AVSO.

See Applicant Violator System and Applicant Violator System Tape.

Calculation of Interest

A memorandum from the Assistant Solicitor for the Enforcement and Collections Office provides that interest may not be charged if the amount due is paid within 30 days after the date the interest begins to accrue. Since interest on AML fees begins to accrue on the 31st day after the calendar quarter, any payments received within the next 30 days will not be assessed interest. If the payment is not received within that 30 day grace period, interest will be calculated from the 31st day after the end of the quarter.

See bills for collection, payments, interest.

Administrative Fee

A policy agreed upon by both Chief, Division of Debt Management and Chief, Division of Financial Management dated November 9, 1990, established a \$16 a month administrative charge. The \$16 charge is effective June 30, 1991, and is charged on the second bill. The third bill also includes a \$16 charge, and each successive billing cycle (two per month) will increase the administrative fee by \$8 until the debt is paid or terminated. An analysis of costs for debt pursuit is on file to support the administrative fee.

See payments, bills for collection, administrative costs.

Refunds

The refund policy agreed upon by Chiefs, Division of Compliance Management, Division of Debt Management, and Division of Financial Management states that refunds will not be made for less than \$75 for a year/quarter unless requested by the payer. An analysis of costs to prepare a refund is on file to support the \$75 threshold. Refunds of \$75 and greater will be paid out automatically after verification for accuracy and possible offset.

See refunds, refund policy, refund offset, refund processing.

Issuance of Bills and Demand Letters

Bills and demand letters will be issued for fees due of \$30 and greater to both permittees and operators as established by the legislative history for Abandoned Mine Reclamation Act of 1990:

"...Accordingly, the Committee intends for the Secretary to hold the contractor or lessor and the contractee or lessee jointly and severally liable for payment of the reclamation fees. Further, the Committee finds that the Secretary has properly construed the term "operator" to encompass the permittee of the coal mining operation as jointly and severally liable for the reclamation fee."

See form letters, bills for collection,

Applicant Violator System Blocking

A policy paper signed by the Deputy Director, Operations and Technical Services and the Deputy Director, Administration and Finance documented the AML debt and the non-respondent data that will be transmitted from the AMLFCS to AVS for blocking purposes.

See Applicant Violator System, Applicant Violator System Tape, non respondents.

Debt Write-off Policy

A fee due of less than \$30 will not be billed, and the debt will be automatically terminated by the AMLFCS. A cost analysis was developed to support the \$30 threshold. Three bills and increasingly stronger demand letters will be issued for amounts of \$30 to \$199. If payment is not received within 30 days of the third bill and demand letter, the debt will be terminated automatically. AML fees of \$200 per quarter or greater will be referred to DDM for collection action and will also be referred to AVS for blocking purposes.

See form letters, bills for collection.

Deposit of Receipts into the AML Fund

Solicitor's Opinion dated October 27, 1987, states that all receipts applicable to AML fees will be deposited into the AML fund, including interest, post-judgment interest, penalties, administrative costs, and court costs.

Reporting on Form 1099-G, Statement for Recipients of Certain Government Payments

The Department of Treasury in a memorandum dated May 16, 1990, concluded that debts arising from unpaid reclamation fees should not be reported on Form 1099-G.

Reconciliation Procedures

Each quarter, DFM will provide AVSO with the list (on diskette) of OSM-1s that were mailed to actively producing mines. During the quarter, all additions/activations and inactivations that affect this list will be monitored by the Operations Section.

Monthly, AVSO will provide DFM with a data download of all active permits/MSHA IDs. This list will be reconciled against the subsystem total to ensure that all activations/additions and inactivations have been accurately accounted for. DFM and AVSO have the responsibility to resolve differences.

Reference Section

The AML issues and topics covered in this section are listed alphabetically. For an understanding of how the overall system works refer to the section titled "Overview."

In order to update this section with minimal waste of time and resources, it is organized around the following key words used in the Agency:

activation of permits	non-respondent
administrative costs	non-respondent letter
AMLFCS outputs	OSM-1
Applicant Violator System Office	OSM-1 (example)
Applicant Violator System tape	OSM-1 form letter
bills for collection	payments
bill status codes	penalty
codes	penalty waiver flag
coding sheet (OSM-AMLFCS-1)	permit data base
coding sheet (OSM-AMLFCS-2)	permit number
coding sheet authority	printing
Division of Compliance	processing data
Management	refunds
demand letters (3)	refund offset
due dates	refund policy
dummy IDs	refund processing
entity numbers	reports-hard copy
excess moisture	reports-online
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fee payments	HISTORY
field offices (OSM)	WHATIF
FIPS codes	servicing levels
inactivation of permits	signoff
inter-agency transfers	suspense accounts
interest	tapes
interest waiver flag	termination codes
intra-agency transfers	transfer request forms
judgement situations	transfers
log on procedures	waivers
Mine Detail Report	wire transfers
mine status reason codes	
MSHA ID	
MSHA tapes	

Activation of Permits

The following policy synchronizes the handling of permit activations.

