

# Land Reclamation Program IM Fee Stakeholder Meeting

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**May 13 - 18, 2015**



**MISSOURI**  
DEPARTMENT OF  
NATURAL RESOURCES

Land Reclamation Program, Non-Coal Unit, Activities Report for  
Calendar Year 2014 - Required by the *Land Reclamation Act*:

Industrial Minerals Income:	\$511,616.83
Industrial Minerals Expenses:	\$508,474.33
Balance of the Fund on 12/31/2014:	\$127,965.66
Number of Full Time Employees:	6.60
Industrial Mineral Permits Processed:	350
Industrial Mineral Active Sites	779
Industrial Mineral Bond Releases Processed:	18-applications, 309-acres
Industrial Minerals Inspections:	403 site inspections
Industrial Minerals Enforcement Actions:	5 enforcement actions issued
Industrial Minerals Public Meetings:	13 public meetings held
Industrial Minerals Hearing Requests:	1 hearing request presented
Industrial Minerals Hearings Granted:	0 hearings granted

## **2015 IM Fee Stakeholder Discussion:**

### **Program Activities Supported by the Industrial Minerals Fees:**

- **Fees support 100% of Industrial Mineral activities including: permitting, inspections, enforcement actions, public meetings, hearings, vehicle/vehicle maintenance, equipment and salaries**



## **Legal Authority:**

**Fee, bond, or assessment structure, comprehensive review--proposal to be submitted, approval by commission--rulemaking requirements.**

“444.768. \*1. Notwithstanding any statutory fee amounts or maximums to the contrary, the director of the department of natural resources may conduct a comprehensive review and propose changes to the fee, bond, or assessment structure as set forth in this chapter. The comprehensive review shall include stakeholder meetings in order to solicit stakeholder input from regulated entities and any other interested parties. Upon completion of the comprehensive review, the department shall submit a proposed fee, bond, or assessment structure with stakeholder agreement to the Missouri mining commission. The commission shall review such recommendations at a forthcoming regular or special meeting, but shall not vote on the proposed structure until a subsequent meeting...”

**Goal – Open discussion with stakeholders about the current fee structure and some examples of how fees could be increased**

