1	COMMITTEE SUBSTITUTE
2	FOR
3	н. в. 4480
4	
5	(By Delegates Craig and Skaff)
6	(By Request of the Department of Environmental Protection)
7	
8	(Originating in the Committee on the Judiciary)
9	
10	(February 20, 2014)
11	
12	A BILL to amend and reenact $\$22-2-4$ of the Code of West Virginia,
13	1931, as amended, relating to the Acid Mine Drainage and
14	Abatement Fund; investment of funds; retention of earnings;
15	and requiring restoration of interest earnings previously
16	defaulted into the state's general revenue account.
17	Be it enacted by the Legislature of West Virginia:
18	That §22-2-4 of the Code of West Virginia, 1931, as amended,
19	be amended and reenacted to read as follows:
20	ARTICLE 2. ABANDONED MINE LANDS AND RECLAMATION ACT.
21	§22-2-4. Abandoned land reclamation fund and objectives of fund;
22	lands eligible for reclamation.
23	(a) All abandoned land reclamation funds available under Title
24	IV of the federal Surface Mining Control and Reclamation Act of

- 1 1977, as amended, private donations received, any state 2 appropriated or transferred funds, or funds received from the sale 3 of land by the <u>director secretary</u> under this article shall be 4 deposited with the Treasurer of the State of West Virginia to the 5 credit of the Abandoned Land Reclamation Fund heretofore created, 6 and expended pursuant to the requirements of this article.
- 7 (b) Moneys in the fund may be used by the director secretary 8 for the following:
- (1) Reclamation and restoration of land and water resources 9 10 adversely affected by past coal surface-mining operations, 11 including, but not limited to, reclamation and restoration of 12 abandoned surface mine areas, abandoned coal processing areas and 13 abandoned coal processing waste areas; sealing and filling 14 abandoned deep mine entries and voids; planting of land adversely 15 affected by past coal surface-mining operations to prevent erosion 16 and sedimentation; prevention, abatement, treatment and control of 17 water pollution created by coal mine drainage, including 18 restoration of stream beds and construction and operation of water 19 treatment plants; prevention, abatement and control of burning coal 20 processing waste areas and burning coal in situ; prevention, 21 abatement and control of coal mine subsidence; and payment of 22 administrative expenses and all other necessary expenses incurred 23 to accomplish the purpose of this article: Provided, That all 24 expenditures from this fund shall reflect the following priorities

- 1 in the order stated:
- 2 (A) The protection of public health, safety, general welfare
- 3 and property from extreme danger of adverse effects of past
- 4 surface-mining practices;
- 5 (B) The protection of public health, safety and general
- 6 welfare from adverse effects of past coal surface-mining practices;
- 7 (C) The restoration of land and water resources and
- 8 environment previously degraded by adverse effects of past coal
- 9 surface-mining practices, including measures for the conservation
- 10 and development of soil, water (excluding channelization),
- 11 woodland, fish and wildlife, recreation resources and agricultural
- 12 productivity;
- 13 (D) Research and demonstration projects relating to the
- 14 development of surface-mining reclamation and water quality control
- 15 program methods and techniques;
- 16 (E) The protection, repair, replacement, construction or
- 17 enhancement of public facilities such as utilities, roads,
- 18 recreation and conservation facilities adversely affected by past
- 19 coal surface-mining practices; and
- 20 (F) The development of publicly owned land adversely affected
- 21 by past coal surface-mining practices, including land acquired as
- 22 provided in this article for recreation and historic purposes,
- 23 conservation and reclamation purposes and open space benefits.
- 24 (2) (A) The <u>director secretary</u> may expend up to thirty percent

- of the funds allocated to the state in any year through the grants made available under paragraphs (1) and (5), subsection (g) of Section 402 of the federal Surface Mining Control and Reclamation Act of 1977, as amended, for the purpose of protecting, repairing, replacing, constructing or enhancing facilities relating to water supply, including water distribution facilities and treatment plants, to replace water supplies adversely affected by coal surface-mining practices.
- 9 (B) If the adverse effects on water supplies referred to in 10 this subdivision occurred both prior to and after August 3, 1977, 11 subsection (c) of this section does not prohibit the state from 12 using funds for the purposes of this subdivision if the director 13 secretary determines that the adverse effects occurred 14 predominantly prior to August 3, 1977.
- 15 (3) The <u>director secretary</u> may receive and retain up to ten
  16 percent of the total of the grants made annually to the state under
  17 paragraphs (1) and (5), subsection (g) of Section 402 of the
  18 federal Surface Mining Control and Reclamation Act of 1977, as
  19 amended, if the amounts are deposited to the credit of either:
- (A) The special account in the State Treasury designated the "Reclamation and Restoration Fund" is hereby continued. Moneys in the fund may be expended by the director secretary to achieve the priorities stated in subdivision (1) of this subsection after September 30, 1995, and for associated administrative and personnel