1. State Regulatory Agencies (SRA) will update AVS with new permit information under the Memorandums of Understanding (MOU) being negotiated with each primacy State. The responsible Office of Surface Mining Reclamation and Enforcement (OSM) office will maintain permit information for all Federal program States.
2. The Applicant Violator System Office (AVSO) will provide the Division of Financial Management (DFM) with permit/MSHA ID combination matches, permittee name, permit expiration date, parent entity number and permittee entity number on a monthly magnetic disk. This data will link the permit number in AVS to the MSHA ID in the AMLFCS. AVSO will request the SRA's to provide any missing information before the permit information is transmitted. AVSO will notify DFM to add these new permit/MSHA IDs. to AMLFCS on a hard copy listing that contains the OSM-1 form constant information.
3. DFM receives new mine information and changes to existing information from permittees/operators, auditors, and MSHA. DFM will research requests from permittees/operators and auditors and verify activation. Any changes in the permit number or permittee name will be forwarded to AVSO for verification. DFM will send a letter to permittees/operators of new mines included on the quarterly MSHA tape requesting completion of OSM-1 form if the mine is producing or has potential for producing. AVSO will ensure that any new permit/MSHA numbers obtained from these sources are in AVS. If not, AVSO will contact the FOD and request that the permit information be properly entered into AVS by SRA. DFM will forward all additions of MSHA IDs to AVSO for concurrence prior to entry into the AMLFCS.
4. Permit numbers issued for which mining has not started and no MSHA ID exists will be transmitted to DFM by AVSO on the quarterly magnetic disk in item 2 (above) with a designation of "N", not start. For those permits that have been transferred and are in temporary cessation waiting for a new operator, no MSHA number is assigned and these will have a designation of "T", temporary cessation. The OSM-1 form will not be sent on these permits until AVSO changes the status to active and provides the OSM-1 form constant information.

5. AVSO will provide FODs a quarterly report of active permits that have not started or are in temporary cessation without an active MSHA. The responsible FOD will determine if the permit is actually producing. The FOD will notify the SRA to update the permit status in AVS.
6. Quarterly, DFM will provide AVSO a magnetic disk which includes all the active MSHA IDs. for which OSM-1 forms were mailed. Other information to be included is the mailing address of the OSM-1 and the permittee name. AVSO will compare this data to their active Permit/MSHA database for synchronization.

Also see: Applicant Violator System Office, inactivation of permits, Applicant Violator System Tape, bill status codes, non-respondents, non-respondent letter.

Administrative Costs

Administrative Date: For reporting quarters prior to 91/1, if the full payment on a debt was not received, an administrative charge was assessed within sixty days of the due date (the administrative date). See the table to the right.

Quarter	Admin. Date
1	06/29
2	09/28
3	12/29
4	03/31

For reporting quarters 91/1 forward, administrative charges begin with the second bill, and billing cycles run bi-monthly.

Year/quarter prior to 91/1

- A. Year/quarter prior to 91/1 with debt remaining after the administrative date and paid off before July 15, 1991:
- one-time administrative charge of \$38
- B. Year/quarter prior to 91/1 with tons reported before 91/1 but no fee paid and the debt still outstanding as of July 15, 1991:
- one-time administrative charge of \$38
 - \$8 charge each billing cycle
(The \$8 charge went into effect on July 15, 1991)
- C. Year/quarter prior to 91/1 with tons reported after 91/1:
- one-time administrative charge \$38
 - \$16 charge when the 2nd demand letter is mailed
 - \$16 charge when the 3rd demand letter is mailed
 - \$8 charge for each billing cycle thereafter.

Year/quarter 91/1 and forward

Year/quarter 91/1 and forward where the debt has not been fully paid:

- \$16 charge when the 2nd demand letter is mailed
- \$16 charge when the 3rd demand letter is mailed
- \$8 charge for each billing cycle thereafter
(There is no one-time \$38 charge for these year/quarters)

Also see: penalty, interest, waivers (interest, penalty, admin. cost), judgment situation, fee payments, payments

AMLFCS Outputs

The AML Fee Collection System (AMLFCS) generates notices and bills to customers as well as information and reports used by DFM, DDM, DCM, AVSO, the Solicitor's Office and others. The outputs from the system are:

- OSM-1 Coal Production and Reclamation Fee Report
- non-respondent letters
- demand letters
- bills for collection
- refunds
- Applicant Violator System Tape reports:
 - online
 - hard copy

Applicant Violator System Office

The Applicant Violator System Office (AVSO) and the Division of Financial Management synchronize information to keep the permitting system consistent. The policy for activation and inactivation of permits defines a process for gathering, updating and reporting the on-site information to the two systems.

