

FISCAL NOTE

There are no direct fiscal impacts with the exception of removing the \$25 exploration license fee for private land licenses. This is estimated to be a relatively insignificant amount at around \$500 to \$1,000 per year.

There are indirect fiscal and administrative impacts to Land Quality Division agency resources. First, this bill creates a new mining permit specific for Small Mines and would result in the Land Quality Division diverting existing resources to develop new rules, new forms, revision of the Small Mine Permitting Handbook, new guidance documents, and a new public notice format to meet the directive of the proposed changes. Second, this bill would establish a permitting priority system that would place Small Mine Permits ahead of other coal, bentonite, and trona permits (i.e. modified and shortened permit approval times) and divert Land Quality Division resources to accommodate this change in process and priority. Third, this bill changes the financial assurance (i.e. bonding) provisions for small mines such that cash, certificate of deposit, and letter of credit instruments would be required to be approved within two business days. This revision results in two changes: 1) prioritizing Small Mine Permit bonds reviews ahead of coal, bentonite, uranium, and trona; and 2) the state would hold all reclamation liability on a cash or certificate of deposit instrument until the financial instrument clears the normal business process which is on average 21 day for cash, 24 days for certificates of deposit, and 61 days for letters of credit.

There are also indirect fiscal and administrative impacts to Air Quality Division agency resources. First, this bill requires the development of a single waiver to be submitted for EPA approval. The Air Quality Division estimates that approximately 80 -100 man-hours of existing resources will be required to develop the waiver, and approximately 175 - 200 man-hours of existing resources will be required for the EPA submittal and approval process. The Air Quality Division estimates that EPA's approval process may take approximately 9-12 months. Second, this bill requires the development of a general permit for stationary sand or gravel mines or quarries. The Air Quality Division estimates that approximately 180-200 man-hours of existing resources will be required to develop the general permit, and approximately 175 - 200 man-hours of existing resources will be required for the EPA submittal and approval process. The Air Quality Division estimates that EPA's approval process may take approximately 9-12 months. The Air Quality Division's time and man-hour estimates assume one-time and non-controversial, straightforward development and approval process. These diverted man-hours will result in longer time frames for permitting of other sources.

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