

TESTIMONY
Hearing of the U.S. House Subcommittee on Energy and Mineral Resources

**“Abandoned Mine Land Reclamation:
Innovative Approaches and Economic Development Opportunities”
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I. Introduction

Good morning Chairman Lowenthal, Ranking Member Gosar, and members of the Committee. I appreciate the opportunity to speak today on this critical set of issues.

My name is Eric Dixon and I am the Senior Coordinator of Policy and Community Engagement at the Appalachian Citizens’ Law Center. We are based in Whitesburg, Letcher County, Kentucky. Our organization represents coal miners and their families on issues of black lung disease and mine safety, litigates cases related to the environmental cost of extractive industry, and advocates on issues related to abandoned mines and a Just Transition in Appalachia.¹ I co-authored a report analyzing the federal Abandoned Mine Land program that was the result of a participatory research project and was released in 2015.² In 2018, I co-authored a report on the potential of innovative development in and around coal-impacted lands in Appalachia.³

Central Appalachia is undergoing an economic crisis, and the region is plagued by thousands of coal mines that were never cleaned up and continue to cause environmental, health, and economic problems. Communities struggling with these issues put forward the RECLAIM Act as an initiative that would use \$1 billion of existing funds to create jobs in cleaning up mine-damaged land and water in struggling communities, and help spur new economic and community development projects on and around reclaimed sites.

¹ Appalachian Citizens’ Law Center website: www.aclc.org

² Dixon, Eric L., Appalachian Citizens’ Law Center and Kendall Bilbrey, The Alliance for Appalachia. “Abandoned Mine Land Program: A Policy Analysis for Central Appalachia and the Nation.” July 8, 2015. <<https://appalachiancitizenslaw.files.wordpress.com/2015/07/abandoned-mine-reclamation-policy-analysis.pdf>>.

³ Reclaiming Appalachia Coalition. Coalition members include Appalachian Citizens’ Law Center, Appalachian Voices, Coalfield Development Corporation, Rural Action and Downstream Strategies. “Many Voices, Many Solutions: Innovative Mine Reclamation in Central Appalachia.” November 2018. <http://appvoices.org/resources/AML-RAC/AML_RAC_report_Many_Voices_Many_Solutions-11-13-18-lo-res.pdf>.

In 2015, twenty-nine⁴ local governments and representative bodies across Kentucky, Virginia, West Virginia, and Tennessee passed resolutions urging Congress to take action on a proposal that would become the RECLAIM Act. Communities worked with their representatives, including lead sponsors Representative Harold Rogers and Representative Matt Cartwright, to first introduce the legislation in early 2016.

The win-win-win legislation garnered strong bipartisan support last Congress, with forty Republican and Democratic co-sponsors. In 2018 local communities doubled-down on their support for this proposal when twenty-seven⁵ more resolutions were passed by local governments in Kentucky, Pennsylvania, and Tennessee—and county Judge-Executives and reclamation contractors sent letters—urging Congress to make this bill law as soon as possible.

In Eastern Kentucky and across Appalachia, a strong local movement for the RECLAIM Act has been building for many years now and has earned unequivocal and bipartisan support for this bill. It should be shaped and implemented in a way that maximizes public awareness and meaningful community engagement, and directs benefits to local workers and residents. While critical issues face Appalachia, the region is full of communities fighting hard to create a more economically diversified future. On behalf of ACLC and the many local, regional and national organizations that support this legislation, I urge Congress to listen to this strong community-led movement for a brighter future in our nation’s coal communities and pass the RECLAIM Act.

The RECLAIM Act is an important step forward for the region and a smart national policy initiative. It is also only a part of the future we need. The size of the remaining national Abandoned Mine Land (AML) problem is gargantuan and far beyond the scope of what the RECLAIM Act alone can clean up. For this reason, Congress must reauthorize the AML Program beyond 2021. Simultaneously, an epidemic of black lung disease has swept coal communities and it is imperative that Congress extend the black lung tax rate that was slashed on January 1, 2019.

II. Two critical problems facing Appalachia: mine cleanup and economic devastation

Economic devastation in Appalachia

⁴ An example resolution from Harlan County, Kentucky is included in Appendix A. In Kentucky these include: the City of Whitesburg, City of Evarts, City of Benham, City of Vicco, City of Hindman, the Benham Power Board, the Appalachian Renaissance Initiative Student Senate, Pike County, Bell County, Harlan County, Letcher County, Floyd County, Perry County, Knott County. In Tennessee these include the Roane County Environmental Review Board and Campbell County. In Virginia these include: the City of Norton, Town of Dungannon, Town of Cleveland, Town of Wise, Town of Appalachia, Wise County, and the Cumberland Plateau Planning District Commission. In West Virginia these include: Fayette County, Lincoln County, Wyoming County, Kanawha County, Raleigh County, and the City of Morgantown. POWER+ for the People website URL: <<http://www.powerplusplan.org/localsupport>>

⁵ POWER+ for the People website URL: <<http://www.powerplusplan.org/localsupport>> ; see Section III of this testimony for a list of the localities.

