Virginia Department of Planning and Budget
Economic Impact Analysis

4 VAC 25-130 Coal Surface Mining Reclamation Regulations
Department of Energy
Town Hall Action/Stage: 6584 / 10484 Fast-Track
July 9, 2026

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order 17 (2026). The analysis presented below represents DPB's best estimate of the potential economic impacts as of the date of this analysis.[1]

Summary of the Proposed Amendments to Regulation

The Department of Energy (NRG) proposes to revise the regulatory text to reflect current practices regarding placement of a lien against the reclaimed property of a coal mining surface owner.

Background

Generally, this regulation provides the director of NRG discretionary authority to place a lien against land reclaimed by the agency if the reclamation results in a significant increase in the fair market value of the surface that was previously mined for coal such as abandoned or ghost mining land. However, the regulation also provides for several exemptions. One of the exemptions is that "[a] lien shall not be placed against the property of a surface owner who acquired title prior to May 2, 1977, and who did not consent to, participate in, or exercise control over the mining operation which necessitated the reclamation work." This exemption language implies that a lien can be placed on such land that was acquired on and after May 2, 1977. According to NRG, it is not the practice of the agency to place a lien against such private land regardless of the date of acquisition. Additionally, NRG notes that federal regulations direct that no lien be placed on property of surface owners who did not consent to participate in reclamation

[1] See Code § 2.2-4007.04 (A).

work.[2] As a result, NRG proposes to strike the phrase "who acquired title prior to May 2, 1977, and" in the exemption so that no lien can be placed against such private land regardless of the date of acquisition.

Estimated Benefits and Costs

The proposed revision to the exemption language regarding the director's authority to place a lien on certain reclaimed land would reflect a longstanding agency practice and align the regulatory text with federal regulations. Since no effect on current lien practice is expected, no significant economic impact is likely to result from this action other than eliminating possible confusion among the readers of this regulation.

Businesses and Other Entities Affected

The proposed amendments would mainly affect the readers of the regulatory text. No entity appears to be disproportionately affected.

The Code requires DPB to assess whether an adverse impact may result from the proposed regulation.[3] An adverse impact is indicated if there is any increase in net cost or reduction in net benefit for any entity, even if the benefits exceed the costs for all entities combined.[4] As noted above, the proposal would provide consistency between the agency practice and the regulatory text and federal requirements. Thus, no adverse impact is indicated.

Small Businesses[5] Affected:[6]

The proposed amendment does not appear to adversely affect small businesses.

Localities[7] Affected[8]

The proposed amendment does not introduce costs for localities, nor does it disproportionally affect any of them.

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[2] https://www.ecfr.gov/current/title-30/chapter-VII/subchapter-R/part-882
[3] See Code § 2.2-4007.04 (D).
[4] Statute does not define "adverse impact," state whether only Virginia entities should be considered, nor indicate whether an adverse impact results from regulatory requirements mandated by legislation. As a result, DPB has adopted a definition of adverse impact that assesses changes in net costs and benefits for each affected Virginia entity that directly results from discretionary changes to the regulation.
[5] Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as "a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than $6 million."
[6] See Code § 2.2-4007.04 (A.2). and Code § 2.2-4007.1 (C).
[7] "Locality" can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.
[8] Code § 2.2-4007.04 defines "particularly affected" as bearing disproportionate material impact.

Projected Impact on Employment

The proposed amendment does not appear to have an impact on employment.

Effects on the Use and Value of Private Property

No impact on the use and value of private property nor on real estate development costs is expected.