



Andy Beshear
GOVERNOR

ENERGY AND ENVIRONMENT CABINET

300 Sower Boulevard
Frankfort, Kentucky 406 01
Phone: (502) 564 -3350

Rebecca Goodman
SECRETARY

January 3, 2024

Interim Joint Committee on Appropriations & Revenue
Committee Staff Administrator
702 Capitol Ave
Frankfort, KY 40601

RE: HB1 Abandoned Mine Lands Report

Enclosed is the fiscal year 2022-2023 report detailing the progress and cost of reclamation projects funded by the Infrastructure Investment and Jobs Act (IIJA). This report is to fulfil the requirement pursuant to the language included in HB1, 2022 Regular Session, page 67, lines 20 through 25.

The Division of Abandoned Mine Lands (AML) within the Department for Natural Resources has received the first IIJA grant award totaling \$74,253,000.00 from the Office of Surface Mining Reclamation and Enforcement (OSMRE). The second grant application has been submitted to OSMRE and AML is awaiting funding approval.

The IIJA provides AML with funding for administration, project design, and construction activities. The purpose of the AML Program is to remediate historic coal mining hazards in the Eastern and Western Kentucky coalfields. AML has five years to expend funding for each annual IIJA grant. In the 2022-2023 fiscal year, KY AML hired additional staff, established a workflow for reclamation contracts, and developed a tracking system to comply with federal reporting guidance, while completing seven IIJA-funded reclamation projects.

The intent of the IIJA funding is to address eligible Priority 1, 2, and 3 AML features, public water supply restoration, and acid mine drainage abatement within specific problem areas. While AML has an inventory of over 100 projects in various stages of development, prioritization is often subject to natural events causing the priority list to update constantly. AML prioritized nine water supply projects from the 2022-2023 IIJA funding totaling over \$20 million and has prioritized six water supply projects with 2023-2024 IIJA funding totaling \$15 million. AML has requested that 30% of each IIJA grant beginning with the 2023-2024 award be placed in a set-aside account for acid mine drainage, coal fires, and subsidence abatement in compliance with the STREAM Act.

If you or any members of the committee should have any questions regarding the information provided, please contact Jim Cable, Abandoned Mine Lands Division Director at James.Cable@ky.gov.

Sincerely,

A handwritten signature in black ink that reads "Rebecca W. Goodman".

Rebecca W. Goodman, Secretary
Energy and Environment Cabinet
Rebecca.Goodman@ky.gov