



Stage 1 Business Analysis

California Department of Technology, SIMM 19A.3 (Ver. 3.0.8, 02/01/2022)

1.1 General Information

1. Agency or State entity Name: 3480 - Conservation, Department of

If Agency/State entity is not in the list, enter here with the [organization code](#).

2. Proposal Name and Acronym: Division of Mine Reclamation SMARA-4

3. Proposal Description: (Provide a brief description of your proposal in 500 characters or less.)

A new data management system that will allow operators and lead agencies secure access to submit required information, documents, and fees to the Division of Mine Reclamation (Division), California Geologic Survey (CGS), and California State Mining and Geology Board (SMGB) as required under the Surface Mining and Reclamation Act (SMARA) via a web interface. Information collected would be stored in a data management system that allows the Division, CGS, and SMGB to effectively implement statutory responsibilities and to provide a level of oversight required under the statutes for SMARA, public contracting (PCC 10295.5 & 20676), real estate disclosure (CA CIV § 1103.4), and transparency purposes. Data and information would be made available to the public through a Geographic Information System (GIS) Interface.

4. Proposed Project Execution Start Date: 7/1/2023

5. S1BA Version Number: Version 2

1.2 Submittal Information

1. Contact Information

Contact Name: Sujit Smile

Contact Email: Sujit.Smile@conservation.ca.gov

Contact Phone: 916-261-2918

2. Submission Type: Updated Submission (Post-Approval)

If Withdraw, select Reason: Choose an item.

If Other, specify reason here: Update to Executive Champion (Sponsor) from David Shabazian to Wendy Weaver.

Sections Changed, if this is a Submission Update: (List all sections changed.)

1.3

Summary of Changes: (Summarize updates made.)

Updated Executive Champion

3. Attach [Project Approval Executive Transmittal](#) to your email submission.

4. Attach [Stage 1 Project Reportability Assessment](#) to your email submission.

1.3 Business Sponsorship

1. Executive Champion (Sponsor)

Title: Chief Information Officer

Name: Wendy Weaver

Business Program Area: Department of Conservation, Enterprise Technology Services Division

2. Business Owner

Title: Admin & Tech Support Manager

Name: Lynne Taylor

Business Program Area: Division of Mine Reclamation

Title: Reporting Unit Manager

Name: April Balestreri

Business Program Area: Division of Mine Reclamation

Title: Environmental Services Unit Manager

Name: Ian MacLeod

Business Program Area: Division of Mine Reclamation

Title: Engineering Geology Unit Manager

Name: Ian Stevenson

Business Program Area: Division of Mine Reclamation

Title: Engineering Geology Unit Manager

Name: David Rader

Business Program Area: Division of Mine Reclamation

3. Product Owner

Title: Supervisor of Mine Reclamation

Name: Cameron Campbell

Business Program Area: Division of Mine Reclamation

TIP: Copy and paste or click the + button in the lower right corner on any section to add additional Executive Champions, Business Owners, or Product Owners with their related Business Program Areas as needed.

1.4 Stakeholder Assessment

The Stakeholder Assessment is designed to give the project team an overview of communication channels that the state entity needs to manage throughout the project. More stakeholders may result in increased complexity to a project.

1. Indicate which of the following are interested in this proposal and/or the outcome of the project. (Select 'Yes' or 'No' for each.)

State Entity Only: Yes

Other Departments/State Entities: Yes

Public: Yes

Federal Entities: Yes

Governor's Office: No

Legislature: Yes

Media: No

Local Entities: Yes

Special Interest Groups: Yes

Other: Yes

2. Describe how each group marked 'Yes' will be involved in the planning process.

The officers of the Department of Conservation (Department), including the Director, Chief Deputy Director, Chief Information Officer, and Supervisor, are each vested in the performance of DMR and its business processes as essential elements of the Department they are responsible for directing. Each officer relies on the DMR business processes where information is compiled from

annual reports submitted by the owner or operator of a mining operation as required under PRC §2207. Each officer uses information from local lead agencies to monitor the status of SMARA compliance at mines and agencies throughout the State. These stakeholders will actively develop the data entry and public-facing sides of the data system.

Under PRC §2774, Lead Agencies are required by statute to create business processes for monitoring SMARA. SMARA Lead Agencies (cities, counties, the State Mining and Geology Board, and San Francisco Bay Conservation and Development Commission) rely on DMR and its data management system to submit required documents and determine operator compliance with annual reporting and fee requirements. Lead agencies may be involved in the planning process by providing input on the database's public-facing and data entry portions.

State agencies rely upon the DMR data system to determine which surface mining operations they can purchase mined material from in compliance with Public Contracting Code. State agencies also rely on the DMR data system to review location, permit, and reclamation plan data for mining operations that may have been issued a permit by that State agency or that conduct activities potentially subject to oversight by that State agency. State agencies may be involved in the planning process by providing input on the public facing side of the data system.

The public (general public, real estate professionals, contractors and surface mine operators) rely upon the DMR data system to review publicly available mine data, determine locations of mining operations for property sales disclosure, and to determine eligibility of an operation for sales of mined material to local agencies. The public may be involved in the planning process by providing input on the public facing side of the data system.

Special interest groups rely upon the DMR data system to determine location and review documents related to lead agency annual inspections, permitting and reclamation plans. Special interest groups may be involved in the planning process by providing input on the public facing side of the data system.

The California State Legislature relies on DMR business processes to keep it apprised of Conservation's performance and activities for meeting legislative goals and mandates.