**To be discussed with the Missouri Mining Commission**

- **Scenarios reflecting examples of possible fee increases**

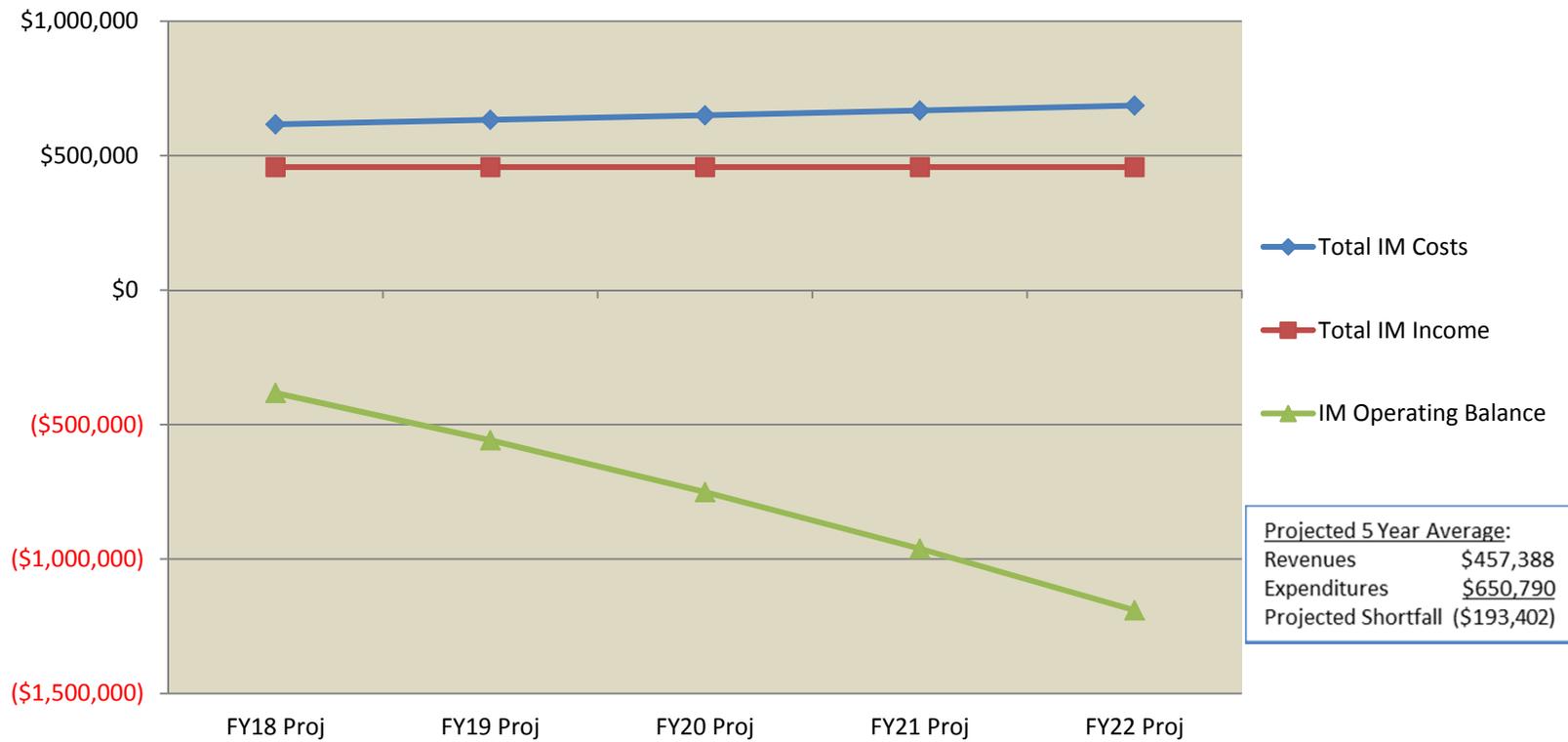
Current Fee Structure:

	FY14 Actual	FY15 Proj	FY16 Proj	FY17 Proj	FY18 Proj	FY19 Proj	FY20 Proj	FY21 Proj	FY22 Proj	FY23 Proj	FY24 Proj
Total IM Costs	\$515,396	\$505,455	\$602,006	\$600,082	\$616,321	\$633,046	\$650,274	\$668,018	\$686,294	\$705,119	\$724,508
Total IM Income	\$478,612	\$457,388	\$457,388	\$457,388	\$457,388	\$457,388	\$457,388	\$457,388	\$457,388	\$457,388	\$457,388
IM Operating Balance	\$111,728	\$63,662	(\$80,956)	(\$223,650)	(\$382,583)	(\$558,241)	(\$751,127)	(\$961,756)	(\$1,190,662)	(\$1,438,393)	(\$1,705,514)
Shortfall	(\$36,785)	(\$48,067)	(\$144,618)	(\$142,694)	(\$158,933)	(\$175,658)	(\$192,886)	(\$210,630)	(\$228,906)	(\$247,731)	(\$267,120)



## Current Fee Structure:

### 5-Year Snapshot (FY18-FY22)



## For Stakeholder Discussion and Agreement

Fee Type	Current Fee	Increase Permit Fee to \$1,000 with no Cap	Increase Permit Fee to \$1,200 Acreage Fee to \$15 Increase Cap to \$6,000	Increase Permit Fee to \$1,200 Acre Fee to \$15 Increment Cap \$5,000 (2017) \$7,000 (2019) \$9,000 (2021)
Permit	\$800	\$1,000	\$1,200	\$1,200
Acreage	\$10 - Per bonded acre	\$10 - Per Bonded Acre	\$15 - Per Bonded Acre	\$15 - Per Bonded Acre
Site	\$200 <6 Months \$400 >6 Months	\$200 <6 Months \$400 >6 Months	\$200 <6 Months \$400 >6 Months	\$200 <6 Months \$400 >6 Months
Cap Maximum Fee Amount	\$3,000	No Limit on Maximum Fee Amount	\$6,000	\$5,000 (01/01/2017) \$7,000 (01/01/2019) \$9,000 (01/01/2021)