Also see: Applicant Violator System Tape, activation of permits, inactivation of permits, bill status codes, non-respondents, non-respondent letter.

Applicant Violator System Tape

The AMLFCS produces a weekly tape showing:

- 1) delinquent fee debt (\$200 or greater)
- 2) permittee/operators who are non-respondent in year/quarter 91/1 and forward.

DFM sends the tape to AVSO to block issuance of new permits.

The delinquent amount is based on the debt due per quarter and is not rolled up by MSHA ID. The \$200.00 threshold preserves historical consistency since debts less than \$200.00 have not been referred to the AVSO previously.

Bill status codes

Delinquent fee debt of \$200 or greater is referred to AVSO, the table to the right shows how AVSO will respond to each bill status code. See bill status codes for a discussion of what each code means.

Delinquent fee debt of \$200 or greater within a quarter	
Bill Status Code	AVS Action
00, 01, 04, 05, 06, 07, 11, 12, 13	block permit
02, 03, 09	condition permit
10 (termination codes 11-15)	block permit

Bills for Collection

The permittee/operator is responsible for paying fees for coal produced on a quarterly basis. Since a separate obligation to pay the reclamation fee arises every quarter under SMCRA, 30 U.S.C. Section 1232(b), 30 C.F.R. Section 870.15(a), a separate and distinct debt is created at each operation for each quarter. If payment is submitted to pay a specific quarter of debt, the payment must be applied to the quarter specified.

For example, if a payment comes in with an OSM-1 for the fourth quarter (Q4), and there is delinquent debt in the previous quarters (Q2 and Q3), payment should first be applied to Q4. If money remains after applying it to Q4, the remainder is considered an overpayment and can be used to offset previous debt, oldest quarter first.

Delinquent payments

Effective March 30, 1991, the AMLFCS began running billing cycles on the 15th and at the end of each month for delinquent payments.

Since each bill pertains to only one quarter, an permittee/operator may receive more than one bill for the same mine ID (for example, when a fee was paid late for a prior quarter).

Three bills with three increasingly stronger demand letters (see form letters) may be issued while the fee remains unpaid.

1st bill and demand letter are issued during the first billing cycle after the debt becomes due.

2nd bill and demand letter are issued 30 days after the first bill.

3rd bill and demand letter are issued 15 days after the second.

Bills and demand letters are issued to both the operator and permittee for fee debt of \$30 or greater (see bill status codes).

Bill status codes 00 and 01 are automatically assigned by the AMLFCS; however, fifteen days after the third bill and demand letter are issued, the bill status code for fee debt of \$200 and greater will change automatically from bill status 01 to bill status 07.

Thirty days after the third bill and demand letter is issued, fee debt of \$30 through \$199 will be terminated automatically using termination code 27 and transferred to bill status 10. Debts less than \$30 will be terminated automatically using termination code 26 during the daily update routine and will be transferred to bill status 10 automatically. Quarters paid in full will be automatically changed to bill status 08.

The following table illustrates the billing process for the first quarter. Each quarter has a similar timetable.

January	First Quarter
February	
March	
	OSM-1 is mailed to payer on the 22nd day of the third month of the quarter
April	30th - OSM-1 and payment due.
	31st - delinquent date.
May	15th - first bill and demand letter generated (if reported tonnage but did not pay).
	25th - letter sent to operators who have not responded to the OSM-1
June	15th - second bill and demand letter generated.
	30th - third bill and demand letter generated.

Fifteen days after the third bill, the debt is referred to the Division of Debt Management. No more bills are issued by the AML Fee Collection System.

Undeliverable bills will be itemized in a memorandum and sent to DDM for follow up. The Branch of AML Fee Collection will try to obtain a correct address before referring them to DDM.

The Division of Debt Management pursues debt collection through several methods. DDM may

- a - collect entire amount
- b - recommend issuance of NOV
- c - reach an installment agreement
- d - refer the delinquent company to the Solicitor's Office for further collection, termination and/or compromise
- e - request a collection agency to pursue the debt
- f - terminate fees less than \$600

During a bankruptcy, applicable interest and penalties continue to accrue but billing ceases.

Bill Status Codes

Bill status codes are used in the AMLFCS to describe the status of the bill.