1.5 Business Program

1. **Business Program Name:** Division of Mine Reclamation.
2. **Program Background and Context:** (Provide a brief overview of the entity's business program(s) current operations.)

In 1991, following significant revisions to the Surface Mining and Reclamation Act of 1975 (SMARA), the Department's Office of Mine Reclamation (now the Division of Mine Reclamation (Division)) was created to provide technical review of documents submitted for local governments as they administer SMARA within their respective jurisdictions. To accomplish this goal, the Division may provide comments to the Lead Agency on a mining operation's reclamation plan and financial assurance and may initiate actions that encourage surface mine operator compliance with SMARA. While the primary focus is on existing mining operations and the return of those

mined lands to a usable and safe condition, issues related to abandoned legacy mines are addressed through the Abandoned Mine Lands Program (AMLP). The Division is the centralized repository for information pertaining to both pre-SMARA and post-SMARA regulated mines in California.

Currently, information regarding SMARA-regulated mines is obtained from Lead Agencies and mine operators through both paper and electronic submissions, of which almost 50% were submitted on paper in 2021. The Division annually receives submitted information regarding SMARA regulated and abandoned mine sites across the State and manually processes this information for tracking and reporting to the public and key stakeholders. The information regarding abandoned mines is obtained directly by Division staff or in some cases, provided by staff from other federal and State agencies. Once manually processed by Division staff, the information is used to track SMARA compliance, Lead Agency inspection and enforcement activity, and to maintain an inventory of abandoned mine locations and associated hazards.

The existing SMARA business processes currently contains information on 2,200 mines and tracks about 1,000 un-reclaimed active mine sites, and the Abandoned Mine Lands Program (AMLP) system now contains roughly 4,000 sites with 60,000 features. The information tracked and reported by the Division is essential to meeting statutory requirements for maintaining a "purchase preference" list pursuant to PRC 2717 and disclosure and transparency of mine data to the public, and to understand the location and nature of abandoned mine features and associated hazards within their jurisdiction.

3. How will this proposed project impact the product or services supported by the state entity?

The current SMARA business process manages a portion of the overall data that is needed for the Division to meet statutory requirements and responsibilities. Updating the SMARA business process to capture additional data will allow for fundamental compliance and enforcement tracking, data validation, and quality control information to be maintained. The Division is relied upon to provide complex compilations of data that the business processes were not originally designed for. These requirements include strategic compliance reports, AB 3098 eligibility lists, enforcement summaries, and various summary reports requested by Department management or the Legislature.

At this time, the Department has migrated its enterprise desktop operating system to Windows 10 Enterprise, which does not support the current SMARA business tools. In addition, the current SMARA business tools make mining information difficult to access for many key stakeholders, including Lead Agencies, SMGB, other federal, State and local agencies, and the public. The AMLP business tools pose many similar issues. Through a modernization of existing systems that incorporate extensive AMLP data, the Division has the opportunity to consolidate and enhance its record-keeping, document handling, and reporting capabilities including the mandated AB 3098 list and new SB 447 requirements. New, updated business systems would increase data transparency, reduce frequency of manual data entry, provide regulatory oversight tools, and increase information exchange with key stakeholders. With the implementation of a modernized system, Division staff resources currently assigned to manual business processes could be redirected to improve fee and penalty collections. In addition, the Division projects that new

business processes will increase staff resource efficiencies by 45% or more, which will help avoid significant staff and cost increases that will otherwise need to be passed on to mine operators, stakeholders, and the public.

Security and accuracy of data will be significant elements of the proposed system. Strict control of user groups with role based access and authority will be needed to maintain network safety and data integrity. Password control, access control, authority control, and quality control will all be implemented as part of this proposal.

If this proposal is not executed as planned, the Division will not be able to meet statutory requirements for AB 3098, real estate disclosure, and statutory responsibilities for SMARA enforcement. Listed stakeholders will be without a business process that can be used to oversee, manage, and monitor SMARA compliance at mines and agencies throughout the State. Authority and SMARA compliance and abandoned mine safety will be at risk of being ignored or disregarded.

TIP: Copy and paste or click the + button in the lower right corner to add Business Programs, with background and context and impact descriptions as needed.

1.6 Project Justification

1. Strategic Business Alignment

Enterprise Architect

Title: Information Technology Specialist II

Name: Vinod Bhaskaran

Strategic Plan Last Updated? 2010/2013, Updated 7-12-11

Strategic Business Goals: Goals 1 & 2: Increase rate of mine operator and level of lead agency compliance with SMARA. Goal 6: Modernize Division business practices and products.

Alignment: The proposed project is in alignment with the the Strategic Business Goals of the Division.

Mandate(s): State

Bill Number/Code, if applicable: PRC Section 2207

Add the Bill language that includes system-relevant requirements:

The State Geologist shall provide all requested and recommended information to the director who shall prepare a report for transmission to the Governor on or before the 15th day of September of each year. The report shall include a section reviewing the status of measures

taken in the state to counter geologic hazards and a section reviewing the economic utilization and conservation of the state's mineral resources and problems related thereto pursuant to Chapter 7.6 (commencing with Section 2650).

