

HB285 INTRODUCED



1 HB285

2 3PWADZZ-1

3 By Representatives Brinyark, Faulkner, Lamb, Bolton, Carns,
4 Hill, Sellers, Shaw, Hulsey, Treadaway, Barnes, Garrett,
5 Givan, Datcher, Stadthagen, DuBose, England, McCampbell,
6 Travis, Wadsworth, Rafferty, Hollis

7 RFD: Ways and Means General Fund

8 First Read: 20-Jan-26



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4 SYNOPSIS:

5 This bill would establish the Coal-Impacted
6 Communities Economic and Workforce Development Grant
7 Program to provide grants to local development
8 organizations for regional economic and workforce
9 development initiatives in coal-impacted communities in
10 the state.

11 This bill would establish the Renewing
12 Coal-Impacted Communities Act Fund in the State
13 Treasury for the implementation and operation of the
14 grant program.

15 This bill would provide for the distribution of
16 revenues derived from the payment of rent and royalties
17 of federal coal lease sales in the state.

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20 A BILL

21 TO BE ENTITLED
22 AN ACT

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24 Relating to economic and workforce development; to
25 establish the Coal-Impacted Communities Economic and Workforce
26 Development Grant Program to assist local development
27 organizations with economic and workforce development
28 initiatives in coal-impacted communities; to provide for the

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29 purposes for which the grant funds may be used; to establish
30 the Coal-Impacted Communities Economic and Workforce
31 Development Grant Program Advisory Committee to review
32 applications and make recommendations; to establish the
33 Renewing Coal-Impacted Communities Act Fund in the State
34 Treasury; to provide for the distribution of revenues received
35 from rent and royalties derived from federal coal lease sales
36 in the state beginning after January 1, 2027; and to provide
37 an effective date.

38 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

39 Section 1. This act shall be known and may be cited as
40 the Renewing Coal-Impacted Communities Act.

41 Section 2. The Legislature finds and declares all the
42 following:

43 (1) The Federal Lands Program regulates coal mining and
44 reclamation operations on federal lands pursuant to the
45 Surface Mining Control and Reclamation Act (SMCRA) and the
46 Mineral Leasing Act of 1920 (MLA).

47 (2) The United States Department of the Interior Office
48 of Natural Resources Revenue (ONRR) collects royalties and
49 other revenues from coal production on federal lands and pays
50 a portion of this revenue to the state where the mineral was
51 extracted.

52 (3) The primary intent of the royalties is to
53 compensate states that host federal mineral extraction
54 activities, including the communities most impacted by mineral
55 extraction. Costs to these communities, include, but are not
56 limited to, infrastructure, increased demand on public



57 services, and workforce-related costs.

58 (4) The McDuffie Coal Terminal at the Port of Mobile
59 serves as the primary export terminal for coal extracted from
60 federal lands in Alabama, handling the majority of coal
61 shipped from mining operations in coal-impacted communities.
62 The movement of coal through the McDuffie Coal Terminal at the
63 Port of Mobile generates significant economic activity,
64 creates jobs in transportation and logistics sectors, and
65 contributes substantial tax revenue to state and local
66 governments. Infrastructure improvements and maintenance at
67 the Port of Mobile are essential to maintaining the
68 competitiveness of Alabama's coal industry, ensuring efficient
69 market access for coal production, and supporting the broader
70 economic ecosystem dependent on coal mining activities.

71 (5) It is the intent of the Legislature, by the passage
72 of this act, to require that all federal funds made available
73 to the state through 30 U.S.C. § 191(a), be expended within
74 coal-impacted communities, the Port of Mobile, and the State
75 General Fund.

76 Section 3. The following words and phrases, whenever
77 used in this act, have the following meanings:

78 (1) COAL-IMPACTED COMMUNITIES. Areas or jurisdictions
79 of the state that meet one or more of the following criteria:

80 a. Areas where coal is currently being mined on federal
81 lands.

82 b. Areas where a significant population of the
83 workforce is engaged in the mining of coal on federal lands.

84 c. Areas that have experienced substantial economic



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85 impact due to the decline or cessation of coal mining
86 operations on federal lands.

87 d. Jurisdictions where coal mining on federal lands has
88 historically been a major source of employment or tax revenue.

89 e. For purposes of this definition, Fayette County,
90 Jefferson County, Tuscaloosa County, and Walker County are
91 designated as coal-impacted communities.

92 (2) FUND. The fund created in Section 6 of this act.

