

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5067-04  
Bill No.: Truly Agreed To and Finally Passed SCS for HCS for HB 1201  
Subject: Natural Resources Department; Mining and Oil and Gas Production  
Type: Original  
Date: May 13, 2014

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Bill Summary: This proposal modifies provisions relating to proposed surface mining operations.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### § 444.772 - Surface Mining Operations:

Officials from the **Department of Natural Resources (DNR)** state this provision would require a notice of intent to operate a surface mine by certified mail to real property landowners within one-half mile border of the proposed mine plan area and to those whose property is adjacent to the proposed mine plan area, land upon which the mine plan area is located, or adjacent land having a legal relationship with either the applicant or the owner of the land upon which the mine plan area is located.

DNR notes this notice must also be sent to the governing body of the counties or cities in which the proposed areas is located.

DNR assumes this provision would make it mandatory for an applicant to hold a public meeting if it is requested by any person. The applicant would bear all expenses necessary to conduct the meeting.

DNR does not anticipate a direct fiscal impact from this provision.

#### § 444.773 - Mining Permit Issuance or Denial:

DNR assumes this provision would move the decision of permit issuance or denial from the Land Reclamation Commission (LRC) and places it with the director of the Land Reclamation Program. The director's decision is subject to appeal through the Administrative Hearing Commission (AHC).

DNR assumes once the AHC has reviewed the appeal, the AHC would make a recommendation to the LRC on permit issuance or denial. The LRC would issue its own decision, based on the appeal, for permit issuance or denial. If the LRC changes a finding of fact or conclusion of law made by the AHC, modifies, or vacates the decision recommended by the AHC, it shall issue its own decision, which shall include findings of fact and conclusions of law.

ASSUMPTION (continued)

DNR assumes the LRC will mail copies of its final decision to the parties of the appeal or their counsel of record. The decision shall be subject to judicial review pursuant to chapter 536, except that the court of appeals district with territorial jurisdiction coextensive with the county where the mine is to be located shall have original jurisdiction. No judicial review shall be available until and unless all administrative remedies are exhausted.

DNR does not anticipate a direct fiscal impact from this provision.

Officials from the **Administrative Hearing Commission (AHC)** anticipate this proposal will not significantly alter its caseload. If similar bills pass, resulting in additional cases, there would be a fiscal impact on the AHC.

Officials from the **Department of Labor and Industrial Relations** assume the proposal would not fiscally impact their agency.

**Oversight** assumes this proposal will have no direct fiscal impact on state or local government funds.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<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.

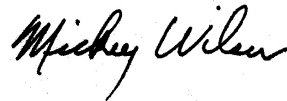
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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 Labor and Industrial Relations  
Administrative Hearing Commission



Mickey Wilson, CPA  
Director  
May 13, 2014

Ross Strobe  
Assistant Director  
May 13, 2014