Every day, on my drive into the office, I pass vacant homes and businesses, cracked and broken roads, closed schools and senior citizen centers: tell-tale signs of the economic devastation that has been wrought upon our community in recent years by shifts in the national energy landscape.

There is a long history of poverty in our region, and cycles of boom and bust in the coal industry have dominated Central Appalachia's political economy for more than 100 years. Absentee corporations extracted wealth out of the region, leaving few resources for schools, roads and community infrastructure. The few well-paying jobs in Central Appalachia were often mining coal, and in 2012 those began to evaporate. Letcher County, where our organization is based, once had over 2,000 coal jobs. Now, there are fewer than 100 coal jobs in the county.⁶

This decline has been felt most acutely by the thousands of coal workers laid off by the industry, but the impacts on the regional economy have been far reaching.⁷ The decline in the coal industry has upended both local economies that were shaped around the coal supply chain and local government budgets whose tax base relied on coal production. In recent years, decreased coal production has resulted in significantly smaller budgets for local governments to provide basic services like good schools and water infrastructure.⁸ In January, my home county announced a partial government shutdown in which all county employees lost health insurance, among other cuts.⁹

Workers are losing jobs, local governments are having difficulty providing basic services, more and younger miners are struggling with black lung disease, and without work many young people are having no choice but to leave their homes. It is not hyperbole to classify the current economic situation across Central Appalachia as a crisis that requires bold and urgent action.

The need for mine cleanup

⁶ Open Source Coal. Letcher County, coal production, total jobs. 1983-2018.

<http://opensourcecoal.org/df_coal_production.php>, U.S. Mine Safety and Health Administration (MSHA) Part 50 data, URLs: <<https://arlweb.msha.gov/OpenGovernmentData/OGIMSHA.asp>>, <<https://arlweb.msha.gov/STATS/PART50/P50Y2K/AETABLE.HTM>>; Kentucky Energy and Environment Cabinet. "Kentucky Quarterly Coal Report." 2018 Q4. URL: <<https://eec.ky.gov/Energy/News-Publications/Quarterly%20Coal%20Reports/2018-Q4.pdf>>

⁷ Energy Information Administration. Coal Data Browser. Aggregate coal mine total employees, 2001-2017. URL:

<<https://www.eia.gov/coal/data/browser/#/topic/36?agg=0,2,1&geo=vvvvvvvvvvvo&mntp=g&freq=A&start=2001&end=2017&ctype=map<ype=pin&rtype=s&maptype=0&rse=0&pin=>>>.

⁸ Newkirk, Margaret, Tim Loh, and Mario Parker.. "Coal's decline is choking Appalachia towns." Bloomberg Businessweek. September 10, 2015. URL:

<<https://www.bloomberg.com/news/articles/2015-09-10/coal-s-decline-is-choking-appalachia-towns>>; Adams, Mason. "'They're Cutting Everything': As coal disappears, Appalachians lose access to basic services." Southerly. February 27, 2019. URL: <<https://southerlymag.org/2019/02/27/theyre-cutting-everything-as-coal-disappears-appalachians-lose-access-to-basic-services/>>.

⁹ Kase, Justin. "Knott County Fiscal Court Votes in favor of Partial Government Shutdown." WYMT News. January 22, 2019. URL:

<<https://www.wyvt.com/content/news/Knott-County-Fiscal-Court-votes-in-favor-of-partial-government-shutdown-504721471.html>>

I live in Knott County, Kentucky, in a region of Central Appalachia with a long history of coal mining. There is an abandoned coal mine *less than a mile* from my front porch.

Along my drive to work, I pass dozens of remnants left from unreclaimed pre- and post-Surface Mining Control and Reclamation Act (“pre-SMCRA” and “post-SMCRA”) coal mining. To provide a sense of what unreclaimed mine features often look like in the community, I took the photos below last week of a spot on my route where acid mine drainage pours heavy metals out of the mountainside into Sandlick Creek.¹⁰ It starts at the local fire department and runs along front yards of homes where children are often playing.



There are thousands of abandoned mine features in Kentucky. There are tens of thousands across the country. It will cost at least \$10 billion—and likely two- or three-fold more than that—to clean up all of the land and water across this country devastated by coal mining and left abandoned prior to 1977 (i.e. “pre-SMCRA” or “AML” sites).¹¹ That is to say nothing of the post-SMCRA reclamation need that is also significant and outstanding.

