

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4756-01
Bill No.: SB 1315
Subject: Mining; Department of Natural Resources
Type: Original
Date: March 15, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Reclamation Fund	(\$28,200)	(\$28,200)	(\$28,200)
Total Estimated Net Effect on <u>All</u> State Funds	(\$28,200)	(\$28,200)	(\$28,200)

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Transportation** assume no fiscal impact to their agency.

Officials with the **Department of Natural Resources** assume Section 444.770.6 appears to exempt operators or landowners conducting excavation for the management of "seasonal gravel accretion" from having to obtain a permit. The department assumes that small operators currently permitted would fall under the "seasonal" category. There are approximately 94 small operator permits issued per year. It is estimated this proposal would result in a loss of \$28,200 annually (94 x \$300 annual permit = \$28,200) to the Mined Land Reclamation Fund.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
RECLAMATION FUND			
<u>Cost - Loss of Small Operator Permits</u>	<u>(\$28,200)</u>	<u>(\$28,200)</u>	<u>(\$28,200)</u>
NET ESTIMATED EFFECT ON RECLAMATION FUND	<u>(\$28,200)</u>	<u>(\$28,200)</u>	<u>(\$28,200)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Yes. Sand and gravel operators mining gravel at the request of a property owner to remove seasonal gravel accretion, in any amount, will not be required to purchase a permit and would therefore be retrieved at the time and expense of permitting.

DESCRIPTION

This act pertains to sand and gravel.

This act defines "noncommercial operator" as a person whose excavation activities are limited to their privately owned land used for purposes other than surface mining. This act goes on to clarify that it is unlawful for any operator other than a noncommercial operator to engage in surface mining without first obtaining a permit to do so. The exception to that rule is detailed in this act; when an operator conducts gravel removal at the request of a property owner for the purpose of managing seasonal gravel accretion on property not used for gravel mining.

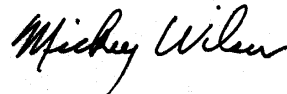
This act allows for the selling or bartering of material extracted from the landowner's property without a permit only when that excavation is conducted in accordance to department guidelines.

DESCRIPTION (continued)

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

Department of Natural Resources
Department of Transportation

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
March 15, 2004