Fiscal Note 2015 Biennium

GOVERNOR'S OFFICE OF BUDGET AND PROGRAM PLANNING

Bill #	HB0553	**Title:**	Generally revise gravel permit permitting process
Primary Sponsor:	Halvorson, David	**Status:**	As Amended on the House Floor

- ☐ Significant Local Gov Impact
- ☐ Needs to be included in HB 2
- ☑ Technical Concerns
- ☐ Included in the Executive Budget
- ☐ Significant Long-Term Impacts
- ☐ Dedicated Revenue Form Attached

FISCAL SUMMARY

	FY 2014 Difference	FY 2015 Difference	FY 2016 Difference	FY 2017 Difference
Expenditures:				
General Fund	$0	$0	$0	$0
Revenue:				
General Fund	$0	$0	$0	$0
Net Impact-General Fund Balance:	$0	$0	$0	$0

Description of fiscal impact: This bill has no fiscal impact to the Department of Environmental Quality (DEQ).

FISCAL ANALYSIS

Assumptions:

1. HB 553, as amended, adds language in 82-4-422(2), MCA, that provides the Board of Environmental Review shall "in a timely manner, assist landowners and operators in the development of resources governed by this part." DEQ believes that this assistance is already provided through the pre-application meeting process as defined in 82-4-432(3), MCA, which states, "If, prior to applying for a permit, a person notifies the department of the intention to submit an application and requests that the department examine the area to be mined, the department shall examine the area and make recommendations to the person regarding the proposed opencut operation. The person may request a meeting with the department. The department shall hold a meeting if requested." Since the department already conducts these meetings on request, DEQ does not anticipate a fiscal impact.
2. HB 553, as amended, provides that DEQ shall issue a 120-day conditional permit upon determination of a complete application. Since DEQ already provides written notice of completeness to the applicant, DEQ does not anticipate a fiscal impact associated with attaching a conditional permit to that notice of completeness.

Technical Concerns

1. Section 1(2)(d) requires the Board of Environmental Review shall "in a timely manner, assist landowners and operators in the development of resources governed by this part." The Board of Environmental Review is a 7-person citizen board that regularly meets six times per year. It does not have the time, expertise, or budget to perform this function. Section 82-4-422(1), MCA, currently requires the DEQ to provide this type of service.

2. The conditional permit authorized by HB 553 does not require the operator to reclaim the land mined under the conditional permit. Article IX, section 1, of the Montana Constitution requires that "[a]ll land disturbed by the taking of natural resources shall be reclaimed" and provides that "the legislature shall provide effective requirements and standards for the reclamation of lands disturbed."

Effect on County or Other Local Revenues or Expenditures:

1. Fiscal impact to the counties is difficult to determine.

Sponsor's Initials	*Date*	*Budget Director's Initials*	*Date*