- 00 Bill not sent. Used during the period after tonnage is reported but before the first billing cycle is run.
- 01 Bill sent. Used after the first bill is sent. Debt remains in this category until paid or three bills are issued. This is the only bill status from which bills are generated.
- 02 Solicitor payment agreement. Used for all debts in an approved Solicitor payment plan. The AMLFCS automatically adds a penalty and administrative waiver flag for this bill status code. If operator defaults, the code is changed and penalty and administrative fees automatically resume.
- 03 DDM payment plan. Used for all debts in an approved DDM payment plan. The debt is removed immediately by DDM if the operator defaults. If the operator defaults, the code is changed and penalty and administrative fees automatically resume and becomes retroactive to the original due date.
- 04 Debt referred by DDM to the Solicitor.
- 05 Debt referred by DDM to a collection agency.
- 06 Debt referred to Department of Justice.
- 07 DDM inventory of debt to be worked. Debt of \$200 or greater will automatically be changed to this bill status after three bills and demand letters are issued.
- 08 Paid in full.
- 09 Debt in bankruptcy.
- 10 Terminated debt. Includes:
 - (a) debt less than \$30 (automatically terminated)
 - (b) debt between \$31 and \$199 (automatically terminated after three bills and demand letters are issued)
 - (c) debt \$200 and greater (see Coding Sheet Authority).
- 11 Net worth determination ordered, not yet received.
- 12 DDM awaiting Solicitor approval for reclassification.
- 13 Frequent non-payers under \$200.

Also see: mine status reason codes, penalty waiver flag, waiver (interest, penalty, admin.cost), termination codes, FIPS codes

Codes

The AMLFCS uses various codes to indicate reasons, places and other specifics. This following list of codes may be found alphabetically in this manual.

Codes are listed under their titles:

Mine Status Reason Codes

Penalty Waiver Flag

Waiver (interest, penalty, admin. cost)

Interest Waiver Flag

Termination Codes

Bill Status Codes

FIPS Codes

Refund Policy - RC (refund code)

Coding Sheet OSM-AMLFCS-1

This coding sheet is used to facilitate the following changes:

bill payment/account status change
payment distribution/terminations
tonnage/money transfers

Bill payment/account status change

Bill payments must show check number, date of check, postmark date and payment distribution by mine ID, year/quarter.

Bill status changes must show mine ID, company name, year/quarter, and new bill status.

When a judgment is returned on unpaid reclamation fees, the court specifies a judgment date, establishes a post-judgment interest rate and a settlement date. Enter this information into the appropriate blocks for entry into the AMLFCS.

Payment distribution/terminations

DFM will not automatically apply payments to the oldest quarters first. The Solicitors Office or DDM must indicate on the coding sheet which year/quarter to apply the payment.

The priority in which the payment is applied to the debt within a quarter is dictated by the computer system. The payment is automatically applied to debt within a quarter in the following order regardless of the instructions on the coding sheet.

- 1 court costs
- 2 post-judgment interest
- 3 penalty
- 4 administrative charge
- 5 interest
- 6 reclamation fee

Waiver

Interest, administrative fees, and/or penalty that will accrue can be waived if payment agreements are reached by DDM and the Solicitor's Office. A copy of the payment agreement must be sent to DFM.

Interest, administration fee, and/or penalty charges that have accrued are not waived. These charges must be terminated through the termination procedure.

Terminations

See "Coding Sheet Authority" to determine who may sign for terminations.

All terminations must include mine ID, year/quarter, amount to terminate, and a valid termination code, and must be sent to the Division of Debt Management for approval unless signed by the Chief, Division of Financial Management.

Tonnage/money transfers

Tonnage transfers cannot be processed without transfer of money.

To be valid for entry into the AMLFCS, they must be authorized by the appropriate signers (see "Coding Sheet Authority").

Also see, termination codes, penalty waiver flag, bill status codes, waiver (interest, penalty, admin. cost), refund processing, servicing levels, coding sheet authority.

Coding Sheet, OSM AMLFCS-1 (example)

Prepared by: _____ Office: _____ Phone: _____ Date: _____

Bill Payment/Account Status Change

[] Add Mine ID Year/Quarter
 [] Change Company name

Check:	amount	number	date	postmark date
--------	--------	--------	------	---------------

Account status change:

____(02) IP/B ____ (03) IP ____ (04) SOL ____ (05) PCA ____ (06) DOJ ____ (07) DDM
 ____ (09) BR ____ (10) AT ____ (11) NWD ____ (12) SOLR ____ (13) FNP ____ other (specify)

Judgement date: _____ Post petition interest rate: _____ Settlement date: _____

Payment Distribution/Terminations

Waiver Request	Interest	admin	penalty	date
----------------	----------	-------	---------	------

Mine ID	Seq.	Type	YYQ	Amt. to Apply	Amt. to Terminate	Term Code

Tonnage/Money Transfers (incl. refund offsets)

From:

Mine ID	Seq.	Type	YYQ	Tonnage	Amount	Check number

To:

Mine ID	Seq.	Type	YYQ	Amount	Tonnage

Comments:

Coding Sheet OSM-AMLFCS-2

This coding sheet is used for:

constant mine information
mine status changes
tonnage amendments-corrections

Constant mine information

New mine IDs and/or permit numbers will be added to the AMLFCS only after concurrence with AVSO. All information fields must be complete for addition of new mines.

