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## SENATE BILL NO. 333

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Finance and Appropriations  
on February 11, 2026)

(Patron Prior to Substitute—Senator Hackworth)

A *BILL to amend the Code of Virginia by adding a section numbered 56-585.1:17, relating to Remediated Mine Gas Grant Program.*

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding a section numbered 56-585.1:17 as follows:**

**§ 56-585.1:17. Remediated Mine Gas Grant Program.**

*A. As used in this section:*

*"Eligible expenditures" means costs incurred by a taxpayer during the taxable year related to (i) the purchase of machinery and equipment necessary for the capture of remediated mine gas for beneficial use, and not for flaring or destruction, at one underground metallurgical coal mine in the Commonwealth and (ii) the hiring of employees whose primary duties involve the capture or sequestration of remediated mine gas.*

*"Remediated mine gas" means methane gas captured and produced from an underground gob area associated with a mined-out metallurgical coal seam located in the Commonwealth that would otherwise escape into the atmosphere.*

*"Sequester" or "sequestration" means the use of methane derived from remediated mine gas as a feedstock in a low-emission manufacturing process, a chemical process, or permanent storage that converts the methane into a durable material or product.*

*B. The Commission shall establish the Remediated Mine Gas Grant Program (the Program) to assist taxpayers in the capture and sequestration of remediated mine gas in the Commonwealth.*

*C. Subject to appropriation by the General Assembly, the Commission shall award remediated mine gas grants on a first-come, first-served basis to taxpayers that (i) incur eligible expenditures during the taxable year or (ii) successfully capture and sequester remediated mine gas in the Commonwealth. The Commission shall prioritize awarding such grants to taxpayers that did not receive an award pursuant to the Program in the previous fiscal year. No taxpayer shall receive more than one grant per fiscal year. In order to apply for a grant, a taxpayer shall submit an application to the Commission, which shall include (a) the amount, in metric tons, of remediated mine gas captured and sequestered in the Commonwealth by the taxpayer during the taxable year and (b) any eligible expenditures incurred by the taxpayer during the taxable year.*

*D. No later than October 1 of any year in which funds are made available for the Program, each grant recipient shall submit a report to the Commission. Such report must include information concerning (i) the amount, in metric tons, of remediated mine gas captured and sequestered in the Commonwealth by the taxpayer during the taxable year; (ii) the amount of money spent on the purchase and maintenance of machinery and equipment necessary for the capture of remediated mine gas; and (iii) the amount of money spent on the hiring of employees whose primary duties involve the capture or sequestration of remediated mine gas.*

*E. No later than January 1 of any year in which funds are made available for the Program, the Commission shall submit a summarized report of the information received pursuant to subsection D to the Chairs of the Senate Committees on Finance and Appropriations and Agriculture, Conservation and Natural Resources and the House Committees on Appropriations and Agriculture, Chesapeake and Natural Resources.*

**2. That the first report required pursuant to subsection D of § 56-585.1:17 of the Code of Virginia, as created by this act, shall be due no later than October 1, 2026.**

**3. That the first summarized report required pursuant to subsection E of § 56-585.1:17 of the Code of Virginia, as created by this act, shall be due no later than January 1, 2027.**