Abandoned Mine Land (AML) sites include landslides from surface mining, mountaintop removal sites left unreclaimed, polluted streams, open mine portals, underground fires, clogged streams, unreclaimed highwalls, and many other types of damaged land and water features. These sites threaten the safety and health of families that live nearby, and they deter economic development. You can’t live safely near many of these sites, much less launch a business or get a local economy going.

There are numerous challenges facing the Appalachian region. Among those interconnected issues are two significant problems that the RECLAIM Act will help address: the land and water damaged by pre-SMCRA mining, and the catastrophic economic situation in the region.

¹⁰ These photos were taken by Eric Dixon on March 20, 2019.

¹¹ Electronic-Abandoned Mine Land Inventory System. “Cost Summary National.” e-AMLIS generated report, all problem types, all priorities. Generated March 25, 2019.

III. The Local Movement for the RECLAIM Act

As the precipitous decline in coal mining began to speed up, local folks got innovative and came together and an idea to help diversify and grow our economies became the RECLAIM Act.

Just a few steps from our office sits the county courthouse, where in 2015 the Letcher County Fiscal Court passed a resolution urging Congress to introduce and pass the idea that would become RECLAIM. Letcher County wasn't the first or the last locality to send a clear signal to Congress about this bill. In the fall of 2015 and spring of 2016, twenty-nine¹² local governments and representative bodies across Kentucky, West Virginia, Tennessee, and Virginia urged Congress to take action on this bill, and in early 2016 the RECLAIM Act was introduced in Congress for the first time by Representative Harold Rogers and Representative Matt Cartwright.

One of the bodies that passed a resolution was the Appalachian Renaissance Initiative (ARI) Student Senate, comprised of student representatives from regional high schools in east Kentucky. The ARI Student Senate urged Congress to help build a future in the mountains where young people can find work and lead meaningful lives at home and are not forced to move in pursuit of opportunity. This group of impacted citizens, perhaps more than any other, represents the belief in—and promise of—a future in coal-impacted communities with a new, diverse economy. As part of their vision for their home, they urged Congress to introduce and pass the RECLAIM Act.

The RECLAIM Act has two main goals. First, to create jobs cleaning up land and water damaged by pre-SMCRA mining. Second, to spur community and economic development projects on and around AML sites once they've been cleaned up.

I urge Congress to pass the version of the RECLAIM Act (H.R. 1731 in the 115th Congress) as reported out of the House Natural Resources Committee in October 2017.¹³ However, I recommend removing the sections in the bill related to the Appalachian Regional Commission (ARC). In addition to the fact that including provisions related to the ARC will require the bill to be considered in an additional committee and will add unnecessary complexity to the legislative process for the bill, I believe that a provision as significant as moving the headquarters of the ARC is worthy of a separate and thorough discussion on its own.

The RECLAIM Act would create thousands of jobs fixing unreclaimed mine features in communities devastated by the decline of coal.¹⁴ These are jobs that many people in the local workforce, including but not limited to former coal miners, have the earth-moving, heavy machinery skills to do well.

¹² See footnote 4.

¹³ H.R. 1731 as reported out of the House Natural Resources Committee on October 19, 2017 in the 115th Congress. URL: <<https://www.congress.gov/115/bills/hr1731/BILLS-115hr1731rh.pdf>>

¹⁴ Brown, Dylan. "Sparks fly amid dueling narratives on stream rule." E&E News. March 23, 2016. URL: <<https://www.eenews.net/eenewspm/2016/03/23/stories/1060034546>>.

In Kentucky, over seventy contractors were hired by the KY Division of Abandoned Mine Lands to complete AML reclamation work from 2012-2017.¹⁵ These contractors employed over 700 workers and many were engaged in AML projects during that period. Kentucky Governor Matt Bevin explained in a June 2017 letter that “during economically challenging times, it is not unusual to hear bidding contractors remark that the AML program is, ‘the only one putting out any work right now.’”¹⁶

In addition to the many direct jobs in reclamation in struggling communities across the country, the legislation would spur numerous indirect jobs in as well, both from enterprises catalyzed by RECLAIM projects and from the infusion of spending through the local economy.

The RECLAIM Act would use \$1 billion of the \$2.3 billion AML Trust Fund that was collected from the coal industry for mine reclamation and is currently sitting idle in Washington.¹⁷ The bill will not use a cent of taxpayer money.

Though every RECLAIM dollar must be spent exclusively on coal mine cleanup, the bill is designed to spur community development projects on and around AML sites once they’ve been reclaimed. To be clear, RECLAIM funds cannot be spent on economic development projects themselves. All funds must be utilized for AML reclamation. The RECLAIM Act would, however, catalyze development projects on and around reclaimed sites.

