

350.515 Mandatory participation in fund -- Initial capitalization -- One-time assessments -- Full-cost bond in lieu of participation.

- (1) Any permittee of a surface coal mining operation, as defined in KRS 350.010(1), located in Kentucky who meets the criteria set forth in this section and in administrative regulations promulgated by the cabinet, shall be a mandatory participant in the fund, except as provided in subsection (5) of this section.
- (2) The initial capitalization of the fund shall be accomplished in the following manner:
 - (a) Transfer of the assets and liabilities of the voluntary bond pool fund to the Kentucky reclamation guaranty fund upon March 22, 2013; and
 - (b) On the date of the establishment of the fund, each entity holding a permit subject to subsection (1) of this section shall be liable to the fund for the following one (1) time assessments, which shall be payable to the fund within thirty (30) days' notice of the amounts thereof:
 1. A start-up assessment of one thousand five hundred dollars (\$1,500); and
 2. An assessment of ten dollars (\$10) per active permitted acre.
- (3) Members of the former voluntary bond pool as established prior to March 22, 2013, shall be exempt from the requirements of subsections (2)(b) and (4) of this section.
- (4) Entities entering the fund after the date of the establishment of the fund shall pay a one (1) time assessment of ten thousand dollars (\$10,000) to the fund. The cabinet shall not issue a permit to the entity until the one (1) time assessment is paid.
- (5) Member entities shall be given the option to provide full-cost bonds based on a reclamation cost estimate that reflects reclamation costs to the cabinet and certified by a registered professional engineer in lieu of participation in the fund. The estimate's calculations shall be equivalent to those set forth in the United States Office of Surface Mining Reclamation and Enforcement's Handbook for the Calculation of Reclamation Bond Amounts, OSM Directive TSR-1, and calculated on forms developed by the cabinet. If an applicant opts out and elects to provide a full-cost bond, the applicant shall not be subject to any fees or to any provisions of KRS 350.500 to 350.521.

Effective: March 22, 2013

History: Created 2013 Ky. Acts ch. 78, sec. 6, effective March 22, 2013.