Bill Number/Code, if applicable: PRC Section 2207

Add the Bill language that includes system-relevant requirements:

The owner or the operator of a mining operation within the State shall forward to the supervisor annually, not later than a date established by the supervisor, upon forms approved by the board from time to time, a report that identifies [all relevant information pertaining to the mine operation]

Bill Number/Code, if applicable: AB3098 (Statutes of 1992), PRC Section 2717

Add the Bill language that includes system-relevant requirements:

PRC Section 2717(b) For purposes of ensuring compliance with Sections 10295.5 and 20676 of the Public Contract Code, the Division of Mine Reclamation shall, at a minimum, quarterly publish in the California Regulatory Notice Register, or otherwise make available upon request to the Department of General Services or any other state or local agency, a list identifying all surface mining operations subject to this chapter and Section 2207 that are reporting as newly permitted, active, or idle, for which all of the following apply:

- (1) A reclamation plan has been approved.
- (2) A financial assurance mechanism that is at least equal to the current approved financial assurance cost estimate, as described in Section 2736, has been approved.
- (3) A financial assurance cost estimate required under Section 2773.4 has been submitted, as indicated on a notice of completion of inspection submitted by the lead agency pursuant to subdivision (b) of Section 2774. Operators may also confirm submission of their annual financial assurance cost estimate as required by subparagraphs (A) and (B) of paragraph (1) of subdivision (d) of Section 2773.4 by providing a copy of the first page of the financial assurance cost estimate (FACE-1) form to the supervisor.
- (4) The annual report required under Section 2207 has been submitted.
- (5) All fees required under Section 2207, including all past-due fees, administrative penalties, and interest have been paid.
- (6) The operation is not out of compliance with an order to comply or stipulated order to comply. (c) Notwithstanding paragraphs (1) and (2) of subdivision (b), surface mining operations for which an appeal is pending before the board pursuant to subdivision (e) of Section 2770, if the appeal was not pending before the board for more than 180 days, shall be included on the list published pursuant to subdivision (b).

Bill Number/Code, if applicable: PCC 10295.5

Add the Bill language that includes system-relevant requirements:

PCC 10295.5: (a) Notwithstanding any other law, a state agency shall not acquire or utilize sand, gravel, aggregates, or other minerals produced from a surface mining operation subject to the Surface Mining and Reclamation Act of 1975 (Chapter 9 (commencing with Section 2710) of Division 2 of the Public Resources Code), unless the operation is identified in the list published pursuant to subdivision (b) of Section 2717 of the Public Resources Code .(b) Notwithstanding any other law, a state agency shall not contract with a person who is not a surface mining operator, but who is supplying or utilizing sand, gravel, aggregates, or other minerals, to perform work for, or supply materials to, a state agency, unless the operation is identified in the list published pursuant to subdivision (b) of Section 2717 of the Public Resources Code .

(c) For purposes of this section, “minerals” means any naturally occurring chemical element or compound, or groups of elements and compounds, formed from inorganic processes and organic substances, including, but not limited to, coal, peat, and bituminous rock, but excluding geothermal resources, natural gas, and petroleum.

(d) The requirements of this section shall apply to mining operations on federal lands or Indian lands that are subject to the Surface Mining and Reclamation Act of 1975 (Chapter 9 (commencing with Section 2710) of Division 2 of the Public Resources Code) pursuant to a memorandum of understanding between the Department of Conservation and the federal agency having jurisdiction over the lands.

Bill Number/Code, if applicable: PCC 20676

Add the Bill language that includes system-relevant requirements:

A contractor or a mining operator shall not sell any sand, gravel, or other minerals, as defined in subdivision (c) of Section 10295.5 , to a local agency, unless the operation is not subject to the Surface Mining and Reclamation Act of 1975 (Chapter 9 (commencing with Section 2710) of Division 2 of the Public Resources Code), or unless the contractor or mining operator certifies, under penalty of perjury, that the minerals are from a mining operation identified in the list published pursuant to subdivision (b) of Section 2717 of the Public Resources Code .

Bill Number/Code, if applicable: Gov Code 1103.4(c)4

Add the Bill language that includes system-relevant requirements:

(4) In responding to the request, the expert shall determine, utilizing map coordinate data made available by the Office of Mine Reclamation, whether the property is presently located within one mile of a mine operation for which map coordinate data has been reported to the director pursuant to Section 2207 of the Public Resources Code. If the expert determines, from the available map coordinate data, that the residential property is located within one mile of a mine operation, the report shall contain the following notice:

Bill Number/Code, if applicable: PRC 672

Add the Bill language that includes system-relevant requirements:

The board shall represent the state's interest in the development, utilization, and conservation of the mineral resources of the state and the reclamation of mined lands, as provided by law, and federal matters pertaining to mining, and shall determine, establish, and maintain an adequate surface mining and reclamation policy. The board shall also represent the state's interest in the development of geological information necessary to the understanding and utilization of the state's terrain, and seismological and geological information pertaining to earthquake and other geological hazards. General policies for the division shall be determined by the board.

Bill Number/Code, if applicable: PRC 2772

Add the Bill language that includes system-relevant requirements:

(a) The reclamation plan shall be filed with the lead agency, on a form provided by the lead agency, by any person who owns, leases, or otherwise controls or operates on all or any portion of any mined lands and who plans to conduct surface mining operations on the lands.

(b) The reclamation plan shall include a chart identifying the page number, chapter, appendix, or other specific location in the reclamation plan where content meeting the requirements, as applicable, of Sections 2772, 2773, and 2773.3 and Article 1 (commencing with Section 3500) and Article 9 (commencing with Section 3700) of Subchapter 1 of Chapter 8 of Division 2 of Title 14 of the California Code of Regulations, is located.

(c) The reclamation plan shall include all of the following information and documents:

(1) The name and address of the operator and the names and addresses of any persons designated by the operator as an agent for the service of process.

(2) The anticipated quantity and type of minerals for which the surface mining operation is to be conducted.