AML projects under the RECLAIM Act will be designed with a future development use in mind, and can be paired with other funding streams, such as the POWER Initiative, to fund the development components of the project. This bill will provide funding for reclamation and will bring together diverse stakeholders including state and local governments, economic development agencies, community groups, landowners, and entrepreneurs in developing plans to leverage mine cleanup for broader community benefits and economic opportunities.

Since its introduction in 2016, the local movement for the RECLAIM Act has continued to grow. Sixteen county judge-executives in eastern Kentucky, both Republicans and Democrats, sent a letter to Congress in March of 2018 urging for passage of RECLAIM.¹⁸ Reclamation businesses based in eastern Kentucky also sent a letter in March 2018 highlighting how an uptick in mine cleanup in Kentucky through RECLAIM would enable them to hire more employees, and they urged passage of the bill.¹⁹ And in 2018 supporters organized local governments in Kentucky, Pennsylvania, and

¹⁵ Bevin, Matthew G., Governor of the Commonwealth of Kentucky. Letter to the Honorable Rob Bishop, Chair of the House Committee on Natural Resources. June 13, 2017.

¹⁶ Ibid.

¹⁷ 2019 AML Grant Distributions. Office of Surface Mining Reclamation and Enforcement. URL: <<https://www.osmre.gov/resources/grants/docs/FY19GrantDistBreakdown.pdf>>

¹⁸ Brock, Albey, Judge-Executive of Bell County and Jim Ward, Judge-Executive of Letcher County. “16 coal-county leaders implore McConnell to move RECLAIM Act.” Lexington Herald leader. March 15, 2018. <<https://www.kentucky.com/opinion/op-ed/article205288209.html>>

¹⁹ Jackson, Fred. “Eastern Kentucky can have a future; Mitch McConnell holds one of the keys.” Lexington Herald Leader. March 13, 2018. <<https://www.kentucky.com/opinion/op-ed/article204940999.html>>

Tennessee to pass twenty-seven²⁰ more resolutions urging Congress to move on RECLAIM (in addition to the resolutions passed in 2015-16).

The localities that passed resolutions in Kentucky include the City of Benham, City of Jackson, City of Lynch, City of Morehead, City of Whitesburg, Rowan County, Breathitt County, Knott County, Floyd County, Pike County, Letcher County, Magoffin County, Knox County, Ohio County, Johnson County, and Harlan County. The entities that passed resolutions in Pennsylvania include Armstrong County, Fayette County, Indiana County, Luzerne County, Somerset County, Somerset Conservation District, Sullivan County, Sullivan County Conservation District, and Washington County. The localities that passed resolutions in Tennessee include Campbell County and Claiborne County. All of the resolutions passed in Kentucky and Tennessee also urged Congress to extend the black lung excise tax.²¹

IV. The Future the RECLAIM Act Could Help Create: Examples from Across Appalachia

Central Appalachia is home to many assets, including beautiful natural landscapes and mountain vistas, cultural folkways and heritage, the most biodiverse ecosystem in North America, and a rich musical tradition. The cleanup of Appalachia's abandoned mines and the transformation of the economy are two of the most pressing challenges—and opportunities—facing the region. A new approach in the region seeks to leverage the two challenges together: invest more in mine cleanup and link it with local development.²²

Appalachia needs development projects that are specific to the problems and assets of this place. Recent projects across the region demonstrate concretely the potential of a development strategy that links the cleanup of coal-impacted land and water with development in agriculture, renewable energy, recreational and historical tourism, media and the arts, and other sectors. Some projects are summarized below.

Kentucky

Over the mountain from the ACLC office in the town of Lynch, Kentucky, the Harlan County Fiscal Court has led a project that would address flooding issues in two underground mine portals, refurbish a coal mine exhibit in one of the portals, and renovate a historic coal company bathhouse and administration building adjacent to the portal.²³ Lynch, Kentucky, now more than 100 years old, was once the largest coal town in the world and a destination for immigrant workers from across the globe.

²⁰ See footnote 5.

²¹ See Appendix B for an example resolution from Letcher County, Kentucky..

²² This paragraph restates nearly verbatim a section from my open letter included on page 13 of the “Many Voices, Many Solutions: Innovative Mine Reclamation in Central Appalachia” report published by the Reclaiming Appalachia Coalition in November 2018.

²³ Rogers, Representative Harold. Press Release: “\$2.55 Million Abandoned Mine Lands Pilot Grant Announced for Portal 31 Exhibition Mine.” October 18, 2018. URL: <https://halrogers.house.gov/2018/10/2-55-million-abandoned-mine-lands-pilot-grant-announced-for-portal-31-exhibition-mine>

The Portal 31 mine exhibit tours the historic underground coal mine, along the way educating participants on the mining, labor, and immigration history of the area. Renovation of the historic bathhouse and administration building will provide space for a number of ventures including: a dulcimer factory, expansion of an existing mushroom growing operation, a coffee roasting company, and a program that will employ individuals recovering from addiction to assist local artists and craftspeople in marketing their work online. The project will also create a walking trail and viewing tower atop Kentucky's highest peak, Black Mountain.

