

## SB 221 STAFF MEASURE SUMMARY

### Senate Committee On Natural Resources

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**Action Date:** 03/20/23

**Action:** Do pass and requesting referral to Ways and Means.

**Vote:** 5-0-0-0

**Yeas:** 5 - Girod, Golden, Prozanski, Smith DB, Taylor

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

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**Meeting Dates:** 3/1, 3/20

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#### WHAT THE MEASURE DOES:

Establishes an Electronic Permitting System Subaccount for the Oregon Department of Geology and Mineral Industries (DOGAMI) to maintain the department's electronic permitting system that allows the department to electronically issue permits and receive applications and fees. Specifies that the costs of maintaining the system include hosting, operating, repairing, upgrading, staffing, and administering the system. Authorizes DOGAMI to impose and collect a 10.7 percent surcharge for each invoice generated by the department's system, to credit to the subaccount. Authorizes the department to reduce the surcharge percentage rate and provides procedures for order issuance, notice, and rate duration.

#### ISSUES DISCUSSED:

- Benefits of an e-permitting system
- Necessity of sustainable funding to operate the e-permitting system
- The 10.7 percent surcharge is a maximum that can be reduced upon department review of funding sufficiency

#### EFFECT OF AMENDMENT:

No amendment.

#### BACKGROUND:

The Department of Geology and Mineral Industries (DOGAMI) is responsible for issuing permits related to mineral exploration, upland mining, surface impacts of underground mining, emergency or temporary mining, and drilling or using wells to extract oil, gas, or geothermal resources. Most mining projects in Oregon are aggregate surface mining for sand, gravel, and quarry rock. The regulatory program is primarily funded by permit fees that are paid by the regulated industry. DOGAMI currently has 1,300 active permits, of which over 500 are unique permit holders.

DOGAMI's permit, inspection, customer, and other business records, as well as the processes to handle them, remain 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 percent surcharge for each invoice generated by the department's system to credit to the subaccount.