(3) The proposed dates for the initiation and termination of the surface mining operation.

(4) The maximum anticipated depth of the surface mining operation.

(5) A reclamation plan map or maps that shall include all of the following:

(A) Size and legal description of the lands that will be affected by the surface mining operation and the names and addresses of the owners of all surface interests and mineral interests in the lands.

(B) Clearly defined and accurately drawn property lines, setbacks, and the reclamation plan boundary.

(C) Existing topography and final topography depicted with contour lines drawn at appropriate intervals for the site's conditions.

(D) Detailed geologic description of the area of the surface mining operation.

(E) Location of railroads, utility facilities, access roads, temporary roads to be reclaimed, and any roads remaining for the approved end use.

(F) All maps, diagrams, or calculations that require preparation in accordance with the Professional Engineers Act (Chapter 7 (commencing with Section 6700) of Division 3 of the Business and Professions Code), the Geologist and Geophysicist Act [Chapter 12.5 (commencing with Section 7800) of Division 3 of the Business and Professions Code], or the Professional Land Surveyors' Act [Chapter 15 (commencing with Section 8700) of Division 3 of the Business and Professions Code] shall be prepared by a California-licensed professional, shall include his or her license number and name, and shall bear the signature and seal of the licensee.

(6) A description of and a plan for the type of surface mining to be employed and a time schedule that will provide for the completion of surface mining on each segment of the mined lands so that reclamation can be initiated at the earliest possible time on those portions of the mined lands that will not be subject to further disturbance by the surface mining operation.

(7) A description of the proposed use or potential uses of the mined lands after reclamation and evidence that all owners of a possessory interest in the land have been notified of the proposed use or potential uses.

(8) A description of the manner in which reclamation, adequate for the proposed use or potential uses, will be accomplished, including both of the following:

(A) A description of the manner in which known contaminants will be controlled and mining waste will be disposed.

(B) A description of the manner in which affected streambed channels and streambanks will be rehabilitated to a condition that minimizes erosion and sedimentation.

(9) An assessment of the effect of implementation of the reclamation plan on future mining in the area.

(10) A statement that the person submitting the reclamation plan accepts responsibility for reclaiming the mined lands in accordance with the reclamation plan.

(11) Any other information that the lead agency may require by ordinance.

(d) An item of information or a document required pursuant to subdivision (c) that has already been prepared as part of a permit application for the surface mining operation or as part of an environmental document prepared for the project pursuant to the California Environmental Quality Act [Division 13 (commencing with Section 21000)] may be included in the reclamation plan by reference, if that item of information or that document is attached to the reclamation plan when the lead agency submits the reclamation plan to the supervisor for review. To the extent the information, document, or component of a document referenced in the reclamation

plan is used to meet the requirements of subdivision (c) or Section 2773 or 2773.3, the information, document, or component of a document shall become part of the reclamation plan and shall be subject to all other requirements of this article.

Bill Number/Code, if applicable: PRC 2773.1

Add the Bill language that includes system-relevant requirements:

(a) Lead agencies shall require financial assurances of each surface mining operation to ensure reclamation is performed in accordance with the surface mining operation's approved reclamation plan, as follows:

(2) Financial assurances shall remain in effect for the duration of the surface mining operation and any additional period until reclamation is completed.

(3) The amount of the financial assurance cost estimate required of a surface mining operation for any one year shall be reviewed and, if necessary, adjusted once each calendar year to account for new lands disturbed by surface mining operations, inflation, and reclamation of lands accomplished in accordance with the approved reclamation plan. An operator shall be required to replace an approved financial assurance mechanism to bond for the reclamation of the surface mining operation only if the financial assurance cost estimate identifies a need to increase the amount of the financial assurance mechanism.

(4) Financial assurance cost estimates shall be submitted to the lead agency for review on a form developed by the supervisor and approved by the board. The form shall be subject to the requirements of the Administrative Procedure Act [Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code].

(5) Each financial assurance mechanism shall be made payable to the lead agency and the department. A financial assurance mechanism shall not be released without the consent of the lead agency and the department. A financial assurance mechanism that was approved by the lead agency prior to January 1, 1993, and was made payable to the State Geologist shall be considered payable to the department for purposes of this chapter. However, if a surface mining operation has received approval of its financial assurance cost estimate from a public agency other than the lead agency, the lead agency shall deem those financial cost estimates adequate for purposes of this section, or shall credit them toward fulfillment of the financial cost estimate required by this section, if they are made payable to the public agency, the lead agency, and the department and otherwise meet the requirements of this section. In any event, if a lead agency and one or more public agencies exercise jurisdiction over a surface mining operation, the total amount of financial assurances required by the lead agency and the public agencies for any one year shall not exceed that amount that is necessary to perform reclamation of lands remaining disturbed. For purposes of this paragraph, a "public agency" may include a federal agency.

(b)(1) If the lead agency, or the board when acting as a lead agency, has evidence that an operator may be financially incapable of completing reclamation in accordance with its approved reclamation plan or that the operator may have abandoned the surface mining operation without completing reclamation, the lead agency or the board, when acting as a lead agency, shall conduct a public hearing to determine whether the operator is financially capable of completing reclamation in accordance with the approved reclamation plan or has abandoned the surface mining operation. The hearing shall be noticed to the operator and the supervisor at least 30 days prior to the hearing.

