



WEST VIRGINIA RIVERS

March 7, 2022

Public Hearing Testimony RE: SB 1, Creating a Mining Mutual Insurance Company

Thank you, Mr. Chairman, members of the committee. I'm Angie Rosser, representing the WV Rivers Coalition, promoting the restoration and long-term health of our rivers and streams.

We appreciate that the findings in SB 1 acknowledge that we are on the precipice of potential collapse of our special reclamation program. This issue deserves great depth of examination and response from the Legislature or else we will have big problems with our state budget, risk federal takeover of our mining program, and slow or reduce reclamation of our lands and waters damaged by mining activity.

A 2021 Legislative Audit report highlighted some of the structural deficiencies exacerbating the state's liability risk for unreclaimed mine lands. The report provided 15 recommendations. SB 1 does not address any of those recommendations.

It is unwise to take 50 million in taxpayer dollars, with no limits on state monies that could be allocated down the line, with no guarantee that any will be paid back, while ignoring the root causes of the problem.

Bill proponents say SB 1 is needed because the state is especially vulnerable with 67% of total bonds held by one bonding company. The audit report points out that unlike WV, other states limit the amount of coverage by a single surety company. The Legislature should consider such limits to lessen vulnerability versus only throwing taxpayer money we will never get back into a safety net.

The audit report recommends looking at adjusting bonding rates to sufficiently cover reclamation costs. The Legislature should also do this.

We urge you to follow your Auditor's overall recommendation that the Legislature commission a study to examine these issues. We ask that SB 1 be tabled and integrated into a comprehensive study resolution.