

MRAB Committee

Coal Program Fees

What is the Goal? Review and recommend options for:

- Fee Type(s)
- Fee Amounts
- Implementation Options

Fee Types

- Permit Application Fees
- Administrative Fees
- Others?

Fee Amounts

- What should be the appropriate Revenue Goal?
- How much of the program should be supported by the fees?
- How should fee amounts be calculated?

Implementation Options

- Regulations
 - Establish Fee amounts
 - Establish a Process
 - Specific vs. generic
- Phasing
 - How should substantial fee changes be implemented.
- Process for Making adjustments

Did we miss anything?

Remining

- Should an application Fee be different for a Remining site?

What do other states do?

Texas

- Texas charges a permit fee for coal mining sites of at least \$5,000 for a new permit, \$3,000 for a renewal, and \$500 for revising a permit. In addition, the Railroad Commission, which regulates the coal industry in Texas, assesses an annual fee for each acre of land from which coal is extracted. That fee has been raised from \$120 per acre to \$390 per acre over the last few years, largely in response to the need to replace General Revenue with fees at most state agencies.

North Carolina-Noncoal

	<u>0-25 acres</u>	<u>26+acres</u>
• New Permit Apps	\$3,750.00	\$5,000.00
• Permit Modifications	\$750.00	\$1,000.00
• Permit Renewals	\$750.00	\$1,000.00
• Transfers/Min Mod	\$100.00	\$100.00

736.25-Federal Fees

- (d) Fee schedule for a new permit.
Administrative completeness review \$250.00
- Technical review:
- Basic fee..... 1350.00
- Fee per acre of disturbed area in permit area:
- First 1,000 acres..... 13.50/acre
Second 1,000 acres..... 6.00/acre
Third 1,000 acres..... 4.00/acre
Additional acres..... 3.00/acre
Decision Document..... 2000.00

Workload analysis is the basis for the current fee proposal

- Average number of Hours for applications
- Accounts for a small percentage of state share
 - Permit fees as proposed would produce \$1,200,000 to \$1,700,000 per year.

Fee components

- Salary
- Benefits
- Overhead

(Review Calculations)

Program components

- Personnel
 - Permitting
 - Compliance
 - Administrative
- Contracts
- Equipment
- Lab costs
- Indirects

Regulation Options

- **§ 77.106. Permit fees.**

If required, a permit application for noncoal mining activities shall be accompanied by a check, payable to the “Commonwealth of Pennsylvania” in the amount set forth by the Department. The Department may require other fees set by the act, the environmental acts, this title or the Secretary.

Options

- Establish Fee Process via Regulation