(2) If the lead agency or the board, following the public hearing conducted pursuant to paragraph (1), determines that the operator is financially incapable of performing reclamation in accordance with its approved reclamation plan or has abandoned its surface mining operation without completing reclamation, either the lead agency or the supervisor shall do all of the following:

(A) Notify the operator by personal service or certified mail that the lead agency or the supervisor intends to take appropriate action to forfeit the financial assurances and specify the reasons for so doing.

(B) Proceed to take appropriate action to require forfeiture of the financial assurance mechanisms.

(C) Use the proceeds from the forfeited financial assurance mechanisms to conduct and complete reclamation in accordance with the approved reclamation plan. If the surface mining operation cannot be reclaimed in accordance with its approved reclamation plan, or the financial assurance mechanisms are inadequate to reclaim in accordance with its approved reclamation plan, the lead agency or supervisor may use forfeited financial assurance mechanisms to reclaim or remediate mining disturbances as appropriate for the site conditions as determined by both the lead agency and the supervisor. The financial assurance mechanisms shall not be used for any other purpose. The operator is responsible for the costs of conducting and completing reclamation in accordance with the approved reclamation plan or a remediation plan developed pursuant to this section as determined appropriate by both the lead agency and the supervisor that are in excess of the proceeds from the forfeited financial assurance mechanisms.

(c) Financial assurances shall no longer be required of a surface mining operation, and shall be released, upon the written concurrence of the lead agency and the supervisor, which shall be forwarded to the operator and the institutions providing or holding the financial assurance mechanism, that reclamation has been completed in accordance with the approved reclamation plan. If a surface mining operation is sold or ownership is transferred to another person, the existing financial assurance mechanism shall remain in force and shall not be released by the lead agency and the supervisor until new financial assurance mechanisms are secured from the new owner and have been approved by the lead agency in accordance with Sections 2770, 2773.1, and 2773.4. Within 90 days of the sale or transfer of a surface mining operation, the new operator shall submit an appropriate financial assurance mechanism, which may be the existing mechanism if the existing mechanism is payable in the event of the new operator's financial incapability or abandonment of the surface mining operation, that is subject to review by the lead agency and the supervisor pursuant to subdivision (e) of Section 2773.4.

Within 15 days of the sale or transfer of a surface mining operation, the new operator shall sign a new statement of reclamation responsibility in accordance with paragraph (10) of subdivision (c) of Section 2772.

(d) The lead agency shall have primary responsibility to seek forfeiture of the financial assurance mechanisms and to reclaim mine sites pursuant to subdivision (b). However, if the board is not the lead agency pursuant to Section 2774.4, the supervisor may act to seek forfeiture of the financial assurance mechanisms and reclaim the mine sites pursuant to subdivision (b) only if both of the following occur:

(1) The financial incapability of the operator or the abandonment of the surface mining operation has come to the attention of the supervisor.

(2) The lead agency has been notified in writing by the supervisor of the financial incapability of the operator or the abandonment of the surface mining operation for at least 15 days, the lead agency has not taken appropriate measures to seek forfeiture of the financial assurance mechanisms and reclaim the mine site, and one of the following has occurred:

(A) The lead agency has been notified in writing by the supervisor that failure to take appropriate measures to seek forfeiture of the financial assurance mechanisms or to reclaim the mine site shall result in actions being taken against the lead agency under Section 2774.4.

(B) The supervisor determines that there is a violation that amounts to an imminent and substantial endangerment to the public health, safety, or to the environment.

(C) The lead agency notifies the supervisor in writing that its good faith attempts to seek forfeiture of the financial assurance mechanisms have not been successful.

The supervisor shall comply with subdivision (b) in seeking the forfeiture of financial assurance mechanisms and reclaiming mine sites.

(e) The board may adopt regulations specifying financial assurance mechanisms other than surety bonds, irrevocable letters of credit, and trust funds, which the board determines are reasonably available and adequate to ensure reclamation pursuant to this chapter, but these mechanisms shall not include financial tests or surety bonds executed by one or more personal sureties. These mechanisms may include reclamation bond pool programs.

Bill Number/Code, if applicable: PRC 2773.4

Add the Bill language that includes system-relevant requirements:

(a)(1) Prior to approving the financial assurance cost estimate for a new reclamation plan or adjustments to the financial assurance cost estimate based on an amendment to a reclamation

plan, the lead agency shall submit the financial assurance cost estimate to the supervisor for review.

(2) The lead agency shall provide the supervisor with a determination that the financial assurance cost estimate submitted pursuant to paragraph (1) is adequate, complete, and consistent with Section 2773.1, Article 11 (commencing with Section 3800) of Subchapter 1 of Chapter 8 of Division 2 of Title 14 of the California Code of Regulations, and the board's financial assurance guidelines adopted pursuant to subdivision (f) of Section 2773.1.

(3) All documentation submitted to the supervisor pursuant to this subdivision shall be submitted at one time.

(b) No later than 15 days after receiving a financial assurance cost estimate, the supervisor shall notify the lead agency and the operator if the submission is incomplete. An incomplete submission is one that does not meet the content requirements of Section 2773.1, Article 11 (commencing with Section 3800) of Subchapter 1 of Chapter 8 of Division 2 of Title 14 of the California Code of Regulations, and the board's financial assurance guidelines adopted pursuant to subdivision (f) of Section 2773.1. The supervisor's notice shall specifically identify all aspects of the submission that are incomplete. The supervisor's time to review the financial assurance cost estimate shall commence upon the receipt of a submission that contains the aspects identified in the supervisor's notice to the lead agency.

(c)(1) The supervisor shall have 45 days from the date of receipt of a complete financial assurance cost estimate to prepare written comments if the supervisor chooses.

