

Report on Coal Communities in West Virginia

Chair: Delegate Mark Dean (Mingo County)

Minority Chair: Delegate Ed Evans (McDowell County)

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#### Introduction

Coal used for electricity generation is increasingly being displaced by natural gas and renewables. In West Virginia, declines in coal production have led to mining company bankruptcies and layoffs, with devastating impacts on miners, families, and entire communities that have relied so heavily on the industry for decades. West Virginia's southern coalfields have been particularly hard hit. On average, coal production declined by nearly 5 million tons per year since 2001. Over the last two decades, production in southern West Virginia declined by 75%.

In June 2021, House Speaker Roger Hanshaw and Minority Leader Doug Skaff announced the creation of an informal workgroup to develop proposals to help revitalize West Virginia's coal communities. The Workgroup was given the authority to go into communities, communicate with officials at all levels, and determine what West Virginia's coal communities need to succeed. One goal was to provide solid recommendations to the full Legislature, with proposed legislation for the 2022 session. A second goal was to facilitate the flow of information to coal communities so that local officials are aware of the unprecedented amount of federal and private foundation resources targeted to these communities.

#### **Members**

Coal Community Workgroup members include: Mark Dean, R-Mingo (Chair) Ed Evans, D-McDowell (Minority Chair) Jordan Bridges, R-Logan Nathan Brown, D-Mingo Shawn Fluharty, D-Ohio Evan Hansen, D-Monongalia Austin Haynes, R-Fayette Josh Holstein, R-Boone Margitta Mazzocchi, R-Logan Tony Paynter, R-Wyoming Charlie Reynolds, R-Marshall Larry Rowe, D-Kanawha Doug Skaff, D-Kanawha Christopher Toney, R-Raleigh Lisa Zukoff, D-Marshall

# Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization

At the federal level, President Biden created the Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization in January 2021. Its initial report, released in April, described mechanisms to prioritize grantmaking, federal loan programs, technical assistance, financing, procurement, and other existing programs to support and revitalize the economies of coal and power plant communities.

## **Designated Coalfield Community Areas**

The economic impact of coal mining to the state as a whole has been unprecedented and widespread. However, for purposes of identifying and focusing on discrete areas of the state where coal production is or was the predominate economic activity, and where the greatest impacts from its decline are seen, the Workgroup has divided these areas into 5 regions. This is done to focus on regions with historical acute coal production dependency. The Workforce has identified 5 regions of the state to focus its attention. These are:

- Region 1: Southern West Virginia nonmetropolitan area which includes Greenbrier, Logan, McDowell, Mercer, Mingo, Monroe, Nicholas, Pocahontas, Summers, Wayne, Webster, and Wyoming counties
- Region 2: Wheeling, West Virginia which includes Marshall and Ohio counties
- Region 3: Northern and Central West Virginia nonmetropolitan areas which include 23 counties where coal mining has or still occurs
- Region 4 Beckley, West Virginia which includes Fayette and Raleigh counties
- Region 5: Charleston, West Virginia which includes Boone, Clay, and Kanawha counties

# **Coal Community Workgroup Listening Sessions**

In fall 2021, the Coal Community Workgroup hosted five listening sessions across the state's top four priority areas:

- Logan County October 25
- Raleigh County October 27
- Marshall County November 9
- Monongalia County November 10
- McDowell County December 8

Participation in these five meetings totaled approximately 200 people and included representatives from local government, economic development organizations, universities, school systems, private industry, labor unions, nonprofits, and community members. Participants were divided into groups, and workgroup members and staff facilitated discussions in each group using a set of standard questions. Results are summarized below.

# Strengths

Listening session participants identified a number of strengths for West Virginia coal communities to build upon.

<u>People</u>. Listening session participants described West Virginians as hardworking and resourceful, with a willingness to volunteer and work in their communities. Many West Virginians have an entrepreneurial spirit. The state's large workforce is diverse, with significant experience in both white-collar and bluecollar jobs.

<u>Location and resources</u>. West Virginia's coal communities are located in close proximity to major metropolitan centers such as Pittsburgh, Washington, Charlotte, Cincinnati, and Columbus. Its

mountains and rivers are world-renowned. The state's abundant natural resources include not just coal and natural gas, but also timber and the state's vast water resources.

**Existing infrastructure**. While improvements are necessary in many coal communities, existing infrastructure can be built upon. Railroads and river transportation systems already provide access to many coal communities and have the capacity to haul more diverse goods. Some coal communities are located adjacent to existing interstate highways.