## 1 expenses; or

- (B) The special account in the State Treasury designated the 3 "Acid Mine Drainage Abatement and Treatment Fund" is hereby 4 continued. Moneys in the fund may be expended by the director 5 secretary to implement, in consultation with the United States soil 6 conservation service, acid mine drainage abatement and treatment 7 plans approved by the secretary of the United States Department of 8 Interior and for associated administrative and personnel expenses. 9 The plans shall provide for the comprehensive abatement of the 10 causes and treatment of the effects of acid mine drainage within 11 qualified hydrologic units affected by coal surface-mining 12 practices. The moneys accrued in this fund, any earnings thereon, 13 and yield from investments by the State Treasurer or West Virginia 14 Investment Management Board are reserved solely and exclusively for 15 the purposes set forth in this section of the code. Any interest 16 accrued on any moneys deposited into the Acid Mine Drainage 17 Abatement and Treatment Fund which previously defaulted from that 18 account into general revenue shall be credited back to the fund on 19 or before July 1, 2014.
- (c) Except as provided for in this subsection, lands and water eligible for reclamation or drainage abatement expenditures under this article are those which were mined for coal or which were affected by the mining, wastebanks, coal processing or other coal mining processes, and abandoned or left in an inadequate

1 reclamation status prior to August 3, 1977, and for which there is 2 no continuing reclamation responsibility: Provided, That moneys 3 from the funds made available by the Secretary of the United States 4 Department of Interior pursuant to paragraphs (1) and 5 subsection (g), Section 402 of the federal Surface Mining Control 6 and Reclamation Act of 1977, as amended, may be expended for the 7 reclamation or drainage abatement of a site that: 8 surface-mining operation occurred during the period beginning on 9 August 4, 1977, and ending on or before January 21, 1981, and that 10 any funds for reclamation or abatement which are available pursuant 11 to a bond or other financial quarantee or from any other source, 12 and not sufficient to provide for adequate reclamation or abatement 13 of the site; or (2) the surface-mining operation occurred during 14 the period beginning on August 4, 1977, and ending on or before 15 November 5, 1990, and that the surety of the surface-mining 16 operation became insolvent during that period, and as of November 17 5, 1990, funds immediately available from proceeding relating to 18 the insolvency or from any financial guarantees or other sources 19 are not sufficient to provide for adequate reclamation of the site: 20 Provided, however, That the director secretary, with 21 concurrence of the secretary of the United States Department of 22 Interior, makes either of the above-stated findings, and that the 23 site is eligible, or more urgent than the reclamation priorities 24 set forth in paragraphs (A) and (B), subdivision (1), subsection

- 1 (b) of this section.
- (d) One purpose of this article is to provide additional and cumulative remedies to abate the pollution of the waters of the 4 state, and nothing contained in this article abridges or alters 7 rights of action or remedies now or hereafter existing, nor do any 8 provisions in this article or any act done by virtue of this 7 article estop the state, municipalities, public health officers or 8 persons as riparian owners or otherwise in the exercise of their 9 rights to suppress nuisances or to abate any pollution now or 10 hereafter existing or to recover damages.
- (e) Where the Governor certifies that the above objectives of the fund have been achieved and there is a need for construction of specific public facilities in communities impacted by coal development, and other sources of federal funds are inadequate and the secretary of the United States Department of Interior concurs, then the director secretary may expend money from the fund for the construction.

NOTE: The purpose of this bill is to authorize the Department of Environmental Protection's Office of Abandoned Mine Lands and Reclamation to retain the earnings on the investment of the Acid Mine Drainage Abatement and Treatment Fund, and requiring restoration of investment earnings which were previously defaulted into the general revenue fund.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.