(2) The lead agency shall evaluate written comments received from the supervisor relating to the financial assurance cost estimate within a reasonable amount of time. The lead agency shall prepare a written response to the supervisor's comments describing the disposition of the major issues raised by the supervisor's comments.

(3) The lead agency shall submit its proposed response to the supervisor at least 30 days prior to approval of the financial assurance cost estimate. The lead agency's response shall include either of the following:

(A) A description of how the lead agency proposes to adopt the supervisor's comments to the financial assurance cost estimate.

(B) A detailed description of the reasons why the lead agency proposes to not adopt the supervisor's comments.

(4) Copies of any written comments received and responses prepared by the lead agency shall be forwarded to the operator.

(5)(A) If the lead agency, in its written response to the supervisor's comments, proposes to not adopt the supervisor's comments relating to the financial assurance cost estimate, the supervisor, within 15 days of receipt of the lead agency's written response, may request in writing a consultation with the lead agency to discuss the supervisor's comments and the lead agency's response. The request shall include an invitation to

the operator to participate in the consultation. The consultation may be conducted in person, electronically, telephonically, or by any means convenient to the parties.

(B) If the supervisor requests a consultation pursuant to this subdivision, the lead agency shall not approve the financial assurance cost estimate until after consulting with the supervisor. The consultation shall occur not later than 30 days after the supervisor's request unless an alternate timeframe is mutually agreed upon by the supervisor, lead agency, and operator.

(6)(A) The lead agency shall give the supervisor at least 30 days' notice of the time, place, and date of the hearing at which the financial assurance cost estimate is scheduled to be approved by the lead agency. If no hearing is required by this chapter, local ordinance, or other state law, then the lead agency shall provide 30 days' notice to the supervisor that it intends to approve the financial assurance cost estimate.

(B) The lead agency shall send to the supervisor its final response to the supervisor's comments within 30 days following its approval of the financial assurance cost estimate, during which time the Division of Mine Reclamation retains all of its powers, duties, and authority pursuant to this chapter.

(d)(1)(A) Within 30 days of an annual inspection being conducted pursuant to Section 2774, an operator shall provide an annual financial assurance cost estimate to the lead agency for review.

(B) If the lead agency fails to cause the inspection of the surface mining operation on the date requested by the operator pursuant to Section 2207 or on the date set by the lead agency pursuant to subdivision (c) of Section 2774, the operator shall provide an annual financial assurance cost estimate to the lead agency for review within 30 days of the applicable inspection date, unless the lead agency causes the inspection to occur within that time period, in which case the operator shall provide an annual financial assurance cost estimate to the lead agency within 30 days of the date of the inspection.

(2)(A) Within 60 days of receiving an operator's annual financial assurance cost estimate, the lead agency shall do one of the following:

(i) Deny the financial assurance cost estimate pursuant to paragraph (6).

(ii) Submit the financial assurance cost estimate to the supervisor for review.

(B) The lead agency shall provide the supervisor with a determination that the annual financial assurance cost estimate submitted is adequate, complete, and consistent with Section 2773.1, Article 11 (commencing with Section 3800) of Subchapter 1 of Chapter 8 of Division 2 of Title 14 of the California Code of Regulations, and the board's financial assurance guidelines adopted pursuant to subdivision (f) of Section 2773.1.

(3) All documentation submitted to the supervisor pursuant to this subdivision shall be submitted at one time.

(4) Within 15 days of receiving an annual financial assurance cost estimate, the supervisor shall notify the lead agency and the operator if the submission is incomplete. An incomplete submission is one that does not meet the content requirements of Section 2773.1, Article 11 (commencing with Section 3800) of Subchapter 1 of Chapter 8 of Division 2 of Title 14 of the California Code of Regulations, and the board's financial assurance guidelines adopted pursuant to subdivision (f) of Section 2773.1. The supervisor's notice shall specifically identify all aspects of the submission that are incomplete. The supervisor's time to review the annual financial assurance cost estimate shall commence upon the receipt of a submission that contains the aspects identified in the supervisor's notice to the lead agency.

(5)(A) Within 45 days of receiving an operator's complete annual financial assurance cost estimate from the lead agency, the supervisor shall prepare written comments on the operator's annual financial assurance cost estimate and provide the comments to the lead agency and the operator if the supervisor so chooses.

(B)(i) Within 30 days from receiving the supervisor's written comments pursuant to this subdivision, the lead agency shall evaluate the written comments and provide the supervisor and operator its proposed response to the supervisor.

(ii) The lead agency shall submit its proposed response to the supervisor at least 30 days prior to approving the annual financial assurance cost estimate. The lead agency's response shall include either of the following:

(I) A description of how the lead agency proposes to adopt the supervisor's comments to the annual financial assurance cost estimate.

(II) A detailed description of the reasons why the lead agency proposes not to adopt the supervisor's comments.

(iii) Copies of any written comments received and responses prepared by the lead agency pursuant to this subparagraph shall be provided to the operator.

(C)(i) If the lead agency, in its written response to the supervisor's comments, proposes to not adopt the supervisor's comments concerning the annual financial assurance cost estimate, the supervisor, within 15 days of receipt of the lead agency's written response, may request in writing a consultation with the lead agency to discuss the supervisor's comments and the lead agency's response. The request shall include an invitation to the operator to participate in the consultation. The consultation may be conducted in person, electronically, telephonically, or by any means convenient to the parties.

(ii) If the supervisor requests a consultation pursuant to this subparagraph, the lead agency shall not approve the annual financial assurance cost estimate until after consulting with the supervisor. The consultation shall occur not later than 30 days after the supervisor's request unless an alternate timeframe is mutually agreed upon by the supervisor, lead agency, and operator.