# Missouri Department of Natural Resources

Increase Permit Fee from \$800 to \$1,000 with No Cap

Annualized Increase in Revenues: \$291,629

	FY14 Actual	FY15 Proj	FY16 Proj	FY17 Proj	FY18 Proj	FY19 Proj	FY20 Proj	FY21 Proj	FY22 Proj	FY23 Proj	FY24 Proj
Total IM Costs	\$515,396	\$505,455	\$602,006	\$600,082	\$616,321	\$633,046	\$650,274	\$668,018	\$686,294	\$705,119	\$724,508
Total IM Income	\$478,612	\$457,388	\$457,388	\$603,203	\$749,017	\$749,017	\$749,017	\$749,017	\$749,017	\$749,017	\$749,017
IM Operating Balance	\$111,728	\$63,662	(\$80,956)	(\$77,836)	\$54,861	\$170,831	\$269,575	\$350,574	\$413,297	\$457,195	\$481,704
Shortfall	(\$36,785)	(\$48,067)	(\$144,618)	\$3,120	\$132,696	\$115,971	\$98,743	\$80,999	\$62,723	\$43,898	\$24,509



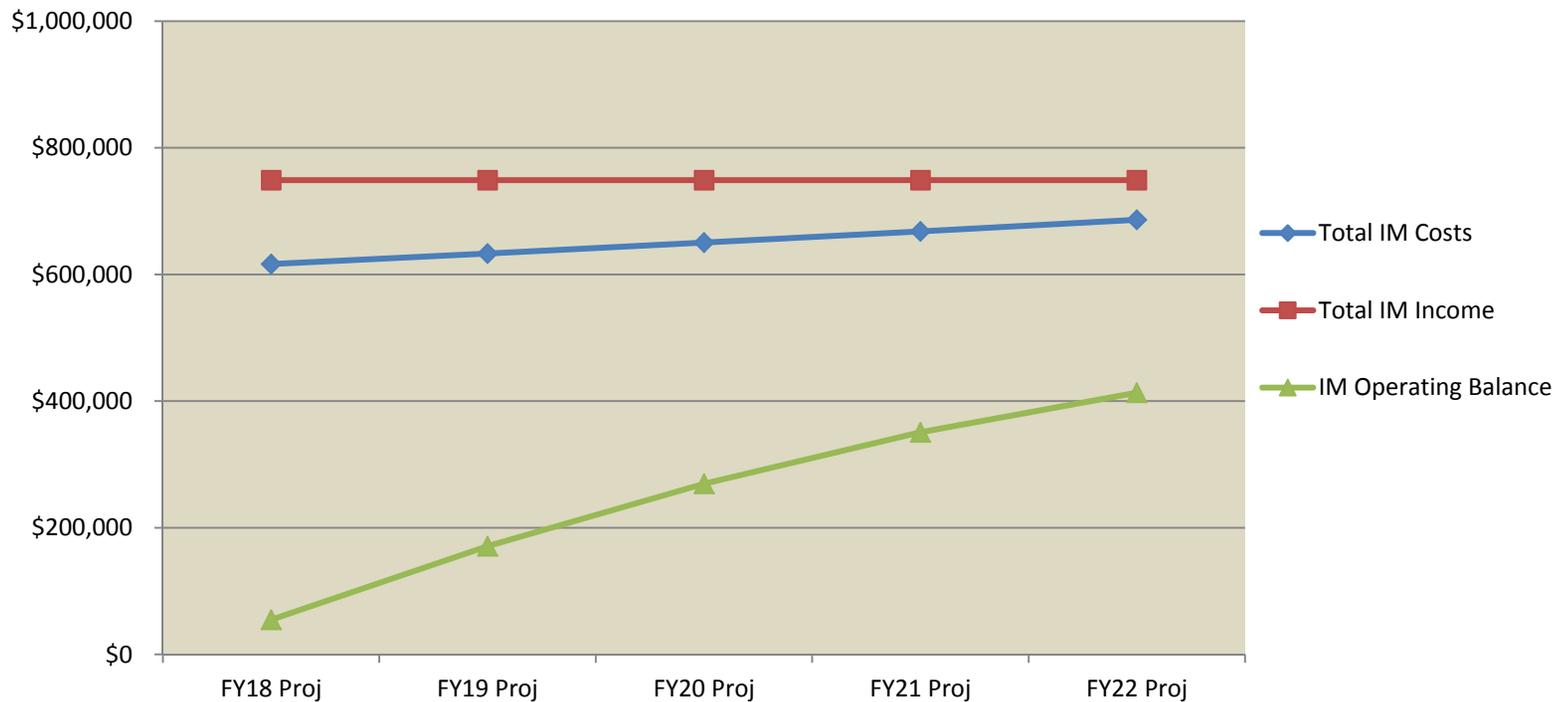
**MISSOURI**  
DEPARTMENT OF  
NATURAL RESOURCES

