A Primer on the RECLAIM Act

Creating jobs and opportunities out of abandoned mines in communities struggling with the decline of the coal industry



Left: a reclaimed stream in MD supports a \$3 million recreational tourism industry. *Right:* residents of Benham, KY, one of many localities that have publicly urged Congress to pass the RECLAIM Act

Left: a family-owned winery on a reclaimed strip mine in Wise, VA. *Right*: the Leipziger solar farm in Germany, which was constructed on a reclaimed coal processing site



The RECLAIM Act would assist communities struggling with the decline of the coal industry in their transition to strong, just, and sustainable local economies. The bill, which currently sits before Congress, would create thousands of jobs across the country reclaiming old coal mines, and would spur economic opportunities in agriculture, energy, recreational tourism, and beyond on reclaimed mines.

This document addresses the following questions:

- What is the RECLAIM Act?
 - What are the benefits of the RECLAIM Act? (Talking Points!)
- How would the RECLAIM Act impact my community?
- What is the status of RECLAIM in Congress?
- Is there an effort to get RECLAIM passed and how can I support RECLAIM?

What is the RECLAIM Act?

As the coal industry has declined over the past few years, thousands of jobs have been lost. Policies like the RECLAIM Act can assist communities struggling with these mass layoffs in diversifying their economies, addressing environmental problems, and building a bright future.

The <u>RECLAIM Act (H.R. 4456)</u> is a bill in the US House that would provide an immediate economic boost to communities struggling with the decline of the coal industry through the release of \$1 billion to create opportunities reclaiming abandoned coal mines.

The RECLAIM Act was introduced in February 2016 by a bipartisan group of legislators led by Congressman Hal Rogers (R-KY). RECLAIM mirrors the Obama Administration's POWER+ Plan.

The POWER+ Plan is a proposed \$10 billion initiative to assist communities struggling with the decline of the coal industry in growing and diversifying their economies. The Plan, which was proposed by the White House in February 2015, reflects a number of policy ideas that originated in coalfield communities.

How would the RECLAIM Act work?

The immediate jobs impact

The RECLAIM Act would distribute \$1 billion from the existing federal Abandoned Mine Land (AML) Fund to states and tribes across the country. This money could put laid off miners—who possess the earth-moving skills necessary for reclamation work—and others to work reclaiming pre-1977 abandoned mines. The Office of Surface Mining Reclamation and Enforcement (OSMRE) estimates that releasing \$1 billion over the next five years would create 4,600 jobs for equipment operators and other jobs necessary for mine reclamation.

These jobs represent a sizeable, short-term economic boost at a time when urgent action is necessary. However, the bill wouldn't focus exclusively on short-term solutions. It also poses long-term economic and environmental impacts: reclaimed sites serve as locations for long-term economic opportunities to create permanent local jobs.

Building long-term community impacts

States and tribes would use these funds to develop strategic mine reclamation projects that are linked to economic or business projects on the reclaimed sites. Already, abandoned underground and surface mines across the country have been leveraged to create thousands of long-term jobs in agriculture, recreation, tourism, renewable energy production, retail, and beyond. View some examples <u>here</u>.

A technical note: AML funds can only be used for mine reclamation—not for grants to support economic or business projects themselves. However, under RECLAIM, the only reclamation projects that can be funded are those that provide a strategic vision for what economic opportunities the project will create. This encourages the pairing of RECLAIM funds will other sources of funds in the POWER+ Plan, such as the recent <u>\$65.8 million announcement</u> made by the Economic Development Administration and the Appalachian Regional Commission.

By empowering citizens in coalfield communities to turn old pollution liabilities into business opportunities, the RECLAIM Act could help create a strong, just, and sustainable economy in coalfields across the country at a time when the economy is in dire straights.

What are the benefits of the RECLAIM Act?

- Creating thousands of jobs doing mine reclamation across the country. It would create 4,600 jobs for equipment operators and other reclamation workers, according to <u>estimates</u> by the Office of Surface Mining Reclamation and Enforcement (OSMRE). (Technical note: it would create 23,000 *job-years*)
- **Catalyzing economic and business projects on reclaimed mines.** The funds would strategically reclaim sites that are linked to a long-term economic project on the reclaimed site, such as agriculture, energy, industrial parks, and recreational tourism projects. View a few examples <u>here</u>.
- **Cleaning up old, polluting underground and surface mines.** Will clean up \$1 billion worth of abandoned mine sites—from abandoned highwalls to streams decimated by acid mine drainage—harming our natural resources and health across the country.
- **Does not use a cent of taxpayer money.** The \$1 billion would come from the \$2.5 billion AML Fund currently sitting in Washington. Under the status quo, this \$1 billion will be disbursed to states and tribes in 2023 and thereafter.

Additionally, the RECLAIM Act has no impact on the coal industry.

It does not raise AML fees or any other taxes. It disburses existing funds to reclaim pre-1977 abandoned mines, and so it has not impact on the reclamation of current mining.

How would the RECLAIM Act impact my community?

Where are the remaining abandoned mines located?

There are nearly \$10 billion worth of abandoned mines remaining across the country. These abandoned mine sites range from polluted streams to highwalls to scarred strip mines to mine fires and beyond.

The majority of remaining pre-1977 (pre-SMCRA) abandoned mines lie in Appalachia, but a significant portion also remain in the midwest and along the Rockies. The map below illustrates the distribution of remaining mines. The darker the red, the more remaining mines exist in a county.



Distribution of remaining abandoned pre-1977 coal mines, by county.

Source: The Daily Yonder. Check out the map here to zoom in to your specific community.

Wondering how many abandoned mines remain in your county, congressional district, and state?