(D)(i) Within 60 days of receiving the supervisor's written comments, or of a consultation pursuant to this subdivision, whichever is later or the due date of the supervisor's written comments if none are received, the lead agency shall approve or deny an operator's annual financial assurance cost estimate.

(ii) The lead agency shall give the supervisor at least 30 days' notice of the time, place, and date of the hearing at which the annual financial assurance cost estimate is scheduled to be approved by the lead agency.

(iii) If no hearing is required by this chapter, local ordinance, or other state law, the lead agency shall provide 30 days' notice to the supervisor that it intends to approve the annual financial assurance cost estimate.

(E) Within 30 days of the lead agency's approval of the annual financial assurance cost estimate, the lead agency shall send the supervisor its final response to the supervisor's comments.

(6) If the lead agency determines an operator's annual financial assurance cost estimate is inadequate, the lead agency shall specify the reasons for that determination. The operator shall have 30 days to appeal that denial pursuant to subdivision (e) of Section 2770 or provide a revised financial assurance cost estimate incorporating the suggested changes to the lead agency for approval by the lead agency pursuant to this section.

(e)(1) Within 30 days of the lead agency's approval of a financial assurance cost estimate pursuant to this section, the operator shall provide the lead agency and the supervisor an appropriate financial assurance mechanism.

(2)(A) Within 15 days of receiving a financial assurance mechanism pursuant to this subdivision, or subdivision (c) of Section 2773.1 the lead agency and the supervisor shall review the financial assurance mechanism to determine if the type of mechanism, including the release instructions, meets the requirements of this chapter.

(B) Financial assurance mechanisms determined to be noncompliant with this chapter shall be returned to the operator with instructions on how to correct the type or release instructions of the financial assurance mechanism.

(3) By July 1, 2018, the board shall adopt forms to implement this subdivision as necessary. The forms shall be subject to the requirements of the Administrative Procedure Act [Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code].

Bill Number/Code, if applicable: PRC 2774.2.5

Add the Bill language that includes system-relevant requirements:

(a) A lead agency shall submit to the supervisor, in an electronic format determined by the Division of Mine Reclamation, official copies of all of the following:

(1) Approved reclamation plans or plan amendments within 60 days of their approval in accordance with subparagraph (B) of paragraph (7) of subdivision (b) of Section 2772.1,

including reclamation plans approved or upheld by the board or lead agency following an appeal pursuant to subdivision (e) of Section 2770.

(2) Interim management plans at the time of approval pursuant to subdivision (h) of Section 2770.

(3) Financial assurance cost estimates within 30 days of their approval pursuant to the procedures set forth in Section 2773.4, including financial assurance cost estimates approved or upheld by the board or lead agency following an appeal pursuant to subdivision (e) of Section 2770.

(4) Financial assurance mechanisms at the time of approval pursuant to subdivision (e) of Section 2773.4.

(5) Notices of violation at the time of issuance pursuant to paragraph (1) of subdivision (a) of Section 2774.1.

(6) Orders to comply at the time of issuance pursuant to subparagraph (A) of paragraph (3) of subdivision (a) of Section 2774.1.

(7) Notices of violations at the time of issuance pursuant to the surface mining ordinances of the lead agency.

(8) Stipulated orders to comply at the time of issuance pursuant to subparagraph (A) of paragraph (2) of subdivision (a) of Section 2774.1.

(9) Orders imposing an administrative penalty at the time of issuance pursuant to subdivision (c) of Section 2774.1.

(10) Administrative decisions at the time of issuance following an appeal of an order to comply issued pursuant to subparagraph (C) of paragraph (3) of subdivision (a) of Section 2774.1 or decisions following an appeal of an order imposing an administrative penalty at the time of issuance pursuant to subdivision (c) of Section 2774.1.

(11) Notices to an operator of a violation or failure to comply with an order to comply or stipulated order to comply at the time of issuance pursuant to subdivision (d) of Section 2774.1.

(12) Notices of completion of inspection, including the completed inspection form, at the time of issuance pursuant to subdivision (b) of Section 2774.

(13) Permits at the time of approval to conduct surface mining operations pursuant to Section 2770.

(14) Vested rights determinations pursuant to Section 2776.

(b) No later than January 1, 2022, the Division of Mine Reclamation shall post on its Internet Web site the documents and information listed in subdivision (a) in a database and in a geographic information system interface.

(c) If a member of the public seeks access to the information that lead agencies are required to submit to the supervisor pursuant to subdivision (a) and the lead agency has failed to submit the requested documents or information, the Division of Mine Reclamation shall make this

disclosure: "This data has not been provided by the lead agency responsible for regulating this mine."

(d) The Division of Mine Reclamation may promulgate regulations implementing this section.

TIP: Copy and paste or click the + button in the lower right corner to add Bill Numbers/Codes and relevant language as needed.