Mine status changes

Mine inactivations are made only after concurrence with the Applicant Violator System. Mines will not be inactivated for temporary cessation.

Tonnage amendments-corrections

To be valid for entry into the AMLFCS, changes must be authorized by the appropriate signers. See "Coding Sheet Authority".

Also see: mine status reason codes, Applicant Violator System, termination codes, penalty waiver flag, bill status codes, waiver (interest, penalty, admin. cost), refund processing, servicing levels

Coding Sheet, OSM-AMLFCS-2 (example)

Prepared by: _____ Office: _____ Phone: _____ Date: _____

Constant Mine Information add new mine change existing mine

Company name	Mine ID	Seq.	Type	Mine name	Permit #	Exp. Date
Contact Person phone #	Nearest town			County FIPS State FIPS	Indian land Tribe	
FCO code	Last date audited			Number of audits	Mail code	
Operator name	Address			City	State and Zip	
Permittee name	Address			City	State and Zip	
Operator entity number	Parent operator entity			Permittee entity number	Parent permittee entity	

Mine Status Changes

Mine ID	Seq.	Type	YYQ - YYQ	Quarter Status	Reason Code	Constant Status

Tonnage Amendments-Corrections

- Amended tonnage from audit
- Tonnage coding correction

Mine ID	Seq.	Type	YYQ	Correct Tonnage

Comments:

Coding Sheet Authority

Signature authority for coding sheets:

Coding sheet originated by:	Must be signed by:	
SOL DDM DFM	<u>Waivers, terminations and suspensions</u> Chief, Division of Financial Management; Assistant Director Finance Accounting; Chief, Division of Debt Management; Chief, Branch of Collections	<u>Amount</u> Less than \$600
	<u>With Solicitor concurrence:</u> Assistant Director Finance and Accounting; Chief, Division of Debt Management; Chief, Branch of Collections	Less than \$100,000
	Department of Justice	Over \$100,000
Division of Debt Management	<u>Tonnage reductions</u> Chief, Branch of Collections	
Division of Debt Management	<u>All other changes</u> Chief, Branch of Collections Section Chiefs, Debt Processing Section I, II, & III	
Division of Compliance Management	Managers, Region I and II Reviewers Supervisors	
Applicant Violator System Office	Chief, AVSO	
Solicitors (other than terminations)	Knoxville - AML Solicitor Denver - AML Solicitor Pittsburgh - AML Solicitor	
SOL DDM	When there is a compromise, the Solicitor has the authority to terminate up to \$1,000 in <u>reclamation fees</u> . Anything over \$1,000 must be approved by the Deputy Director (OSM Directive CAA-2).	

Division of Compliance Management

Audit Offices

The table below lists the Division of Compliance Management audit offices by region and state.

DCM Audit Region	State	Area Office
Region I Pittsburgh, PA	PA, OH	Wilkes-Barre
		Pittsburgh
	MD, WV	Morgantown
		Beckley
	VA	Lebanon
	Region II Kansas City, MO	East KY
Ashland		
Pikeville		
TN		Knoxville
GA, AL		Birmingham
West KY, IL, IN		Madisonville
AR, IA, KS, LA, MS, OK, TX		Kansas City
AK, AZ, CA, CO, ID, MT, NM, ND, UT, WA, WY		Kansas City

Also see: Field Offices, FIPS Codes

Demand Letters

The Branch of AML Fee Collection uses several form letters when a permittee/operator reports tonnage but does not pay the reclamation fee.

Three increasingly strong letters are mailed with the first three bills issued after an account has become delinquent. Copies of these demand letters appear on the next three pages.

First demand letter

Dear Debtor:

Our records indicate that total payment has not been received for reclamation fees you are required to pay on each ton of coal produced for sale, transfer, or use under the Federal Surface Mining Control and Reclamation Act of 1977. Those fees were required to be paid no later than 30 days after the end of the calendar quarter in which you reported tonnage.

