

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1091-01
Bill No.: SB 360
Subject: Licenses - Misc.; Natural Resources Dept.; Mining and Oil and Gas Production
Type: Original
Date: February 17, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Mined Land Reclamation Fund	\$26,000	\$26,000	\$26,000
Total Estimated Net Effect on Other State Funds	\$26,000	\$26,000	\$26,000

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Transportation, Department of Economic Development, Department of Revenue, Office of Attorney General and Department of Conservation** assume no fiscal impact to their agency.

Officials with the **Department of Natural Resources** assume this proposal would exempt any sand or gravel operator that mines less than 5,000 tons of gravel per year from regulation and licensing.

Currently, there are approximately 130 operators who remove less than 5,000 tons of sand and gravel from streams annually. Each permit costs \$300 ($130 \times \$300 = \$39,000$). The cost for administering, permitting, and enforcing these permits averages \$500 each ($130 \times \$500 = \$65,000$). Therefore, the department assumes there would be a net cost avoidance of \$26,000 as a result of this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
<u>Savings - DNR</u>			
Mined Land Reclamation Fund	<u>\$26,000</u>	<u>\$26,000</u>	<u>\$26,000</u>
	<u>\$26,000</u>	<u>\$26,000</u>	<u>\$26,000</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2004 (10 Mo.)	 FY 2005	 FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

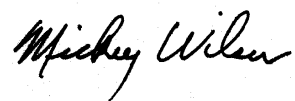
DESCRIPTION

This act exempts any sand or gravel operator that mines less than 5,000 tons of gravel per year from regulation and licensing.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Attorney General
Department of Natural Resources
Department of Transportation
Department of Economic Development
Department of Revenue
Department of Conservation



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