



# Oregon

Kate Brown, Governor

Department of Geology and Mineral Industries

Administrative Offices  
800 NE Oregon St., Suite 965  
Portland, OR 97232-2162  
(971) 673-1555  
Fax: (971) 673-1562  
[www.oregongeology.org](http://www.oregongeology.org)

April 4, 2019

## **Senate Bill 45 – Mineral Land Regulation and Reclamation Program Fees**

The Oregon Department of Geology and Mineral Industries (DOGAMI) – Mineral Land Regulation and Reclamation program (MLRR) conducts mineral resource permitting and site inspections to ensure the land disturbance associated with mining is returned to a beneficial use. The MLRR program is funded exclusively with fees paid by the regulated mining, oil and gas, and geothermal exploration and development industries.

The current fee structure does not support full delivery of essential program services to meet the program's regulatory responsibilities. This has limited site inspections overall, and created delays in responding to information requests, permitting actions, and addressing compliance issues. Revenue projections indicate that by the end of the 2021-23 biennium current fees will not support existing program services, requiring reductions in both staffing and service levels. SB 45 enables the department to meet its statutory responsibilities through the 2023-2025 biennium.

Historically, the Department has not proposed regular fee adjustments to account for increased program costs. In several cases, fees have not been adjusted for decades, particularly for the mineral exploration, oil & gas, and geothermal programs. SB 45 streamlines the fee schedule by providing parity and fairness between similar permit actions and their associated fees across programs. The proposed fee changes simplify the fee schedule and ensure costs are fully covered by each program.

To improve program inefficiencies that result in long processing timeframes, much-needed improvements to permitting and inspection processes include: online applications and payments; permittees having web access to their site records; and use of industry-standard technology to streamline site inspections. SB 45 will enhance business operations through the realization of a modern database, an online permitting system, and IT functions moving the MLRR program from mostly paper to digital systems, essential for efficient and effective program operations.

Additionally, Policy Package 101 requests the addition of 2.0 FTE to support MLRR and is contingent on the passage of SB 45. SB 45 will provide the funds to add one field staff to help meet regulatory responsibility for site inspections and timely issuance of operating permits and add one IT staff to modernize IT functions in support of an online e-permitting system. These positions will be phased-in at 18 months into the biennium.

The department has filed amended language to define the exploration boundary (ORS 517.705(3)) and clarify Chapter 517 applicability (ORS 517.710(2)).