# Missouri Department of Natural Resources

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## 5-Year Snapshot (FY18-FY22)



Missouri Department of  
**Natural Resources**

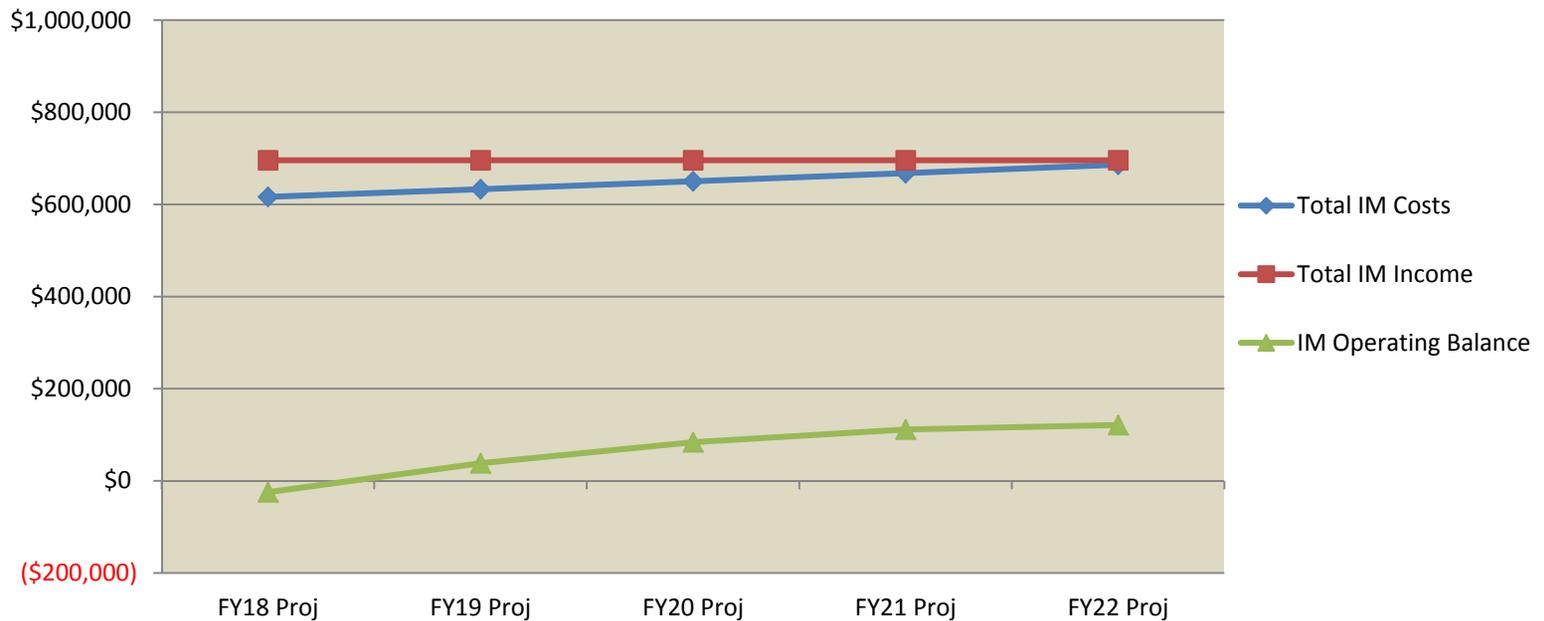
Increase Permit Fee from \$800 to \$1,200  
 Increase Cap Amount from \$3,000 to \$6,000  
 Increase Acreage Fee from \$10 to \$15  
 Annualized Increase in Revenues: \$238,524

