H.B. 15
132nd General Assembly
(As Introduced)

Reps.   Cera, Rogers, O'Brien, Antonio, Fedor, Sheehy

BILL SUMMARY

- Credits a portion of kilowatt-hour tax receipts to abandoned mine reclamation, acid mine drainage abatement, and mine safety programs.

- Authorizes Department of Natural Resources (DNR) to transfer kilowatt-hour tax revenue between abandoned mine reclamation and acid mine drainage abatement programs.

- Requires DNR to create procedures to encourage the employment of dislocated coal miners in projects funded under DNR's mine reclamation program and acid mine drainage abatement and treatment program.

- Authorizes mine safety funding to be used for personnel, infrastructure, and programming costs related to mine safety training.

CONTENT AND OPERATION

Allocation of kilowatt-hour tax receipts

The bill changes how receipts from the kilowatt-hour tax are allocated. In particular, the bill credits a portion of those receipts to abandoned mine reclamation, acid mine drainage abatement, and mine safety programs administered by DNR. Under continuing law, a tax is levied on electric distribution companies with end users in Ohio, as well as on certain large-scale commercial or industrial electricity users that are taxed on the basis of their consumption. This tax is often referred to as the "kilowatt-hour tax" (kWh tax) because rates are tiered and vary according to the kWh consumption of electricity.

Under current law, nearly all kWh tax revenue is credited to the General Revenue Fund (GRF). The bill diverts some of this revenue to fund three DNR programs related to mine reclamation (1.5%), acid mine drainage abatement and treatment (1.5%), and mine safety (0.75%).[1] The remaining 96.25% continues to be credited to the GRF. In accord with the change in the revenue distribution, the bill changes the statement of the purpose of the kWh tax.[2]

DNR mine reclamation and safety programs

In addition to changing the allocation of the kWh tax, the bill makes several modifications to the three DNR programs to be funded by kWh tax revenue under the bill – mine reclamation, acid mine drainage abatement and treatment, and mine safety.

Mine fund transfers

The bill authorizes DNR to transfer funds between its mine reclamation and acid mine drainage abatement and treatment programs, to the extent the amount transferred in a fiscal year does not exceed the kWh tax revenue dedicated to each program under the bill (see "**Allocation of kilowatt-hour tax receipts**," above). (The amount allocated for either purpose in excess of kWh tax revenue largely consists of federal allocations that federal law proscribes from being transferred to the other purpose.[3])

Project employment preference: dislocated coal industry workers

The bill requires DNR to adopt policies and procedures to encourage contractors to employ dislocated coal miners for projects funded through DNR's mine reclamation or acid mine drainage abatement and treatment programs.[4]

Acid mine drainage abatement grants

The bill requires DNR to obtain approval from the Council on Unreclaimed Strip Mined Lands before awarding acid mine drainage abatement grants.[5] (This requirement is rendered inoperative by the abolition of the Council by H.B. 471 of the 131st General Assembly.)

---

[1] R.C. 5727.81(E).

[2] R.C. 5727.84(A).

[3] 30 C.F.R. 872.12(c) and 876.12(a).

[4] R.C. 1513.37(M).

[5] R.C. 1513.37(E)(3).

Mine safety fund usage

The bill authorizes DNR to use mine safety program funds to fund mine safety training infrastructure, programming, and personnel costs. Continuing law generally limits this funding to the following purposes:

- Mine safety and health inspections and audits;

- Purchases and maintenance of mine rescue and inspection equipment;

- Purchases or leases of mine rescue stations and mine rescue and safety training facilities;

- Mine rescue and safety and health training for miners;

- Certification of mine officials.[6]

HISTORY

ACTION	DATE
Introduced	02-01-17

H0015-I-132.docx/ks

---

[6] R.C. 1561.24(F).