2. Business Driver(s)

Financial Benefit: Yes

Increased Revenue: Yes

Cost Savings: No

Cost Avoidance: Yes

Cost Recovery: Yes

Will the State incur a financial penalty or sanction if this proposal is not implemented? No

If the answer to the above question is "Yes," please explain:

Improvement

Better Services to the People of California: Yes

Efficiencies to Program Operations: Yes

Improved Equity, Diversity, and/or Inclusivity: No

Improved Health and/or Human Safety: Yes

Improved Information Security: Yes

Improved Business Continuity: Yes

Improved Technology Recovery: Yes

Technology Refresh: Yes

Technology End of Life: Yes

1.7 Business Outcomes Desired

Executive Summary of the Business Problem or Opportunity:

Current SMARA business systems are outdated and will no longer be compatible with more modern enterprise solutions at the Department. Current business processes within the Division require that individual programs capture and maintain data in disparate and outdated systems, often requiring manual intervention to process data from paper forms. These systems were built using older technology that can no longer be upgraded and do not support increased security requirements. The design and implementation of a new SMARA 4 system will: modernize the tools needed to meet regulatory requirements; increase collaboration and data continuity across programs and with other departmental divisions; increase system security; and improve both business operations and reporting capabilities.

Objective ID: 1.1

Objective: Design, develop, and implement a centralized information management system that will allow the programs within the Division to capture, share, store, collaborate, and report on data. The system should have increased security and be capable of adapting to future modifications required by legislative mandates and changes in business needs. The implementation of the system should consolidate business process functionality and therefore enable the decommissioning of antiquated tools that are no longer supportable.

Metric: Modernization of information management processes

Baseline: 0%

Target Result: 100%

Objective ID: 2.1

Objective: In 2021, 1052 annual reports were submitted by Stakeholders. Of these, the data from 504 reports had to be manually entered by program staff. Create process efficiencies and improve data integrity by implementing a web based, secure, user interface that allows programs to intake, store and report on electronic data, therefore centralizing the collection of data submitted by mine operators, lead agencies, and partnering agencies. The web based system should allow for the intake and storage of varying data types and attachments. The web based system should allow for the classification of data to ensure confidential data is protected from public release.

Metric: Reduce manual processing of submitted data by mine operators, lead agencies, and partnering agencies.

Baseline: 100%

Target Result: 35%

Objective ID: 3.1

Objective: Increase transparency and data availability by implementing a web based, secure, user interface that allows programs to securely share publicly appropriate data with stakeholders

such as mine operators, lead agencies, partnering agencies and the public. Stakeholders should be able to query information based on specified parameters.

Metric: Request for mine data fulfilled by DMR staff versus modernized process.

Baseline: 100%

Target Result: 10%

1.8 Project Management

1. Project Management Risk Score: 0.1

(Attach a completed [Statewide Information Management Manual \(SIMM\) Section 45 Appendix A Project Management Risk Assessment Template](#) to the email submission.)

2. Project Approval Lifecycle Completion and Project Execution Capacity Assessment

Does the proposal development or project execution anticipate sharing resources (state staff, vendors, consultants, or financial) with other priorities within the Agency/state entity (projects, PALs, or programmatic/technology workload)?

Answer: No

Does the Agency/state entity anticipate this proposal will result in the creation of new business processes or changes to existing business processes?

Answer (No, New, Existing, or Both): Both New and Existing Processes

1.9 Initial Complexity Assessment

1. Business Complexity Score: 1.2

(Attach a completed [SIMM Section 45 Appendix C](#) to the email submission.)

2. Noncompliance Issues: (Indicate if your current operations include noncompliance issues and provide a narrative explaining how the business process is noncompliant.)

Programmatic regulations: No

HIPAA/CIIS/FTI/PII/PCI: No

Security: No

ADA: Yes

Other: Choose Yes or No.

Not Applicable: Choose Yes or No.

Noncompliance Description:

Information regarding SMARA-regulated mines is obtained from Lead Agencies and mine operators through both paper and electronic submissions, of which almost 50% were submitted on paper in 2021. Paper documentation is inherently non-compliant with ADA regulations.

3. Additional Assessment Criteria

If there is an existing Privacy Threshold Assessment/Privacy Information Assessment, include it as an attachment to your email submission.

How many locations and total users is the project anticipated to affect?

Number of locations: One

Estimated Number of Transactions/Business Events (per cycle): Estimate 9,000 + per year.

Approximate number of internal end-users: 35

Approximate number of external end-users: 100 Lead agencies, 1,000 Operators, and interested public.

1.10 Funding

Planning

1. Does the Agency/state entity anticipate requesting additional resources through a budget action to **complete planning** through the project approval lifecycle framework? Yes

If Yes, when will a budget action be submitted to your Agency/DOF for planning dollars?

8/12/2022

2. Please provide the Funding Source(s) and dates funds for planning will be made available:

Surface Mining and Reclamation Account, Fund 0035, Starting 7/1/2023

Project Implementation Funding

1. Has the funding source(s) been identified for **project implementation**? Yes

If known, please provide the Funding Source(s) and dates funds for implementation will be made available:

Surface Mining and Reclamation Account, Fund 0035, Starting 7/1/2023

Will a budget action be submitted to your Agency/DOF? Yes

If "Yes" is selected, specify when this BCP will be submitted: 8/12/2022

2. Please provide a rough order of magnitude (ROM) estimate as to the total cost of the project:
Between \$10 Million and \$50 Million

End of agency/state entity document.

Please ensure ADA compliance before submitting this document to CDT.

When ready, submit Stage 1 and all attachments in an email to ProjectOversight@state.ca.gov.

Department of Technology Use Only

Original "New Submission" Date: [08/22/2022](#).

Form Received Date: [11/28/2022](#).

Form Accepted Date: [11/28/2022](#).

Form Status: [Completed](#).

Form Status Date: [08/28/2022](#).

Form Disposition: [Approved](#).

If Other, specify: [Click or tap here to enter text](#).

Form Disposition Date: [11/28/2022](#).

Department of Technology Project Number (0000-000): [3480-052](#)