

Coal Mine Bonding Systems by State

The Surface Mining Control and Reclamation Act requires coal companies to secure reclamation bonds before mining begins. Under SMCRA both self-bonding and alternative bond systems are currently allowed. States with SMCRA primacy set up bonding programs that must be approved by the Office of Surface Mining Reclamation and Enforcement. The table below summarizes bonding systems allowed under state law, and which systems are actually utilized at this time. While many states discontinued the use of self-bonds in the last decade, and pool bonds are only utilized in six states, many states still allow the both types of bonding under state or federal statute and could implement either type in the future.¹

| State | Pool Bond Allowed | Pool Bond Used | Self-Bonds Allowed | Self-Bonds Used |
|---------------------------|-------------------|----------------|--------------------|-----------------|
| Alabama | Yes | No | Yes | No |
| Alaska | Yes | No | Yes | Yes |
| Arkansas ² | No | No | Yes | No |
| Colorado | No | No | Yes | No |
| Illinois | No | No | Yes | No |
| Indiana | Yes | Yes | Yes | No |
| Kentucky | Yes | Yes | No | No |
| Louisiana | No | No | Yes | No |
| Maryland | Yes | Yes | No | No |
| Mississippi | No | No | Yes | No |
| Missouri ³ | Yes | No | Yes | Yes |
| Montana | No | No | No | No |
| New Mexico | No | No | Yes | No |
| North Dakota ³ | No | No | Yes | Yes |
| Ohio | Yes | Yes | Yes | No |
| Oklahoma | Yes | No | Yes | No |
| Pennsylvania | Yes | No | Yes | No |
| Tennessee ⁴ | Yes | No | Yes | No |
| Texas ³ | Yes | No | Yes | Yes |
| Tribes ⁴ | Yes | No | Yes | No |
| Utah | No | No | Yes | No |
| Virginia ⁵ | Yes | Yes | No | Yes |
| Washington ⁴ | Yes | No | Yes | No |
| West Virginia | Yes | Yes | Yes | No |
| Wyoming | No | No | Yes | No |

¹ Information is based on research completed by Appalachian Voices through review of state statute, SMCRA, and bond information gathered through FOIA in 2022; information should be verified for individual states through the appropriate regulatory authority.

² Self-bonding allowed through regulation from regulatory authority.

³ Self-bonds are backed by electric utilities associated with specific coal mines.

⁴ Surface coal mining and bonding is directly regulated by the Office of Surface Mining Reclamation and Enforcement.

⁵ Virginia discontinued self-bonding through legislation in 2014, but some older self-bonds remain in place.