

## Legislative Fiscal Office

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## Joint Committee on Ways and Means

Sen. Betsy Johnson, Senate Co-Chair  
Sen. Elizabeth Steiner Hayward, Senate Co-Chair  
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:** Capital Construction Subcommittee  
**From:** John Terpening, Legislative Fiscal Office  
**Date:** February 27, 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: \_\_\_\_\_