The project builds on the Town of Lynch's mining and labor history as an asset for tourism and education by remediating flooding in the mine and refurbishing the tour exhibits. It showcases the beauty of East Kentucky's natural landscapes by increasing access to Black Mountain. Finally, it supports local entrepreneurs pursuing small enterprises rooted in a history of mountain music, arts, and agriculture. Overall, the project is estimated to create twenty new permanent jobs.

West Virginia

In Kermit, West Virginia, population 392, another project has remediated a pair of pre-SMCRA abandoned coal mine portals and will be the site for an aquaponics facility that will sustainably grow fish and produce for regional food markets.²⁴ Led by the Mingo County Redevelopment Authority, Sprouting Farms, and a variety of partners, the project will be powered by on-site solar energy and employ ten people full time upon completion. The Kermit aquaponics project is a prime example of how pre-SMCRA mine cleanup can be linked with cutting-edge development to abate a human safety hazard and create local jobs in a struggling community.

Maryland

In Maryland, acid mine drainage (AMD) from pre-SMCRA coal mining once decimated the North Branch of the Potomac River. The stream, which ran orange from AMD and killed local fish and wildlife, was remediated by the Maryland mine reclamation and a set of agency and local partners throughout the 1990s and 2000s. According to a 2010 study, a "remarkable improvement in water quality is the direct result of the installation of eight dosers since 1992, which add alkaline material to the river and its tributaries to treat acid mine drainage from abandoned coal mines."²⁵ After the

²⁴ Lovern, Kyle. "Bid Awarded for Kermit Aquaponics Site." Williamson Daily News. March 3, 2019. URL: <https://www.williamsondailynews.com/news/bid-awarded-for-kermit-aquaponics-project/article_1b60739f-5e75-5a78-b1e2-4f14736bb1e4.html>; Brown, Andrew. "Mingo aquaponics project among WV initiatives to receive federal money." Charleston Gazette-Mail. December 22, 2016. URL: <https://www.wvgazette.com/news/ningo-aquaponics-project-among-wv-initiatives-to-receive-federal-money/article_e6c24e67-4154-54c4-be97-f64bad2c82dd.html>; Boettner, Fritz. Testimony before the House Subcommittee on Energy and Mineral Resources. April 5, 2017. URL: <<https://democrats-naturalresources.house.gov/download/mr-boettner>>.

²⁵ Hansen, et al. "The Benefits of Acid Mine Drainage in the North Branch Potomac River." Downstream Strategies. December 1, 2010. Page ix. URL: <https://www.downstreamstrategies.com/documents/reports_publication/amd-remediation-nbp_downstre_amstrategies.pdf>

North Branch was remediated, boating and angling in the stream brought an economic impact of \$3 million and forty full time-equivalent jobs.²⁶

Virginia

In Dante, Virginia, once home to the headquarters of the Clinchfield Coal Corporation, the Dante Community Association has recently secured funding for a community revitalization project that will remediate two pre-SMCRA abandoned mine portals, safely remove the dilapidated Arty Lee School, and connect downtown Dante to a new trail system for recreational use.²⁷ The project will remove the school building and construct a pavilion, primitive campsite, and outdoor environmental classroom for studying Lick Creek or use as a gathering area. The multi-use trail system will use old rail and coal roads or new trails to connect the Dante ballfield, a local museum downtown, a future general store, the Mountain View Trail System, and the nearby town of St. Paul. The project will cost approximately \$534,000 and project spending will result in total local economic activity valued at \$1,173,000 and indirectly support eight jobs across multiple sectors in the local economy.²⁸

Another project recently funded in southwestern Virginia will mitigate two pre-SMCRA coal mine portals and enhance the trail and parking area for the Devil's Fork Trail, which has recently exploded in popularity and use. The \$260,000 project will generate \$616,000 in local economic activity and support 3.5 full-time equivalent jobs across sectors locally.²⁹ In Wise, Virginia, a successful small business, MountainRose Vineyard, has been operating a winery and event location on a post-SMCRA reclaimed surface mine for more than a decade.³⁰

Ohio

In Athens County, Ohio a proposed project would remediate the AMD-impacted Sunday Creek by removing iron from the AMD for use as paint pigments: "The iron removed from the water can be sold to produce highly sought-after paint pigments with a demonstrated potential profitability that may more than offset AMD treatment costs."³¹ The project stems from a partnership between an artist, a scientist at Ohio University, where the treatment process was developed, and a regional non-profit Rural Action. It demonstrates the potential of remediating AMD-impacted streams and putting the extracted metal to reuse.

