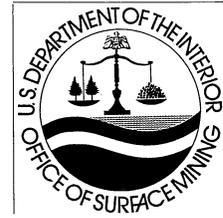


Applicant/Violator System Office System Advisory Memorandum



SAM # 3 DATE: July 15, 2008

Subject: AML CONTRACTOR ELIGIBILITY

OSM's regulations at 30 CFR 874.16 and 30 CFR 875.20 require that, in order to receive Abandoned Mine Land (AML) program funds, every successful bidder on an AML contract must be eligible under 30 CFR 773.12, 773.13, and 773.14 to receive a permit or a provisionally-issued permit to conduct surface coal mining operations at the time of contract award. This SAM presents OSM's regulations and policies that implement the requirements. The title of this SAM has been revised from a previous, similar SAM to be consistent with other SAMs that may include discussion of coal mining permit eligibility.

To implement the regulatory requirements, OSM requires all successful bidders on Federal contracts be evaluated for permit eligibility or provisional permit eligibility. OSM has entrusted the AVS Office with evaluating successful bidders on Federal contracts as well as entering and maintaining the information for Federal AML contracts. While not required, approved program States may ask the AVS Office to evaluate their successful bidders and maintain the information in AVS for AML contractors. States may, if they so choose, evaluate the eligibility of their own successful AML contract bidders. Regardless of the source of the evaluation, OSM and all States are required to enter and maintain all entity, relationship, and violation records in AVS for AML contractors.

The regulatory requirements at 30 CFR 874.16 and 30 CFR 875.20 ensure persons in violation of SMCRA or otherwise permit ineligible are prevented from benefitting from public AML funds. OSM believes that persons with unabated or uncorrected violations should not be allowed, without sanction, to benefit under Title IV of SMCRA. Federal and State-administered non-emergency grants as well as AML emergency contracts are subject to these requirements.

For Federal use and for States that request AML contractor evaluations from OSM, the AVS Office has devised an AML Contractor Information Form, OMB #1029-0119. Successful bidders must complete the form, including a certification as to the status of information for them already in AVS. The three choices for certification are (1) the information currently in AVS is accurate, complete, and up-to-date; (2) the information currently in AVS is partially accurate or complete; and (3) there is currently no information in AVS for the successful bidder. Blank AML Contractor Information Forms may be obtained from the AVS Office or retrieved from our website at www.avs.osmre.gov.

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Questions regarding AML contractor eligibility should be directed to the AML Contracts Coordinator in the AVS Office at 1.800.643.9748 or your Federal or State Contracting Officer.

Signed: Debbie J. Feheley
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Applicant/Violator System Office