

SB 221 STAFF MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: April McDonald, Budget Analyst

Meeting Dates: 5/10

WHAT THE MEASURE DOES:

Establishes an Electronic Permitting System Subaccount for the Department of Geology and Mineral Industries (DOGAMI) to maintain the Department's electronic permitting (ePermitting) system, which will allow the Department to issue permits and receive applications and fees electronically. The measure specifies that the costs of maintaining the system include hosting, operating, repairing, upgrading, staffing, and administering the system. The measure authorizes DOGAMI to impose and collect a 10.7% surcharge for each invoice generated by the ePermitting system, for deposit into the subaccount, and authorizes DOGAMI to reduce the surcharge percentage rate, and specifies procedures for order issuance, notification, and rate duration.

ISSUES DISCUSSED:

- Fiscal Impact of the measure

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Department of Geology and Mineral Industries (DOGAMI) is responsible for issuing permits related to mineral exploration and extraction, including surface mining, chemical process mines, oil and gas wells, and geothermal wells. Most mining projects in Oregon engage in aggregate surface mining for sand, gravel, and quarry rock. The regulatory program is primarily funded by permit fees paid by the regulated industry. DOGAMI currently has 1,300 active permits, of which over 500 are unique permit holders. Currently, DOGAMI's Mineral Land Regulation and Reclamation (MLRR) program primarily operates in paper form. Both the agency and industry report long processing times that are at least in part attributable to the slow, paper-based processing of new permit applications, inspection records, records requests, permit renewals, and payments. Senate Bill 221 would establish an Electronic Permitting System Subaccount for DOGAMI to maintain the Department's electronic permitting system and would authorize DOGAMI to impose and collect a 10.7% surcharge for each invoice generated by the Department's system to credit to the subaccount.