Existing tourism. West Virginia has not yet reached its full tourism potential, but it has made a start. Trails, including the Hatfield McCoy trail system in the southern coalfields, draw both in-state and out-of-state visitors to coal communities. The recent National Park designation for the New River Gorge National Park and Preserve, together with the Summit Bechtel Reserve, have increased the number of visitors to Fayette County and nearby areas. Whitewater rafting, state parks, fishing, hiking, mountain biking, historical sites, and other attractions bring people to West Virginia. In some coal communities, logging roads and outlaw trails provide less formal recreational options. A variety of arts bring tourists to the region.

<u>Existing educational system</u>. West Virginia's existing K-12 schools, Career Technical Education (CTE) programs, public and private universities and colleges, and apprenticeship programs are creating pools of university-trained people as well as those trained in hands-on careers.

<u>Other strengths</u>. West Virginia's coal communities can also build upon its other strengths, which include an affordable cost of living, rich history, and the availability of affordable land. In some coal communities with a history of large-scale mountaintop mining, a significant amount of flat land is available on former surface mines. While some coal community economies have focused almost entirely on the coal industry, others are already more diversified.

#### **Needs**

At the listening sessions, participants put forward numerous needs. Addressing these needs will help coal communities succeed. These needs are divided into six major goals:

- 1. Address basic infrastructure
- 2. Diversify coal community economies
- 3. Expand recreation and tourism
- 4. Support local government efforts to access outside resources
- 5. Expand educational opportunities for a well-trained workforce
- 6. Help vulnerable populations

#### **Goal 1: Address basic infrastructure**

Many types of basic infrastructure are missing in coal communities, and this lack of infrastructure is holding these communities back from attracting people, entrepreneurs, and businesses.

- Clean drinking water and wastewater treatment. Clean drinking water is lacking in many
  communities, as is wastewater treatment. In some coal communities, raw sewage is still
  "straight piped" into waterways, which hinders efforts to promote kayaking and water
  recreation.
- <u>Transportation</u>. Transportation infrastructure is lacking. Many coal communities do not have easy access to interstate highways. Existing roads and bridges are often poorly maintained. Public transportation, which is so important for the region's elderly and low-income population, is often lacking, especially in rural areas.
- <u>High-speed internet and cell service</u>. In many coal communities, high-speed internet is either unavailable, unreliable, or expensive. Even cell phone service is unavailable in many rural coal communities. Some coal communities have initiated local projects to plan expanded broadband access and/or lay fiber, including Ohio, Marshall, and Monongalia counties.
- Flooding and stormwater management. Coal communities suffer from floods that destroy homes and businesses and that sometimes kill people. Many houses and businesses have been built in flood plains, and flood plains are expanding due to the changing climate. Few steps have been taken at the state or local levels to make coal communities more resilient to flooding.
- Health care. The COVID-19 Pandemic has highlighted the infrastructure challenges faced by local public health departments. Also, rural hospitals in coal communities have been challenged in many ways, including the pandemic, and coal community residents often must travel long distances to access medical care. Access to health care is a real problem.
- <u>First responders</u>. First responders rely on very inadequate radio systems. There is a need for more towers, which could be dual purpose (cell/radio) towers.

- Provide grants, including matching fund grants to facilitate access to federal funds, to address infrastructure issues.
- Partner with counties and municipalities that are receiving their own ARPA grants to fund water, wastewater, and stormwater projects, including projects that address lead pipes and that make coal communities more resilient to flooding.
- Organize broadband cooperatives.
- Facilitate the use of railroad and river transportation infrastructure to haul a diversity of goods. Also consider using existing railways to develop commuter train/public transportation to connect to larger metropolitan areas.
- Provide high-speed internet and cell service to all West Virginians.
- Maintain existing roads and bridges. Also, ensure that oil and gas producing counties get money back in proportion to their production specifically dedicated to secondary road maintenance.
- Extend infrastructure, including roads, sewer, and water, to build-ready locations for businesses. For existing privately held, build-ready sites that are privately held, facilitate the transfer to new owners who will use the sites for new businesses.
- Increase local health department salaries.

•	Support the expansion of community-based clinics across the state (Cabin Creek Health Systems,
	FamilyCare) to ensure all West Virginians have access to care.
•	Build first responder towers, which could be dual purpose cell/radio towers.

#### **Goal 2: Diversify coal community economies**

Because many West Virginia coal communities have relied so heavily on coal mining and related jobs, there is an urgent need to diversify local economies to provide jobs and local tax revenues.

