

PLYMOUTH INSTITUTE FOR FREE ENTERPRISE

**MORE COAL FOR ENERGY AFFORDABILITY**

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**ADVANCING AMERICAN  
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**TOPLINE:** The One Big Beautiful Bill (OB3) expands access to reliable coal resources on federal lands to help ease electricity costs for American households and businesses.

**BACKGROUND:** Coal has been the world's [leading source](#) of electricity for more than 50 years. It is a crucial resource for the United States, as the U.S. possesses the world's largest coal reserves, about [20%](#) of the global total. Coal is and will remain a reliable energy source for powering America's homes and businesses. Coal accounts for about [15%](#) of total U.S. electricity and has proven dependable during extreme weather events, most recently during January's [Winter Storm Fern](#) that swept across much of the country. Currently, about [405,000](#) acres of federal land are leased for coal mining, and [nearly half](#) of U.S. coal production happens on federal land.

**What OB3 Did:**

- [Requires](#) the Interior Secretary to make at least 4 million acres of federal land available for leasing coal resources.
- [Decreases](#) the coal royalty rate from 12.5% to 7% until 2034.

**Why It Matters?**

- With the proliferation of artificial intelligence (AI) and data centers, the demand for inexpensive, reliable energy sources is growing rapidly.
- More coal leases at a lower royalty rate will allow businesses to expand coal supply to meet demand, helping to ease electricity costs.
- Roughly [44,000](#) Americans are employed at coal mines as of 2024. Making coal resources on federal lands available helps support job creation in the coal industry.
- Coal is a critical input in the production of both electricity and steel. Unleashing American coal is good for American manufacturing.

**Where Can I Find the Changes?** OB3 Section [50201-50204](#).

**BOTTOMLINE:** For decades, lawmakers have sought to regulate and tax the coal industry out of existence while funneling subsidies to politically favored energy sources. With OB3's expanded access to coal mining on federal lands, Congress is helping support reliable, affordable energy and rejecting misguided government schemes to prop up alternatives to coal at taxpayers' expense.