	FY14 Actual	FY15 Proj	FY16 Proj	FY17 Proj	FY18 Proj	FY19 Proj	FY20 Proj	FY21 Proj	FY22 Proj	FY23 Proj	FY24 Proj
Total IM Costs	\$515,396	\$505,455	\$602,006	\$600,082	\$616,321	\$633,046	\$650,274	\$668,018	\$686,294	\$705,119	\$724,508
Total IM Income	\$478,612	\$457,388	\$457,388	\$576,650	\$695,912	\$695,912	\$695,912	\$695,912	\$695,912	\$695,912	\$695,912
IM Operating Balance	\$111,728	\$63,662	(\$80,956)	(\$104,388)	(\$24,797)	\$38,069	\$83,707	\$111,602	\$121,220	\$112,013	\$83,416
Shortfall	(\$36,785)	(\$48,067)	(\$144,618)	(\$23,432)	\$79,591	\$62,866	\$45,638	\$27,894	\$9,618	(\$9,207)	(\$28,596)

# Missouri Department of Natural Resources

Increase Permit Fee from \$800 to \$1,200  
Increase Cap Amount from \$3,000 to \$6,000  
Increase Acreage Fee from \$10 to \$15  
Annualized Increase in Revenues: \$238,524

## 5-Year Snapshot (FY18-FY22)



Missouri Department of  
**Natural Resources**

Increase Permit Fee from \$800 to \$1,200  
 Increase Acreage Fee from \$10 to \$15  
 Increase Cap Amount from \$3,000 to \$5,000 in 2017  
 to \$7,000 in 2019 and to \$9,000 in 2021

**Annualized Increase in Revenues of \$782,411**

	FY14 Actual	FY15 Proj	FY16 Proj	FY17 Proj	FY18 Proj	FY19 Proj	FY20 Proj	FY21 Proj	FY22 Proj	FY23 Proj	FY24 Proj
Total IM Costs	\$515,396	\$505,455	\$602,006	\$600,082	\$616,321	\$633,046	\$650,274	\$668,018	\$686,294	\$705,119	\$724,508
Total Income	\$478,612	\$457,388	\$457,388	\$556,275	\$655,162	\$692,217	\$729,271	\$755,841	\$782,411	\$782,411	\$782,411
IM Operating Balance	\$111,728	\$63,662	(\$80,956)	(\$124,763)	(\$85,922)	(\$26,752)	\$52,245	\$140,068	\$236,185	\$313,476	\$371,378
Shortfall	(\$36,785)	(\$48,067)	(\$144,618)	(\$43,807)	\$38,841	\$59,170	\$78,997	\$87,823	\$96,116	\$77,292	\$57,902