- <u>The energy economy</u>. While many of West Virginia's coal communities will rely less on coalrelated jobs in the future, other opportunities exist for energy-related jobs in sectors such as natural gas, nuclear, solar, wind, hydropower, energy storage, hydrogen, geothermal, energy efficiency, and carbon capture and sequestration.
- **Entrepreneurship**. Entrepreneurs play key roles in diversifying economies, but people will not start new businesses unless success is reasonably likely.
- <u>Previously mined land</u>. Previously mined land can be a resource when it is relatively flat, close to infrastructure, and meets the siting criteria for a particular use. Mine reclamation and environmental remediation are still needed on many of these sites. Opportunities may exist to capture rare earth minerals from acid mine drainage, turning a waste product into a valuable commodity. Some sites such as the Hobet property (Boone and Lincoln counties) have received significant attention, while others have not.
- <u>Vacant buildings</u>. Many vacant buildings can be reused to diversify local economies. Examples include old schools, abandoned retail buildings such as the closed Walmart and Magic Mart (McDowell County), and the Viatris/Mylan manufacturing facility (Monongalia County).
- Alternative uses for coal. Coal has traditionally been burned to generate electricity or converted
  to coke for steel production. However, coal can be used as a raw material in advanced carbon
  product manufacturing, which may provide a growing market for West Virginia coal.
  Entrepreneurs have started such companies in Raleigh County, Monongalia County, Ohio County
  and elsewhere in West Virginia.
- <u>Land ownership</u>. Land ownership can hinder economic diversification if sites are owned by landholding companies or out-of-state corporations with different goals than revitalizing coal communities.
- Main street businesses. New shopping locations, grocery stores, clothing stores, and local restaurants would create jobs and provide local amenities.
- Manufacturing. Diverse coal community economies must include manufacturing jobs.
  Participants specifically mentioned the need for heavy industry and factories and suggested reinvesting in former industries like steel, as well as new industries like solar panel and component manufacturing. Other suggestions include furniture making, ammunition manufacturing, ATV and parts manufacturing, hydrogen-based products, bio-based products, biotechnology, high-tech products such as 3D printing, metal parts, and airplane parts.
- Remote workers. The Ascend West Virginia Program has started to attract remote workers to Morgantown. Additional coal communities can benefit from similar programs, but sufficient infrastructure, especially high-speed internet, is required.
- Recreation and tourism. Coal communities have numerous opportunities to expand recreation and tourism (See Goal 3).
- Agriculture and timber. Expanding local agricultural opportunities can create jobs while improving the health and sustainability of local food systems. Cattle farms, hog farms, chicken farms, tree farms, apple processing, industrial agriculture, and timber were all put forward as possibilities for growth.

• <u>West Virginia National Guard</u>. The West Virginia National Guard can continue to play a role in providing certain services to, and facilitating economic development of, coal communities.

- Support entrepreneurs and small businesses development via tax breaks; by expanding lending, including forgivable loans, low-interest loans, and microloans; and by creating local venture funds
- Provide incentives to turn former coal mines into productive use. Uses may include
  manufacturing; data centers, renewable energy production including solar or wind farms or
  bioenergy production; cannabis, hemp, cheese, lilac, wine, and mushroom production;
  affordable housing; and recreation such as horseback riding trails, zip lines, and exhibition coal
  mines.
- Urgently prepare to effectively utilize the unprecedented amount of funds coming to West
  Virginia via the federal Bipartisan Infrastructure Law to reclaim abandoned mine lands. The
  West Virginia Department of Environmental Protection is the lead agency. In addition to land
  reclamation, these projects should restore streams to meet water quality standards.
- Align the goals of landholding companies and out-of-state corporations with the urgent need to revitalize coal communities. This may include, for example, encouraging more public/private partnerships to mine coal while leaving flat land for future development.
- Implement an Energy Efficiency Resource Standard to require electric utilities to offer energy efficiency programs.
- Utilize the federal 48C Advanced Energy Manufacturing Tax Credit and its set-aside for energy communities to bring manufacturing jobs to coal communities. Currently, this tax credit is in the draft Build Back Better Act.
- Aggressively promote the creative reuse of vacant buildings for new businesses through the Brownfields Program, Voluntary Remediation Program, and other efforts.
- Attract out-of-state businesses to coal communities
- Provide easier access to state agencies such as WorkForce West Virginia, the State Tax Department, and county offices.
- To the extent possible, require state government to utilize local products.
- Attract newer technology, internet-based businesses to coal communities.
- Encourage the West Virginia National Guard to expand its efforts in coal communities, including, for example, expanding its use of the Logan County Airport to include special forces training, facilitating the development of the Hobet site, and working with the Economic Development Administration.
- Encourage the use of coal in advanced carbon product manufacturing. Facilitate the
  construction of new coal-to-products manufacturing facilities in coal communities. Support
  related research and student collaboration at West Virginia University, NETL, and other
  institutions and facilitate communication between state and federal government and private
  sector entities to support entrepreneurs and new business development.
- Build upon the Ascend West Virginia Program to attract remote workers to additional coal communities.

