



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2015 Biennium

Bill # SB0234

Title: Provisional permits for gravel pits

Primary Sponsor: Peterson, Jim

Status: As Introduced

- 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

	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: This bill has no fiscal impact to the state.

FISCAL ANALYSIS

Assumptions:

Department of Environmental Quality (DEQ)

1. The main changes to the Opencut Mining Act from SB 234 relate to the creation of a permitting process for a "provisional permit." The timeframes and activities related to issuing a provisional permit are consistent with the current application completeness determination and permit issuance timeframes. The department assumes that meetings with the applicant required by section 1(6)(b) will be waived, conducted at department offices, or conducted by telephone so that no travel costs will be incurred. Therefore, there would not be a fiscal impact associated with altering Opencut Program processes.
2. The provisional permitting process eliminates the need for a technical review of application documents, which should allow for some additional staff time. However, any staff time that is gained would be used for compliance inspections, bond release inspections, or other program related work.

Technical Notes:

1. SB 234 requires a plan of operation meeting the requirements of 82-4-434, MCA, be filed after the first five years of operation. Under 82-40-434, MCA, a plan of operation must contain requirements pertaining to the operational phase of the mine and requirements for the reclamation of the mine. If the operation is discontinued under section 1(6)(c)(ii) of SB 234, there is no need to apply the operational requirements of 82-4-434, MCA, to the mine because mining will have been completed.
2. Under 82-40-434, MCA, a plan of operations includes requirements to control erosion, protect historic and archaeological values, and salvage topsoil. This bill would not require those practices for the first five years but section 1(6)(c)(ii) does require them after five years. If the operator did not implement such practices at the beginning of mining, it may not be possible to comply with these requirements after five years.
3. On page 3, line 17, the word “of” should be inserted after the first “consists” on the line.

Sponsor's Initials

Date

Budget Director's Initials

Date