# Missouri Department of Natural Resources

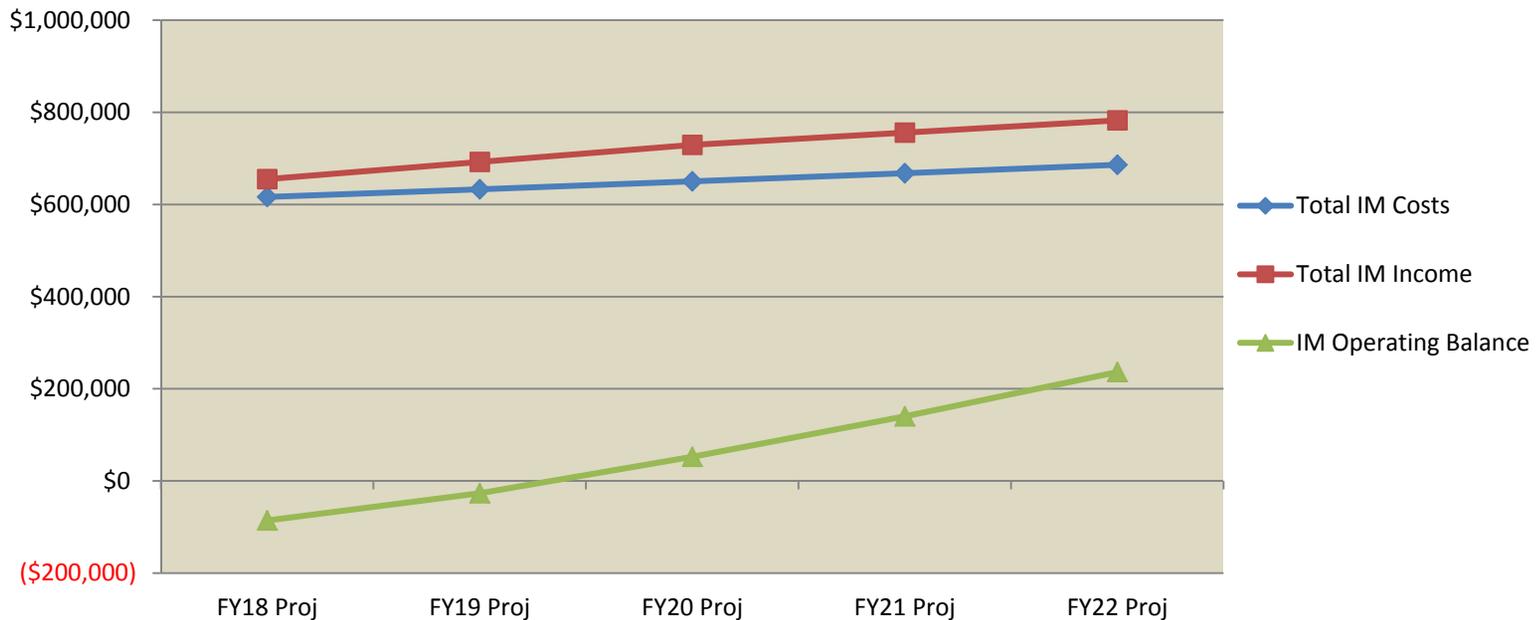
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Increase Acreage Fee from \$10 to \$15

Increase Cap Amount from \$3,000 to \$5,000 in 2017  
to \$7,000 in 2019 and to \$9,000 in 2021

Annualized Increase in Revenues of \$782,411

## 5-Year Snapshot (FY18-FY22)



Missouri Department of

# Natural Resources

Fee Calculator Demonstration [land-reclamation-program-industrial-mineral-fee-calculator.xlsx](#)

Questions/Comments

## IM Fee Stakeholder Meetings

May 13, 2015 - Kansas City

May 14, 2015 - Cape Girardeau

May 15, 2015 - Springfield

May 18, 2015 - Jefferson City

All Fee Stakeholder Meetings from 1:00 – 3:00

Next Step: Response to Fee Stakeholder Comments



## Timeline for Rulemaking – (TENTATIVE)

May 2015: Fee Stakeholder Discussions

May 2015: Present Proposed Fee Structure to Missouri Mining Commission

June 2015: Missouri Mining Commission Concurrence to Start Rulemaking.

July 2015: File Proposed Rulemaking

## Timeline for Rulemaking – (TENTATIVE)

September 2015: Rule Public Hearing

October 2015: Missouri Mining Commission Adoption of Rules

December 2015: File Order of Rulemaking

January 2017: Fee(s) Take Effect January 1, 2017



Missouri Department of

**Natural Resources**

**Presentation Complete**