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HOUSE BILL NO. 2635

Offered January 13, 2025

A BILL to amend and reenact § 45.2-1725 of the Code of Virginia, relating to Virginia Brownfield and Coal Mine Renewable Energy Grant Fund.

Patron—Webert

Referred to Committee on Labor and Commerce

Be it enacted by the General Assembly of Virginia:**1. That § 45.2-1725 of the Code of Virginia is amended and reenacted as follows:****§ 45.2-1725. Virginia Brownfield and Coal Mine Renewable Energy Grant Fund and Program.**

A. For the purposes of this section:

"Brownfield" means real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.

"Fund" means the Virginia Brownfield and Coal Mine Renewable Energy Grant Fund.

"Previously coal mined lands" means lands, associated waters, and surrounding watersheds where coal extraction, beneficiation, or processing has occurred.

"Program" means Virginia Brownfield and Coal Mine Renewable Energy Grant Program.

"Project" means all or any part of the following activities necessary or desirable for the restoration and redevelopment of a brownfield site or previously coal mined lands for renewable energy purposes: (i) environmental or cultural resource site assessments; (ii) the monitoring, remediation, cleanup, or containment of property to remove hazardous substances, hazardous wastes, solid wastes, or petroleum; (iii) the appropriate treatment of grave sites, and the appropriate and necessary treatment of significant archaeological resources, or the stabilization or restoration of structures listed on or eligible for the Virginia Landmarks Register; (iv) the demolition and removal of existing structures, or other site work necessary to make a site or certain real property usable for economic development; (v) the development of a remediation and reuse plan; and (vi) the development or operation of such site for renewable energy generation or storage.

"Renewable energy" means energy derived from sunlight, wind, and geothermal power.

B. There is hereby created in the state treasury a special nonreverting fund to be known as the Virginia Brownfield and Coal Mine Renewable Energy Grant Fund. The Fund shall be established on the books of the Comptroller. All funds appropriated for such purpose and any gifts, donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes of (i) awarding grants on a competitive basis through the Virginia Brownfield and Coal Mine Renewable Energy Grant Program established pursuant to subsection C or (ii) implementing and administering the Virginia Brownfield and Coal Mine Renewable Energy Grant Fund and Program. Moneys used for implementing and administering the Fund and Program shall be limited to 10 percent of the amount available in the Fund each year. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Director.

C. The Virginia Brownfield and Coal Mine Renewable Energy Grant Program is hereby established for the purpose of awarding grants on a competitive basis from such funds as may be available from the Fund to renewable energy projects located on brownfields or previously coal mined lands. The Program shall be administered by the Department. In administering the Program, the Department shall consult with the Department of Environmental Quality and establish and publish guidelines and criteria for grant awards, including guidelines and criteria governing agreements between the Department and grant recipients relating to the development of renewable energy projects on brownfields or previously coal mined lands. The criteria for grant recipients shall include requirements for project developers to hire local residents. The Department shall oversee each grant awarded through the Program and ensure thorough annual reporting on each such grant.

D. Grants shall be awarded in an amount of \$500 per kilowatt of nameplate capacity from renewable energy sources that are located on previously coal mined lands and ~~\$100~~ \$200 per kilowatt of nameplate capacity from renewable energy sources that are located on brownfields. No more than \$10 million shall be awarded to any single previously coal mined lands project and no more than \$5 million shall be awarded to any single brownfield project that is not located on previously coal mined lands. If a project is eligible to receive a grant as a previously coal mined lands project, it shall not be eligible to receive a grant as a brownfields project, and vice versa.

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59 No more than \$35 million per year shall be allocated by the Program. Of this amount, \$20 million shall be
60 reserved for projects sited on previously coal mined lands. However, if less than \$20 million is distributed to
61 previously coal mined lands projects in a given year, any remaining funds may be reallocated to brownfield
62 projects.

63 E. The Department shall, in consultation with the Department of Environmental Quality, localities,
64 interest groups, private businesses, and other stakeholders, develop an online handbook for renewable energy
65 and energy storage development on brownfields and previously coal mined lands. The online handbook shall
66 include a discussion of coal mining permit types and reclamation requirements, permitting requirements for
67 development on brownfields and previously coal mined lands, and policy recommendations for encouraging
68 renewable energy development on brownfields and coal mines. The handbook shall be completed no later
69 than July 1, 2022, and shall be updated as needed at the discretion of the Department.

70 F. The Department shall submit an annual report to the General Assembly regarding administration of the
71 Fund and Program for the preceding fiscal year. The report shall include the number of grants awarded, the
72 number of acres reclaimed or revitalized, the amount of nameplate capacity constructed, the number of jobs
73 created, and the general economic impact of the Fund and Program. The report shall be furnished to the
74 Chairmen of the House Committee on Labor and Commerce and the Senate Committee on Commerce and
75 Labor no later than November 1 of each year. However, no annual report shall be required if the Fund and
76 Program do not receive funding.