DepartmentofPlanningandBudget 2003FiscalImpactStatement

Department of Mines, Minerals, and Energy permit and license fees.

1.	BillNumber	SB1173		
	HouseofOrigin	n Introduced	Substitute	Engrossed
	SecondHouse	☐ InCo mmittee	Substitute	Enrolled
2.	Patron	Puckett		
3.0	Committee	PassedBothHouses		

5. Summary/Purpose:

4. Title

The billincreases the cost of permits and licenses is sued by the Department of Mines, Minerals, and Energy. Twelve of the fees are set by statute, while two fees are set by regulation. The billicontains enactment clauses directing the Virginia Gas and Oil Board and the Departm of Mines, Minerals, and Energy to increase those two fees and exempts those regulatory amendments from the Administrative Process Act.

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6. FiscalImpactEstimatesarefinal.

6a. ExpenditureImpact:

FiscalYear	Dollars	Positions	Fund
2002-03	0	0	N/a
2003-04	835,859	0	NGF
2004-05	835,859	0	NGF

6b. RevenueImpact:

FiscalYear	Dollars	Positions	Fund
2002-03	0	0	N/a
2003-04	835,859	0	NGF
2004-05	835,859	0	NGF

7. Budgetamendmentnecessary:

No.

8. Fiscalimplications:

Theprimarymannerinw hichtheDepartmentofMines,MineralsandEnergy(DMME) addressesissuesofeliminatingaccidents,injuries,andfatalitiesinVirginiacoalandmineral minesandcoalbedmethanewells,andeliminatingadverseenvironmentalconditionsandpublic safetyh azardsresultingfrommineralandfossilfuelextractionisthroughregularinspections. DMMEisregularlyinspectingallactiveandinactivesurfaceandundergroundcoalmines, mineralmines,gasandoilexploration,andproductionoperations. Theseins pectionand enforcementactivitiesaresupportedbygeneralfunddollars,federalfunds,andspecialfunds generatedfrompermitandlicensefeespaidbyoperators.

The billincreases the amount of the permit and license fees assessed and collected by DMME based on inflation. Many of the permit and license fees collected by DMME have remained unchanged since the 1970s, others were last increased in the early 1990s. The additional revenue would be used to support agency operations, supplanting general und dollars removed from the agency's operating budget in the Introduced Budget Bill. Sufficient appropriation for the additional revenue is included in SB700.

Basedonanincreasetoeachfeebyapproximately80.5percentoftheamountthatwouldbe requiredtomakeupforinflationbasedontheConsumerPriceIndex,\$835,859inadditional specialfundrevenuewouldbegenerated.

9. Specificagencyorpolitical subdivisions affected:

DepartmentofMines,MineralsandEnergy

10. Technicalamendment necessary:

No.

11. Other comments:

Acompanionbill, HB2465, is also enrolled.

Date: 03/03/03/tmw

Document: G:\2003Session \ImpactStatements \Sb1173er.Doc

cc:SecretaryofCommerceandTrade

SecretaryofFinance