#### **Goal 3: Expand recreation and tourism**

While there are many opportunities to diversify West Virginia coal community economies (See Goal 2), recreation and tourism development takes advantage of West Virginia's natural assets and often requires relatively modest investments. Increased recreation and tourism provide for out-of-state dollars to be spent in coal communities and allow people to see these communities with their own eyes—which can be the first step in convincing people to move to and invest in the state.

- <u>Dilapidated buildings</u>. Abandoned, dilapidated buildings are common across coal communities, both in and out of floodplains. These are not just eyesores; they also hinder reaching communities' full potential to develop recreation and tourism. Some coal community downtowns are in disrepair as buildings sit empty and local tax revenues decline.
- <u>Outdoor recreation</u>. West Virginia's coal communities are already in close proximity to numerous outdoor recreation opportunities, but these opportunities can be increased.
- <u>Environmental restoration</u>. Expanded recreation and tourism goes hand-in-hand with environmental restoration, to ensure that people have clean streams to fish, boat, and swim in and beautiful land to hike, ride, and camp on.
- <u>Coal community amenities</u>. In addition to helping to attract tourists, community amenities such as an arts scene, thriving downtowns, museums, and libraries improve the quality of life for residents and make it easier to attract new businesses and workers.

- Increase resources provided to coal communities to address dilapidated buildings. Solutions may
  include buying and renovating buildings so that they can be put back into productive use, or
  condemning buildings and tearing them down.
- Increase resources provided to coal communities to beautify downtowns.
- Expand existing state parks.
- Increase support to develop rail-trails, bike trails, walking trails, horseback riding trails, ATV trails, and water trails, and provide free access to local residents.
- Develop recreation and tourism opportunities on formerly mined land.
- Facilitate the construction of additional lodging and cabins near the Hatfield McCoy Trail and other trail systems. Expand "glamping" and the development of Airbnb businesses. Turn dorms at WVU Tech into hotels.
- Help establish more businesses catering to trail riders, including not just lodging, but also other attractions.
- Build more lakes and ponds and develop recreation on these sites.
- Support other innovative recreation and tourism ideas including, for example, adventure parks, sports complexes, action sports facilities, theme parks, zip lines, ecotourism, rifle ranges, and exhibition coal mines.
- Support environmental restoration projects such as river cleanups, roadside litter cleanups, mine reclamation, improved recycling programs, and restoration of areas damaged by past industrial operations. Assign offenders to participate in more community service projects for these types of projects. Increase penalties for littering and enforcement of littering infractions.
- Support the development of a North-central West Virginia Coal Heritage Trail, Museum, and Heritage Area, and fully fund the existing Coal Heritage Trail to enable securing the entire

federal match. Also invest in other destinations that highlight West Virginia's unique history and culture.

- Expand recreation and tourism marketing efforts.
- Provide tax incentives for tourism-related small business development.
- Establish policies that help open land and rivers to public access.
- Establish policies to protect/improve river and stream quality to protect trout streams and other recreational waters. This would include, for example, maintaining strict, science-based water quality standards, enforcing environmental laws, and expanding access to wastewater treatment in areas that are not currently served.
- Support the establishment of public dumpsters to help with litter control.
- Support coal communities working to improve amenities such as arts scenes, thriving
  downtowns, museums, libraries, parks, walkable and bike-friendly areas, amphitheaters,
  community buildings, YMCAs or YWCAs, youth activities including sports, activities and care for
  elderly people, indoor swimming pools, splash pads, and riverfront development.
- Support local communities engaged in land use planning to ensure that recreation and tourism development is consistent with residents' quality of life.
- Provide dedicated resources for downtown building redevelopment activities.

# **Goal 4: Support local government efforts to access outside resources**

An unprecedented amount of federal and private foundation resources is now being targeted to coal communities. However, many local governments do not have the staff, funding, or expertise to maximize the resources pulled into their communities.

- **Grant writing**. Written proposals are required to secure funding from federal agencies and private foundations. But grant writing takes staff time and expertise or funding to hire skilled consultants.
- <u>Matching funds</u>. Many federal agency funding opportunities require non-federal cash matches, which are difficult if not impossible for many coal communities to provide. This limits the ability to even apply for grants.
- <u>Grant administration</u>. After securing a grant, it must be properly managed to comply with all
  compliance and reporting requirements. Administration takes time and expertise, and staff at
  many local governments already have full plates with little room to take on additional
  responsibilities such as grant administration.