The RECLAIM Act Could Take the Demonstrated Potential of Innovative Approaches to Reclamation and Development to The Next Level

²⁶ Ibid. Page xiv.

²⁷ Reclaiming Appalachia Coalition. "Many Voices, Many Solutions: Innovative Mine Reclamation in Central Appalachia." Page 40. November 2018. URL: <http://appvoices.org/resources/AML-RAC/AML_RAC_report_Many_Voices_Many_Solutions-11-13-18-lo-res.pdf>

²⁸ Ibid. Page 40.

²⁹ Ibid. Page 42.

³⁰ MountainRose Vineyards LLC. URL: <<https://www.mountainrosevineyard.com/vineyards>>.

³¹ Ibid. Page 32.

In addition to the projects summarized above, most of which have been funded or completed, a number of other projects have been proposed or are currently in development across the region.

In Eolia, Kentucky, Arlie Boggs Elementary School has developed a proposal to construct a solar energy array on-site that would help cut operating expenditures by lowering the school's energy costs.³² Housing Development Alliance, an affordable housing non-profit in Hazard, Kentucky, has proposed to build fifteen affordable, green homes in a community struggling with the decline of coal.³³ Both of these projects are adjacent to former coal sites. On a reclaimed surface mine in Breathitt County, Kentucky where wild elk and free-roaming horses can be seen regularly, the county Fiscal Court has proposed developing a campground, visitors center, and expo center. The project is estimated to create nearly twenty jobs on site, if funded.³⁴ In Buchanan and Wise County, Virginia, Appalachian Sustainable Development has partnered with Virginia Tech to propose a pilot farm that will grow and test crops from hemp to ginseng on reclaimed mine land.³⁵

While these proposals were developed under different criteria than the RECLAIM Act, they bolster the case for the interest in and realistic potential of community development proposals in AML-impacted communities. In a recent report that ACLC co-authored with partner organizations across the region, we profiled these and other project proposals—at varying stages in the design and development process—that “advance community development amidst abandoned mine lands, or in some cases by reclaiming abandoned mine features as part of the project.”³⁶ Taken together, the “twenty proposed projects would cost over \$38 million; however, if these projects were funded, total economic output from project spending would be valued at nearly \$84 million. These projects would provide over \$22 million in wages to employees, support nearly 543 full- and part-time jobs across the region, and improve regional GDP (value-added) by over \$44 million. Further, most projects plan for direct/onsite employment after construction/ development.”³⁷

East Kentucky's greatest asset is our people. The region is full of leaders ready to try bold, challenging, and innovative endeavors to build out a better economy here. Given the remaining coal impacted lands that must be cleaned up, innovative mine reclamation that links development and cleanup poses real promise as a development approach for our region.³⁸ In addition to the direct

³² Ibid. Page 16.

³³ Ibid. Page 14.

³⁴ Ibid. Page 20.

³⁵ Ibid. Page 46.

³⁶ Reclaiming Appalachia Coalition, “Many Voices, Many Solutions: Innovative Mine Reclamation in Central Appalachia.” November 2018. URL: http://appvoices.org/resources/AML-RAC/AML_RAC_report_Many_Voices_Many_Solutions-11-13-18-lo-res.pdf

³⁷ Ibid. Page 8. More from the report: “quantifying the economic impact of these investments is challenging, as many of the projects have yet to receive funding or be built. However, utilizing the Bureau of Economic Analysis' RIMS II multipliers, the coalition can see that the cumulative impact of project spending during development and construction alone is great.”

³⁸ This paragraph restates nearly verbatim a section from my open letter included on page 13 of the “Many Voices, Many Solutions: Innovative Mine Reclamation in Central Appalachia” report published by the Reclaiming Appalachia Coalition in November 2018.

jobs employing people to clean up or remediate AML hazards themselves, it is important to note that the legislation's second goal of catalyzing development projects on reclaimed sites—and the spending impacts in the local economy from reclamation and new development—will also generate numerous jobs in other sectors in coal-impacted communities.

The projects outlined in the section won't create enough jobs to single-handedly revitalize the local community, but projects like these can make a real contribution to building out the diverse economy of Appalachia's future, and passing the RECLAIM Act could be critical for projects like these to come to life in coal-impacted communities reeling from economic crisis.

There has been strong momentum in local communities across the region for innovative development projects on and around coal-impacted lands even without RECLAIM, and the \$1 billion investment that this legislation provides could take this effort to the next level.

