

Legislative Fiscal Office

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Joint Committee on Ways and Means

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Rep. Dan Rayfield, House Co-Chair

Sen. Fred Girod, Senate Co-Vice Chair
Rep. David Gomberg, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Natural Resources Subcommittee
From: John Terpening, Legislative Fiscal Office
Date: February 19, 2020
Subject: SB 1579 – Relating to geological permits
Work Session Recommendations

SB 1579 modifies fees for the Department of Geology and Mineral Industries Mined Land Regulation and Reclamation program. The fee changes include:

- An increase in the annual renewal tonnage fee from \$0.0095 to \$0.0125;
- An increase to the statutory cap for the tonnage fee from \$0.0095 to \$0.015;
- An increase in the annual base fee for non-producing aggregate sites from \$850 to \$1,200;
- An increase in the annual base fee for producing aggregate sites from \$850 to \$1,460;
- There are also modifications to oil, gas and geothermal fees in order to align these fees with administrative expenses related to regulation of these industries and to prevent subsidization across fee types.

Increased fee revenue is expected to generate \$359,079 Other Funds in 2019-21 and \$1,564,365 Other Funds in 2021-23. This revenue is anticipated to maintain program funding at the current service level and provide a projected ending fund balance equivalent to 2.1 months of operating expenses by the start of the 2021-23 biennium. The fee increase is effective January 1, 2021.

Recommended Changes

LFO recommends adoption of the -1 amendment.

MOTION: I move adoption of the -1 amendment to SB 1579. (VOTE)

Final Subcommittee Action

LFO recommends that SB 1579, as amended by the -1 amendment, to be moved to the Ways and Means Full Committee.

MOTION: I move SB 1579, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____