



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2025 Biennium

**Bill information:**

HB0581 - Generally revise open cut laws (Bishop, Laurie )

**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 2024 Difference</u>	<u>FY 2025 Difference</u>	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>
<b>Expenditures:</b>				
General Fund	\$103,158	\$100,673	\$102,092	\$103,533
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>(\$103,158)</u>	<u>(\$100,673)</u>	<u>(\$102,092)</u>	<u>(\$103,533)</u>

**Description of fiscal impact:** HB 581 requires the Department of Environmental Quality (DEQ) to process additional Standard Permit and Standard Permit amendment applications, complete additional inspections, increase maintenance of its website, hold additional public meetings, and increase the amount of time required to process Dryland Permit and Dryland Permit amendment applications. This would require additional staff to ensure that DEQ has the ability to thoroughly administer the Opencut Mining Act by meeting statutory deadlines for permitting, and maintaining regulatory oversight through consistent field presence.

### FISCAL ANALYSIS

**Assumptions:**

- HB 581 increases the number of new Standard Permit applications by twelve per year and Standard Permit amendment applications by three per year. New Dryland Permit applications would decrease by twelve per year and Dryland Permit amendment applications would decrease by three per year. Each new Standard Permit and Standard Permit amendment application takes 33 hours to process, compared to 13 hours for a Dryland Permit. This shift to more time-consuming permits will result in 300 total additional hours, or 0.14 FTE.
- HB 581 would result in an increase of 50 inspections each year. Each inspection, including planning, travel, and reporting, would take approximately 12 hours resulting in 600 total hours, or 0.29 FTE. Travel costs assume 40 inspections would require one day with per diem only and 10 inspections would require two days

of per diem and one night lodging, leased vehicle or mileage costs are not included in the calculation. Per diem rates are based on \$30.50 per day in meals and the standard lodging rate of \$98.00 plus 7% tax.

3. HB 581 would require increased maintenance of DEQ’s OpenCut Mining website to post application materials prior to applications being complete, and to post more public notices. This would result in one extra hour of time for each of the existing 36 Standard Permit applications per year, four extra hours for each of the 12 additional Standard Permit applications per year, one extra hour for each of the existing 10 Standard Permit amendment applications per year, and four extra hours for each of the three additional Standard Permit amendment applications per year. Four extra hours would be required for each of the 36 Dryland Permit applications and two Dryland Permit amendment applications per year. This would result in 258 total hours, or 0.12 FTE.
4. HB 581 would increase the number of public meetings each year from 1 to 24 for Standard Permit applications, and from zero to six for Standard Permit amendment applications. Each public meeting requires 30 hours of staff time resulting in 870 hours annually, or 0.42 FTE.
5. HB 581 would increase the amount of time to review Dryland Permit applications (36 per year) and Dryland Permit amendment applications (two per year) by four hours each, resulting in 152 hours annually, or 0.07 FTE.
6. Based on assumptions above, implementation of HB 581 would require an additional 1.00 FTE (Environmental Scientist 2).
7. Salary and benefits for the environmental scientist would be \$78,520 in FY 2024 and \$78,773 in FY 2025.
8. Indirect costs are assessed against personal services expenses at the federally approved rate of 24%.
9. An inflation factor of 1.5% per year is applied in FY 2026 and FY 2027.

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<b><u>Fiscal Impact:</u></b>				
FTE	1.00	1.00	1.00	1.00
<b><u>Expenditures:</u></b>				
Personal Services	\$78,520	\$78,773	\$79,955	\$81,154
Operating Expenses	\$24,638	\$21,900	\$22,137	\$22,379
<b>TOTAL Expenditures</b>	<u>\$103,158</u>	<u>\$100,673</u>	<u>\$102,092</u>	<u>\$103,533</u>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$103,158	\$100,673	\$102,092	\$103,533
<b>TOTAL Funding of Exp.</b>	<u>\$103,158</u>	<u>\$100,673</u>	<u>\$102,092</u>	<u>\$103,533</u>
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b>TOTAL Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	(\$103,158)	(\$100,673)	(\$102,092)	(\$103,533)

**NOT SIGNED BY SPONSOR**

  
Budget Director's Initials

2-22-23  
Date