Enclosed is a bill for the total debt determined to be due on the tonnage you reported during the quarter(s) indicated. If you have any questions concerning payment of the debt, contact a collection specialist at (202) 208-3603. If you believe the bill to be in error, you may submit an explanation and supporting documentation or contact an accounting technician by telephone at (303) 236-0368. Otherwise, payment is due immediately.

Full and timely payment will allow you to avoid the assessment of late charges and/or administrative debt offset. Federal regulations authorize:

(1) the imposition of interest at a rate set by the U.S. Treasury beginning on the 31st day following the end of the calendar quarter.

(2) a six percent per annum penalty will be imposed on debt that is delinquent for over ninety days.

(3) assessment of administrative costs of \$16 on the second and third bill and \$16 a month thereafter to cover our collection costs.

(4) administrative offset against any future payments or refunds due you from the Federal Government. You have the opportunity to inspect and copy agency records pertaining to the debt, request a review of the debt within 15 calendar days of receipt of this letter, and/or enter into a written agreement with the agency to repay the debt before offset occurs.

Sincerely,

Roy E. Morris
Chief, Division
of Financial Management

Second demand letter

Dear Debtor:

Our records indicate that on (date-first bill and demand letter) we sent to you at the above address a bill and a letter requesting payment of your reclamation fee debt under the Federal Surface Mining Control and Reclamation Act of 1977. The enclosed second bill includes not only the initial debt due on the tonnage you reported during the quarter(s) indicated, but also the interest, penalty, and administrative costs that have accrued since the last billing.

Your debt is delinquent and payment is due immediately. Failure to pay this debt will result in the assessment of additional interest, penalty, and administrative charges. It will also force us to initiate further action such as:

- * Issuing citations that may result in the assessment of civil penalties.
- * An order to cease mining operations.
- * Referral of the debt to a collection agency.
- * Referral of the debt to our attorneys.
- * The initiation of action through permitting authorities to suspend your current permit(s).
- * Deny you the opportunity to obtain future permits.

In addition, we are authorized by federal regulations to report your delinquent debt to credit reporting bureaus. Information released to such bureaus would include your name, address, taxpayer identification number, the amount of your delinquent debt, and the date the delinquency arose.

If you believe this bill to be in error, please contact an accounting technician at (303) 236-0368. If you have a question concerning payment of the debt, immediately contact a collection specialist at (202) 208-3603 to ensure that any dispute may be resolved prior to further action.

Sincerely,

Roy E. Morris
Chief, Division
of Financial Management

Third demand letter

Dear Debtor:

This is the third letter that has been sent to you requesting payment for reclamation fee debt due on your coal production under the Federal Surface Mining Control and Reclamation Act of 1977. The first letter was sent to you at the above address on (date-first bill and demand letter) and the second on (date-second bill and demand letter). The enclosed third bill reflects the total debt determined to be due on the tonnage you reported during the quarter(s) indicated.

Your continued failure to pay this delinquent debt leaves us no alternative but to pursue other avenues for collection. If payment is not received within fifteen (15) days of receipt of this letter, we will report your debt to a consumer reporting agency. At the same time, collection will be pursued through a private collection agency or through litigation. Your ability to retain a current permit or to obtain a future permit will be impaired since your name will be placed on a list of delinquent debtors, which will be sent to permitting authorities. If your debt is over \$5,000.00 and is delinquent for over 90 days, you may be issued a citation, which will result in the assessment of civil penalties or in the issuance of an order to cease operating until payment is received.

If you have any questions regarding payment of this bill, please contact a collection specialist at the Division of Debt Management at (202) 208-3603.

Sincerely,

Roy E. Morris
Chief, Division
of Financial Management

Also see: payments, bills for collection.

Due Dates

The following table shows the sequence of events for a quarter.

Quarter 91/2 (the second quarter of 1991)	April May June
payment due date	July 30
late payment date (delinquent date)	July 31
first bill cycle	August 15
interest late ¹ date	August 30
admin fee due	September 15
second bill cycle	
admin fee due	September 30
third bill date	
penalty late ¹ date	October 29

¹Interest and penalty not paid by this date will begin to accrue from the late payment date.

Also see: payments, non-respondent, interest, penalty, administrative cost, judgement situations.

"Dummy" IDs

Occasionally a need arises to enter a payment into the AMLFCS for a mine without an MSHA mine ID number. This situation can occur when a "wildcat" mine, operated and closed without a mine ID, is audited and found owing fees or MSHA does not assign a number.

Personnel in the AML Fee Collection Branch assign a dummy mine ID number in order to enter the mine information into the AMLFCS. The Branch of AML Fee Collections maintains a log of these special mine IDs along with the reason for issuing the dummy ID.

Also see: suspense accounts, MSHA IDs

Entity Numbers

The entity number is a registration number managed and controlled by the Applicant Violator System (AVS) Office. A unique, randomly generated six digit identification number is assigned to entities such as the permittee and operator or as a master entity number.

