Department of Planning and Budget
2017 Fiscal Impact Statement

1. **Bill Number:** HB2200

House of Origin	☒	Introduced	☐	Substitute	☐ Engross
Second House	☐	In Committee	☐	Substitute	☐ Enrolled

2. **Patron:** O'Quinn

3. **Committee:** Agriculture, Chesapeake and Natural Resources

4. **Title:** Reclamation of coal-mined areas.

5. **Summary:** Repeals the July 1, 2017, expiration date from 2014 legislation that raised the target balance of the Coal Surface Mining Reclamation Fund (the Fund) from $1.75 million to $20 million and altered the method of deducting certain expenditures from the Fund. The expiration date affects the assessment of a reclamation tax paid by coal operators participating in the Fund.

6. **Budget Amendment Necessary**: No.

7. **Fiscal Impact Estimates:** Preliminary.

8. **Fiscal Implications:** An audit conducted in 2011 determined that the Fund was undercapitalized, and Chapters 111 and 135 of the 2014 Virginia Acts of Assembly increased the target balance in the Fund to address this. The reclamation tax generated $23,671 in FY 2015, $35,670 in FY 2016, and $183,279 year to date in FY 2017. The Fund's balance on June 30, 2016, was $7.9 million.

   Revenue to the Fund is dependent on market conditions. Payments to the Fund are made by coal mine operators based on productions. Therefore, the amount revenue is dependent upon how many tons of coal are mined in the Commonwealth.

9. **Specific Agency or Political Subdivisions Affected:** Department of Mines, Minerals and Energy.

10. **Technical Amendment Necessary:** No.

11. **Other Comments:** None.