- Create a matching fund program that makes state dollars available as a match for federal and private foundation proposals from coal communities. This program should include legislative oversight and should have a transparent and public process for applications and decisions.
- Advocate to federal agencies to waive match requirements for federal grants, when allowed by law.
- Help local governments apply for federal and private foundation grants.
- Help local governments manage federal and private foundation grants.
- Provide direct grants to coal communities that have lost tax revenues due to the decline in coal
  production. These grants could be tied to the submission of federal and private foundation grant
  proposals.
- Facilitate the flow of information to coal community local governments to help identify what grants are available.
- Provide grant-writing classes or other technical support to local government staff, which might be done via regional economic development offices.

#### Goal 5: Expand educational opportunities for a well-trained workforce

As coal communities diversify their economies and create new opportunities, many future jobs will require different education and training from what was required in the past. To fill these jobs with West Virginians, education and workforce development systems must adapt and be available to coal community residents.

- Retraining programs for miners and families. People who lose their jobs due to shifts in the energy economy deserve access to practical retraining programs for themselves and family members so that they can transition to new family sustaining jobs.
- <u>Vocational training</u>. Not all jobs require a college education. Accessible, affordable, and high-quality vocational training must be available in coal communities in high school and beyond.
- <u>College education</u>. While a college education is not for everyone, college graduates generally earn significantly more than others over the course of their careers. Those who wish to go to college should have access and the support needed to succeed.
- <u>Child care</u>. Accessible and affordable child care is essential for many people to reenter the workforce.

- Increase funding for all levels of public education, in order to attract and retrain the most qualified teachers and to ensure that education is affordable.
- Support retraining programs for miners and families.
- Support vocational training for in-demand occupations. This includes training programs in middle and high school, trade schools, and apprenticeship programs. Specific fields include, for example, carpentry, HVAC, plumbing, electrician, welder, commercial driver's license, solar installation, nursing and healthcare, environmental restoration.
- Support STEAM and STEM education.
- Encourage building trades labor unions to provide expos for high school students in every county for a range of jobs, including, for example, carpenters, iron workers, and operators.
- Develop programs for young people, age 12-18, to work with their hands and earn a stipend.
- Introduce career and technical education to students in middle school.
- Engage youth by supporting summer school programs, youth house build programs, GED programs, and before and after school programs
- Facilitate the use of workforce simulation.
- Support CTCs and help them be responsive to local training needs.
- Ensure that certain types of classes and programs are offered, including, for example, financial literacy, IT, entrepreneurship, communication skills, life skills, parenting skills.
- Support adult education programs.
- Support after school tutoring with qualified teachers.
- Support the expansion of childcare, including at churches. Increase pay for childcare workers.
- Train volunteer firefighters.
- Open a one-stop shop for WorkForce West Virginia and connect people to WorkForce's alreadyavailable training.

- Enact policies that lead to increased wages, including replacement wages for coal miners who have lost jobs due to the shift in the energy economy, and an increase in the minimum wage so that the minimum wage is a living wage with benefits.
- Provide reentry programs for incarcerated individuals so that they can access educational opportunities and reenter the workforce.
- Address truancy.
- Provide incentives for affordable housing statewide, including mid-range housing (\$150,000-\$300,000) in the Northern Panhandle and other areas that lack available housing.
- Protect pensions and health insurance and provide social infrastructure help for miners not receiving health benefits.
- Help WorkForce West Virginia work in high schools to connect students to opportunities.
- Connect colleges to communities for coordination on capstone projects.
- Connect businesses to schools, CTEs, CTCS and apprenticeship programs.
- Investigate the possibility of a regional training center for police, firemen, and first responders.

## **Goal 6: Help vulnerable populations**

Due to a variety of reasons, West Virginia's coal communities are home to several vulnerable populations, including people suffering from substance use disorder, mental illness, hunger, and homelessness.

- Systematically address substance use disorder by increasing the number of available beds and recovery facilities, including detox and 28-day programs.
- Implement programs that support individuals suffering from substance use disorder when they go back to work after recovery.
- Provide recovery housing,
- Provide funding for dual diagnosis programs that include addiction and mental health issues.
- Ensure that mental health facilities are accessible to those who need services.
- Treat mental health and substance use disorder as public health crises versus criminalization.
- Create local crisis response teams for non-emergency situations.
- Expand mobile mental health services. Seneca Health Services in Greenbrier and surrounding counties provides a successful example with its weekly mobile clinic.
- Increase pay for social workers and child protective service workers.
- Support local food pantries.