Master Entity Number

The master entity number is assigned to the parent company linked to permittees and operators by ownership and/or control.

Permittee Entity is assigned to permittees and used to transfer blocking information to AVS.

Operator Entity is assigned to operators.

Also see: permit number, MSHA ID

Excess Moisture

Excess moisture may also affect the tonnage fee. For coal produced on or after July 1, 1988, the operator may calculate a tonnage reduction (therefore, a fee reduction) due to moisture in excess of inherent moisture in the coal.

In order to take the excessive moisture content allowance the operator must comply with certain requirements.

Excess Moisture Requirements

Prove the existence and amount of excessive moisture and the documentation must be updated as necessary in order to prove the continuing validity of the excess moisture allowance.

Use standard laboratory analyses to test for inherent and total moisture.

Test different seams of coal for variation in inherent moisture before they are blended and then sold, transferred or used.

Retain the results of all laboratory analyses and all other documents and records for not less than six years after the date of each analysis.

If the Office of Surface Mining disallows all or part of the allowance, submit additional fees plus interest, penalty and administrative charge.

OSM has provided permittee/operators with formulas to use to compute the correct excess moisture reduction. The formulas for those computations may be found in Appendix 1, "Examples of Moisture Calculations," in the back of this manual. (Published in AML Payer Letter dated September 14, 1990.)

Also see: Appendix 1, Moisture Examples

Fee Computation

The Abandoned Mine Land (AML) reclamation fee is assessed on each ton of coal produced for sale, transfer or use including the product of in situ mining. The amount of the fee is determined by the mine classification:

Surface mining fees

The fee for anthracite, bituminous, and subbituminous coal (including reclaimed coal) is 35 cents per ton. If the value of a ton is less than \$3.50, the fee is 10 percent of the value¹.

Underground mining fees

The fee for anthracite, bituminous, and subbituminous coal is 15 cents per ton. If the value of a ton is less than \$1.50, the fee is 10 percent of the value¹.

Lignite coal

The fee for lignite coal, whether surface or underground is, 10 cents per ton. If the value of a ton is less than \$5.00, the fee is 2 percent of the value¹.

In situ coal

The fee for in situ mined coal (except lignite coal) is 15 cents per ton based on the Btu number per ton in place equated to the gas produced at the site as certified through analysis by an independent laboratory.

The fee for in situ mined lignite is 10 cents per ton based on the Btu number per ton of coal in place equated to the gas produced at the site as certified through analysis by an independent laboratory.

The fee is determined by the weight and value at the time of

- a- initial bona fide sale,
- b- transfer of ownership, or
- c- use by the operator,

whichever is the first use after the coal is removed or reclaimed.

Also see: payments, fee payments, interest, penalty, due dates.

¹ When claiming anything other than standard rates, documentation must accompany the OSM-1:

- a) worksheet listing invoice number, tonnage and revenue.
- b) computation of the tonnage rate using the weighted average by quarter.
- c) copies of the original and amended invoices.

Fee Payments

The Code of Federal Regulations, 30 CFR 870.15 requires that each operator pay the reclamation fee based on calendar quarter tonnage no later than thirty days after the end of each calendar quarter.

Mine operators make AML fee payments two ways:

- (1) If the reclamation fee for one or more mines is under \$100,000, operators send a check accompanied by an OSM-1 form to the Mellon Bank lockbox.

Office of Surface Mining
P.O. Box 360095M
Pittsburgh, PA 15251

- (2) If the reclamation fee is \$100,000 or more, it must be wire transferred to the Treasury. The operator still sends the OSM-1 form to the Mellon Bank lockbox (same address). See "Wire Transfer" for more information.

Multiple mines/quarters, one check

A mine operator may submit several OSM-1s at one time (for multiple mines and/or more than one quarter) and make payment with one single check or wire transfer. The payment must then be subdivided and appropriate amounts applied to each mine ID.

If overpayment is made on one quarter, the excess may be applied to another quarter (refund offset).

Also see: wire transfers, refund offset, refund, refund policy

Field Offices (OSM)

The OSM field office listed on the left is responsible for permitting and oversight activities in the state(s) listed on the right.

OSM Field Office	State(s)
Lexington, KY	KY
Charleston, WV	WV
Knoxville, TN	TN, NC
Big Stone Gap, VA	VA
Harrisburg, PA	PA, RI, MA, MD
Birmingham, AL	AL, GA, MS
Columbus, OH	OH, MI
Indianapolis, IN	IN
Springfield, IL	IL
Kansas City, MO	MO, IA, KS, NE
Tulsa, OK	OK, TX, LA, AR
Albuquerque, NM	NM, AZ, UT, CO, NV, CA
Casper, WY	WY, MT, ND, SD, ID, AK, WA, OR

Also see: FIPS Codes, codes

FIPS Codes

AML Fee Collection personnel use FIPS codes to order reports and perform queries.

