

HOUSE BILL REPORT

HB 2507

As Reported By House Committee On:
Natural Resources

Title: An act relating to annual reclamation permit fees paid by counties.

Brief Description: Limiting the cost of certain reclamation fees paid by counties.

Sponsors: Representatives Schoesler, McMorris, Sheahan, Grant, Chandler, Doumit, Costa and Quall.

Brief History:

Committee Activity:

Natural Resources: 1/30/98, 2/3/98 [DP].

HOUSE COMMITTEE ON NATURAL RESOURCES

Majority Report: Do pass. Signed by 9 members: Representatives Buck, Chairman; Sump, Vice Chairman; Thompson, Vice Chairman; Alexander; Anderson; Chandler; Eickmeyer; Hatfield and Pennington.

Minority Report: Do not pass. Signed by 2 members: Representatives Regala, Ranking Minority Member; and Butler, Assistant Ranking Minority Member.

Staff: Linda Byers (786-7129).

Background: Public and private surface mining permit holders pay an annual permit fee to the Department of Natural Resources. The regular permit fee is \$650 per mine. The fee revenues are deposited in the surface mining reclamation account and are used for administration of the department's surface mining program.

The Legislature has established some special permit fee provisions for county mines. Annual permit fees paid by a county for mines used exclusively for public works projects and having less than seven acres of disturbed area per mine may not exceed \$1,000. In 1996, the Legislature waived the annual permit fee for mines used primarily for public works projects if the mines are owned and primarily operated by counties with 1993 populations of less than 20,000 persons. In 1997, the Legislature amended the definition of surface mine— to exclude from that definition excavations primarily for public works projects if the mines are owned or primarily operated by counties with 1993 populations of less than 20,000 persons and each mine has less than seven acres of disturbed area.

Twelve counties had 1993 populations of less than 20,000 persons: Adams, Asotin, Columbia, Ferry, Garfield, Klickitat, Lincoln, Pacific, Pend Oreille, San Juan, Skamania, and Wahkiakum.

Summary of Bill: In addition to county mines used exclusively for public works projects, the \$1,000 maximum on annual surface mining permit fees also applies in certain counties to mines that are owned or leased by the county, that are used primarily for public works projects, and that have less than seven acres of disturbed area per mine. The counties to which this \$1,000 maximum applies are those with 1993 populations of at least 20,000 persons but less than 50,000 persons. There are eight such counties: Douglas, Franklin, Jefferson, Kittitas, Mason, Okanogan, Stevens, and Whitman.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: These are large counties, covering a huge area. The gravel pits are scattered throughout the counties. The permit fees amount to a lot of dollars for these counties. Counties better serve the citizens by spending their dollars to put gravel on the roads rather than for fees. No one knows of any fines against county mines; they've played by the rules. The fees cut into county transportation dollars. This will let private citizens buy gravel for their roads.

Testimony Against: These funds are used by the department for surface mine reclamation. The department supported the changes in 1996 for the small-population counties because there was a hardship for those counties. There is a permit fee limit now on mines used exclusively for public works; this bill would allow commercial sales also. With less money from fees, the department will have to do less work on others' permits to subsidize these larger counties. Including leased mines is a new concept. There is already a substantial fee differential from private permit holders. This fund is now fully appropriated; it was easier to be benevolent when there was a surplus. This will have a detrimental effect on the department and on the industry.

Testified: Representative Mark Schoesler, prime sponsor; Jim Potts, Eastern Counties (both in favor); Amy Bell, Department of Natural Resources; and Mark Triplett, Washington Aggregates and Concrete Association (both opposed).