93 (3) LOCAL DEVELOPMENT ORGANIZATION. Any organization
94 that is determined by the board to meet both of the following
95 criteria:

96 a. The organization is an Alabama entity not operating
97 for profit, including, but not limited to, a municipality,
98 county, industrial development board, industrial development
99 authority, chamber of commerce, institution of higher
100 education, or some other foundation or nonprofit organization
101 charged with improving a community or region of the state.

102 b. The organization has a record of supporting or
103 otherwise participating in economic or workforce development
104 in some parts of the state.

105 (4) PERSON. One or more individuals, corporations,
106 partnerships, associations, legal representatives, mutual
107 companies, joint-stock companies, trusts, unincorporated
108 organizations, trustees, bankruptcy, receivers, and
109 fiduciaries.

110 (5) SECRETARY. The Secretary of the Department of
111 Workforce.

112 Section 4. (a) The Coal-Impacted Communities Economic



113 and Workforce Development Grant Program is established for the
114 purpose of awarding grants to eligible local development
115 organizations for regional economic and workforce development
116 initiatives in coal-impacted communities in the state.

117 (b) The Secretary of the Department of Workforce shall
118 implement and administer the grant program.

119 (c) Grant funds awarded under this program may be used
120 to support coal-impacted communities through:

121 (1) Workforce development and training programs;

122 (2) Quality of place initiatives that enhance community
123 livability and economic competitiveness;

124 (3) Public works, infrastructure, and public services;

125 (4) Capital improvement that support community
126 resilience and economic development; and

127 (5) Operations of the Alabama Surface Mining
128 Commission.

129 Section 5. (a) To ensure that coal-impacted communities
130 have meaningful input into the expenditure of grant funds, a
131 Coal-Impacted Communities Economic and Workforce Development
132 Grant Program Advisory Committee is established to review
133 applications and make recommendations to the secretary. Each
134 advisory committee member shall be appointed to a four-year
135 term and shall serve at the pleasure of their respective
136 appointing authority. The advisory committee shall meet at
137 least annually. Additional meetings may be called at the
138 discretion of the secretary.

139 (b) The committee shall consist of the following
140 members:



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141 (1) One member appointed by the Governor from a
142 coal-impacted community.

143 (2) One member appointed by the Lieutenant Governor
144 from a coal-impacted community.

145 (3) One member appointed by the President Pro Tempore
146 of the Senate from a coal-impacted community.

147 (4) One member appointed by the Speaker of the House of
148 Representatives from a coal-impacted community.

149 (5) One member appointed by the Fayette County
150 Legislative Delegation.

151 (6) One member appointed by the Jefferson County
152 Legislative Delegation.

153 (7) One member appointed by the Tuscaloosa County
154 Legislative Delegation.

155 (8) One member appointed by the Walker County
156 Legislative Delegation.

157 (9) The President of the Alabama Mining Association.

158 (c) The appointing authorities shall coordinate their
159 appointments to assure the advisory board membership is
160 inclusive and reflects the racial, gender, geographic, urban,
161 rural, and economic diversity of the state.



169 beginning after January 1, 2027, or allocated by the
170 Legislature from other funds for the purposes of this act.
171 Amounts deposited into the fund shall be budgeted and allotted
172 in accordance with Sections 41-4-80 through 41-4-96 and
173 Sections 41-19-1 through 41-19-12, Code of Alabama 1975. All
174 funds received into the fund shall remain in the fund and not
175 revert or be expended for any other purposes other than those
176 set out in this act.

177 (b) The department may retain up to 10 percent of the
178 total funds allocated for the Coal-Impacted Communities
179 Economic and Workforce Development Grant Program for actual
180 expenses relating to administering the program, reimbursing
181 advisory committee members for necessary expenses incurred in
182 the performance of their duties, and conducting financial
183 audits.

184 Section 7. The Secretary of the Department of Workforce
185 shall adopt rules as necessary to implement and administer the
186 provisions of this act.

187 Section 8. Notwithstanding any other law to the
188 contrary, the revenues derived from the payment of rent and
189 royalties of federal coal lease sales occurring in the state
190 after January 1, 2027 shall be distributed as follows:

191 (1) The first one million dollars (\$1,000,000) shall be
192 deposited in the State General Fund.

193 (2) The next five-hundred thousand dollars (\$500,000)
194 shall be distributed to the Alabama State Port Authority for
195 the McDuffie Coal Terminal at the Port of Mobile.

196 (3) The next two-hundred fifty thousand dollars

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197 (\$250,000) shall be distributed to the Alabama Surface Mining
198 Commission.

199 (4) The remaining revenues shall be deposited in the
200 Renewing Coal-Impacted Communities Act Fund and shall be used
201 by the department to award grants to eligible local
202 development organizations pursuant to the provisions of this
203 act.

204 Section 9. This act shall become effective on October
205 1, 2026.