State	ST	FIPS	OFC	State	ST	FIPS	OFC
Alabama	01	01	6	New Mexico	29	35	10
Arizona	02	04	10	New York	30	36	10
Arkansas	03	05	9	North Carolina	31	37	10
California	04	06	10	North Dakota	32	38	10
Colorado	05	08	10	Ohio	33	39	7
Connecticut	06	09	10	Oklahoma	34	40	9
Delaware	07	10	10	Oregon	35	41	10
Florida	08	12	10	Pennsylvania	36	42	
Georgia	09	13	6	Rhode Island	37	44	
Idaho	10	16	10	South Carolina	38	45	1
Illinois	11	17	8	South Dakota	39	46	1
Indiana	12	18	8	Tennessee	40	47	5
Iowa	13	19	9	Texas	41	48	9
Kansas	14	20	9	Utah	42	49	10
Kentucky	15	21	4	Vermont	43	50	10
Louisiana	16	22	9	Virginia	44	51	3
Maine	17	23	9	Washington	45	53	10
Maryland	18	24	2	West Virginia	46	54	2
Massachusetts	19	25	2	Wisconsin	47	55	2
Michigan	20	26	7	Wyoming	48	56	10
Minnesota	21	27	7	Dist. Columbia	49	11	10
Mississippi	22	28	6	Alaska	50	02	10
Missouri	23	29	9	Hawaii	51	15	10
Montana	24	30	10	Pacific Isl.	52	multi	10
Nebraska	25	31	10	Panama Canal	53	61	10
New Hampshire	27	33	10	Puerto Rico	54	72	10

Also see: codes, field offices (OSM)

Inactivation of Permits

The following policy synchronizes the handling of permit inactivations.

1. AVSO, through the FODs, will require the SRAs to update AVS with permit amendments, transfers and renewals.
2. AVSO will provide DFM with all changes to any of the fields via the quarterly magnetic disk. AVSO will provide a hard copy listing of any inactivations to be made in the AMLFCS to DFM as a result of transfers.
3. DFM receives requests from permittees/operators to inactivate permit/MSHA IDs. DFM will obtain from the permittee a copy of the most recent State or Federal surface mining reclamation inspection report that demonstrates that all coal production is complete. Permittee will certify that no stockpiles of coal exist and all AML Fees have been paid on coal produced on the permit. DFM will send a list of potential inactivations to AVS for verification and updating of the Applicant Violator System. DFM will inactivate the permit/MSHA ID in the AMLFCS upon concurrence by AVSO.
4. Permit/MSHA IDs will not be inactivated during temporary cessation if permittee is also the operator. If operator/contractor is not the permittee, the MSHA ID will be inactivated until the FOD notifies AVS that the site has begun production again. If the mine is not inactivated, the permittee/operator must submit zero tonnage on the Form OSM-1 or be classified as non-respondent within AMLFCS.

Also see: activation of permits, Applicant Violator System Tape, bill status codes, form letter (non-respondent), non-respondents, refunds,

Inter-Agency Transfers

Inter-agency transfers refer to the transfer of monies between Agencies and Departments of the Government. Inter-agency transfers include:

Department of Justice SF-1081s (DOJ1081s)

Online Payments and Collections (OPACs)

Department of Justice 1081s

Transfers initiated by the Department of Justice to the AML Fee Collections Branch account are generally for a fee due from past years and quarters, often as a result of bankruptcy or other types of legal settlements. The Department of Justice transfers the money collected each month to the AML Fee Collection Fund using an SF1081 (Detail Listing to Support Transfer of Funds from the U.S. Department of Justice) to notify the AML Fee Branch about the transfer. The following steps outline the process:

- 1) A copy of each Department of Justice SF1081 is sent to the Division of Financial Management. The payment is entered into a suspense account pending receipt of the coding sheet indicating where payment should be applied.
- 2) AML Fees sends a copy of each DOJ1081 to the Solicitor's Office since the debt referral was made by the Solicitor. The Solicitor's Office prepares the coding sheets that instruct the AML Fee Branch on how the funds should be applied.

Online Payments and Collections

An OPAC transfers funds sent to one Department in error and credits the account of the correct Department. For example, a payment sent to MSHA, Department of Labor, that should have gone to OSM, Department of Interior, is credited to the OSM account through an OPAC transfer.

Also see: intra-agency transfers, refunds, payments, transfers