V. The Need For RECLAIM Implementation Focused on Local Communities

The RECLAIM Act has been shaped by local, impacted communities, and it needs to be implemented in a way that respects and benefits local people. The legislation, as reported out of this committee in October 2017, includes critical provisions that require public notice and public meetings near the project site and provide an opportunity to comment on any proposed project. It also allows local governments and local non-profits to propose projects, and establishes a planning process through which state agencies must collaborate or partner with stakeholders on proposed projects, including interested persons or local organizations.

If passed, implementation of this program would require inter-agency collaboration between and among state, tribal, and federal agencies working on coal mine reclamation and economic development in coal-impacted communities. It would also require partnership with local organizations and other stakeholders to be successful. The coordination and staffing required to implement the program is not insignificant, and the provisions included in the legislation that provide agencies with clarity, time, and flexibility to get this new program up and running in their state or tribe is important.

It is important that states and tribes have the flexibility to implement this program across diverse geographies. The RECLAIM Act would do that in part by providing the option for a state or tribe to pursue an exemption from the economic development nexus provision for AML projects that would not qualify.

These provisions are critical. The crisis in coal-impacted communities demands that we pursue bold, new governmental initiatives that we cannot expect will be easy but that we know are vital. If this legislation is passed, I believe a community engagement process and robust transparency in implementation (including with application criteria, decision making process(es), and funded projects) will help involve the impacted public and result in higher quality projects driven by local needs and actors, as well as assisting state and tribal agencies in identifying the best projects to

pursue. If passed, I also encourage implementing agencies to prioritize local contractors and jobs that pay family-sustaining wages, and to promote mechanisms like project labor agreements and community benefit agreements to help clarify and ensure that benefits are experienced by impacted communities and shared broadly within them.

VI. Conclusion

Building a new, just and sustainable economy in Appalachia is a huge, generational problem before us, and RECLAIM is only a part of that much larger task.

The black lung epidemic must be stopped, and coal companies need to pay their fair share for damage wrought on miners' lives and on land and water across the country. Unfortunately, neither of these problems are going away any time soon. Congress should extend for ten years the black lung tax rate that was decreased at the beginning of 2019 and that provides critical medical care and wage compensation for miners with black lung, it should pass legislation protecting the threatened pensions of UMWA workers, and it should reauthorize the AML Program beyond its current 2021 sunset.

The RECLAIM Act is a solid first step that uses existing money to create jobs, make communities safer and cleaner, and start us down a path of building a new economy in Appalachia. There is overwhelming local, bipartisan support for this legislation. I urge Congress to listen to this community-led movement for a brighter future in our nation's coal communities and pass the RECLAIM Act now.

Thank you.

Harlan County Fiscal Court Resolution in Support of POWER+ Plan

Whereas Harlan County is a community in eastern Kentucky, an area of many rich assets, including our land, water, heritage and people, who have for more than 100 years provided the coal that has fueled America;

Whereas Harlan County and its residents are working everyday to build a community that is strong, healthy and a place where our future generations can continue to live and find meaningful work and where we can build on and celebrate our assets;

Whereas the Appalachian region of Kentucky is experiencing a dramatic economic transition with the decline of the coal industry, and Harlan County is experiencing economic distress as coal jobs continue to decline;

Whereas we believe that the transition to a future economy should be one that celebrates our culture; invests in communities; generates good, stable and meaningful jobs; is just and equitable; and protects and restores our land and water;

Whereas the POWER+ Plan could put laid off miners and other local residents to work reclaiming abandoned mines in ways that develop long-term economic opportunities in agriculture, recreational tourism, energy, and more on reclaimed mine sites;

Whereas the POWER+ Plan includes programs that would disburse \$1 billion in funding for Abandoned Mine Land (AML) projects that create long-term business and economic opportunities; would invest millions in workforce development and job training programs in communities impacted by the decline of the coal industry; and would strengthen the health and pension plans of 100,000 retired coal miners and their families;

Whereas no less than \$18.7 million worth of AML problems and at least 66 abandoned mine sites remain in Harlan County alone, and POWER+ funds could be used to create local jobs and business opportunities by addressing the risks to health, safety, and future economic development that these abandoned sites in our county pose;

Whereas the POWER+ Plan has been proposed by the White House and currently sits before Congress;

Therefore, let it be resolved that the Fiscal Court of Harlan County supports passage of the POWER+ Plan by the U.S. Congress and encourages Congressman Hal Rogers to see passage of this Plan through the federal legislative process.

Passed in special session this 18th day of August, 2015.