- **County** data: see <u>this document</u>
- Congressional district data: see this document
- State data: see the table below

Where will the RECLAIM funds be distributed?

The RECLAIM Act will distribute \$1 billion to states, over five years. In the first couple years, funds will be distributed according to a formula based on the state's historical (pre-1977) coal production. In the later years, the formula gets a bit more complicated.

\$195 million per year will go to 20 "Uncertified" states (AL, AK, AR, CO, IL, IN, IA, KS, KY, MD, MO, NM, ND, OH, OK, PA, TN, UT, VA, WV) and \$5 million will go to 8 "Certified" states and tribes (WY, MT, TX, LA, MS, Hopi, Navajo, Crow).

State	Cost to reclaim remaining abandoned mines*	Estimated RECLAIM funds to state (over five years)**
Alabama	\$451 million	\$28 million
Alaska	\$54 million	\$304 thousand
Arkansas	\$21 million	\$2.3 million
Colorado	\$76 million	\$13.7 million
Illinois	\$137 million	\$105 million
Indiana	\$199 million	\$34 million
lowa	\$69 million	\$8.3 million
Kansas	\$591 million	\$6.7 million
Kentucky	\$462 million	\$102 million
Maryland	\$64 million	\$6.6 million
Missouri	\$126 million	\$8.1 million
New Mexico	\$38 million	\$3.3 million
North Dakota	\$38 million	\$4.3 million
Ohio	\$305 million	\$64.1 million
Oklahoma	\$141 million	\$4.8 million
Pennsylvania	\$5.02 billion	\$338 million
Tennessee	\$43 million	\$11.8 million
Utah	\$5.8 million	\$8 million
Virginia	\$421 million	\$31 million

Remaining mine reclamation need & distribution of RECLAIM funds, by state.

What is the status of RECLAIM in Congress?

How's it looking in the House and Senate?

It's difficult to get anything through Congress at a moment of such political polarization. Doubly, it's (one heck of) a presidential election year. Though, given these circumstances, the RECLAIM Act does seem to have a shot at passage if certain obstacles are worked through.

From the beginning, the effort to get RECLAIM passed has been community led (more on that in the next section) and there is strong local support throughout the coalfields for RECLAIM. The President supports the legislation, and RECLAIM's champion is Congressman Rogers, a Republican from Appalachian coal country who is also the Chair of House Appropriations.

In addition to Congressman Rogers, there are currently 12 cosponsors in the House:

- Congressman Cartwright (D-PA-17)
- Congressman Jenkins (R-WV-3)
- Congressman Griffith (R-VA-9)
- Congressman Beyer (D-VA-8)
- Congressman Cole (R-OK-4)
- Congressman Doyle (D-PA-14)
- Congresswoman Duckworth (D-IL-8)
- Congressman Yarmuth (D-KY-3)
- Congressman Duncan (R-TN-2)
- Congressman Dent (R-PA-15)
- Congressman Fleischmann (R-TN-3)
- Congressman McKinley (R-WV-1)

The Governors of PA and KY also publicly support RECLAIM.

RECLAIM supporters are currently working to get a Senate version of the bill introduced. It would be especially beneficial to have the original cosponsors include some or all of the following: Senator Capito (WV), Senator Manchin (WV), Senator McConnell (KY), Senator Alexander (TN), and perhaps others.

There has been some confusion in Congress that a member can support *either* the Miners' Protection Act (MPA) or RECLAIM but not both because the bills would use the same pot of money. The alleged "you can only pick one" contradiction between the bills is, of course, not true. The MPA and RECLAIM are complementary bills, which is why the Obama Administration introduced them together as part of the POWER+ Plan. We strongly support passage of both bills.

Sources for table on p.4: *Based on data extracted from <u>e-AMLIS</u>, March 11, 2016 **Based on annual estimates developed by OSMRE, August 2015

Is there an effort to get RECLAIM passed and how can I support RECLAIM?

Is there a coordinated effort to get RECLAIM passed?

Yes, there is! There's a coordinated effort to see that strong version of RECLAIM is passed one that prioritizes community engagement, local economic & community impacts, and that the most devastated communities see the benefits of RECLAIM.

A coalition of groups informally called the "POWER+ Working Group" are collectively coordinating a strategic, grassroots-focused campaign to pass the RECLAIM Act. Since summer 2014, a number of groups in Central Appalachia—many of them working as part of The Alliance for Appalachia—have been actively organizing around abandoned mine reclamation issues. Once the POWER+ Plan was introduced, these groups (and others in addition to members of The Alliance) developed strategic local efforts to encourage their congressional representatives to introduce a bill like RECLAIM.

After months of organizing across the region and with broad local support across East KY, Congressman Rogers took the leadership in introducing RECLAIM. Communities in VA, TN, and WV also passed support resolutions, and the total resolution count currently stands <u>at nearly 30</u> <u>across 4 states</u>. There are also a few groups outside the working group, such as some in PA, who are supportive of RECLAIM.

How can you support RECLAIM?

- **Sign** <u>this petition</u>, which support the POWER+ Plan and RECLAIM Act. Also, if your *organization* is willing to sign the petition, please let us know. And don't forget to share the petition to your members via email and social media!
- Pass a resolution in your local community in support of the RECLAIM Act!
- Encourage your congressional representatives to support RECLAIM!

Resources

- <u>POWER+ For The People</u>: this website provides information and updates on the community-led movement to pass the POWER+ Plan (including RECLAIM!) and more details about the policy
- POWER+ Plan (and RECLAIM) petition
- White House Fact Sheet on the POWER+ Plan

Call or email Eric Dixon at 865-202-8688, <u>eric@appalachianlawcenter.org</u>, if you have questions about the RECLAIM Act or the grassroots effort to support the bill.