Tom Mosley Judge Exec.
Signer

Bill Moore
Signer

Jim Raddy
Signer

Shirley Middlebrooks
Signer

James S. Haward
Signer

Signer

Daniel Kennedy
Signer

Signer

Letcher County Fiscal Court

Resolution

Whereas Letcher County is a community in Eastern Kentucky, a region with many rich assets, including our land, water, heritage and people, who have for more than 100 years provided the coal that has fueled the United States;

Whereas many Kentucky communities are experiencing economic distress with the decline of the coal industry and mining jobs; and

Whereas we believe a transition to a healthy, just and sustainable economy is possible, and that active leadership and investments are needed to generate meaningful jobs; protect and restore land and water; and ensure the well-being of workers, families and communities, especially our miners who dedicated and risked their lives to work in the coal industry; and

Whereas black lung disease is an incurable, fatal and entirely preventable disease caused by exposure to coal dust; and

Whereas rates of black lung disease are surging among coal miners and one in five veteran working coal miners in Central Appalachia now has black lung; and

Whereas thousands of coal miners with black lung disease and their dependents rely on benefits from the federal Black Lung Disability Trust Fund, including, in FY2017, more than 4,326 Kentuckians who were paid \$40.9 million across all federal Black Lung claims, and

Whereas the Black Lung Disability Trust Fund is in poor financial health due to a perfect storm of more miners with the disease and more coal companies in bankruptcy; and

Whereas the long-term solvency of the Black Lung Disability Trust Fund will be further weakened unless Congress acts this year to prevent a scheduled 50% decline in the excise fee that provides resources to the Fund; and

Whereas the steps required for coal miners to acquire federal black lung benefits are currently difficult, and eligibility criteria should not be changed to make such processes more difficult; and

Whereas coal companies have a moral and legal responsibility to pay for their employees' health and disability costs associated with black lung disease, and the financial obligation to provide black lung benefits should not be shifted to taxpayers; and

Whereas federal legislation to maintain the Black Lung excise fee at its current level could also assist in the passage of the RECLAIM Act (H.R. 1731), a bill sponsored by U.S. Rep. Hal Rogers (KY-5) to invest over the next five years \$1 billion from the federal Abandoned Mine Lands Trust Fund to fund reclamation and support economic

development projects on abandoned mine lands in Kentucky and other affected states; and

Whereas an investment of at least \$455,869, 355 is needed to clean up identified but as yet unfunded abandoned coal mines in Kentucky, including projects costing at least \$12.3 million in Letcher County; and

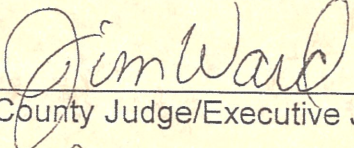
Whereas pensions promised to thousands of retired union miners and their families are at risk due to the 2008-2009 recession and Coal Company bankruptcies;

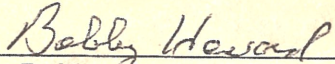
NOW, THEREFORE, LET IT BE RESOLVED THAT the Fiscal Court of Letcher County urges U.S. Senator Mitch McConnell and Senator Rand Paul, along with U.S. Representatives James Comer (KY-1), Beth Guthrie (KY-2), John Yarmuth (KY-3), Thomas Massie (KY-4), Hal Rogers (KY-5) and Andy Barr (KY-6) to support and vote for legislation in 2018 to assist retired, disabled and laid-off coal miners, their families and communities.


Specifically, we urge passage of three bills needed for a just transition for coal miners and communities;

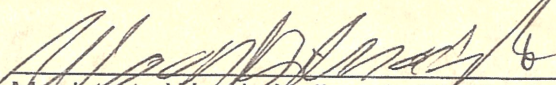
- a) Legislation that strengthens the solvency of the Black Lung Disability Trust Fund by maintaining the excise fee at its current level, rather than allowing it to decline at the end of 2018. Furthermore, this legislation should not make black lung benefits more difficult to acquire, or include a taxpayer bailout of the fund.
- b) The bipartisan RECLAIM Act (H.R. 1731), sponsored by U.S. Rep. Hal Rogers, which will help revitalize coal communities by creating thousands of good reclamation jobs and supporting longer-term economic development initiatives.
- c) This bipartisan American Miners Pension Act (H.R. 3913/S. 1911), which ensures that the UMWA's 1974 Pension Plan can continue to pay the pensions retired miners or their surviving spouses have earned.

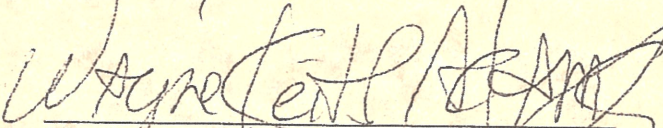
Dated this the 15th of October, 2018.

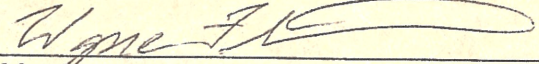

County Judge/Executive Jim Ward


Magistrate Bobby Howard, District 1


Magistrate Terry Adams, District 2


Magistrate Woody Holbrook, District 3


Magistrate Keith Adams, District 4


Magistrate Wayne Fleming, District 5