BILL SUMMARY

1st Session of the 57th Legislature

Bill No.: HB 1423
Version: CS
Request Number: 5403
Author: Rep. Hardin (David)
Date: 2/20/2019

Impact: GRDA: No direct impact, possible future

costs to this nonappropriated agency. DOM: Possible positive revenue impact, but, will be contingent on the number and

type of permits issued.

Research Analysis

The CS for HB 1423 directs the Grand River Dam Authority to promulgate rules and procedures for the beneficial removal of gravel from the Illinois River system and the Barren Fork River system. Gravel removal permits will be issued by the Department of Mines.

Prepared By: Tricia Hines

Fiscal Analysis

Upon review, HB 1423 is determined to have no direct fiscal impact on the state for FY-20. However, depending on what rules are promulgated, there could be future direct or indirect costs for the Grand River Dam Authority (non-appropriated). According to the GRDA, these future costs could not be calculated at this time due to conflicting state and federal regulations.

The Oklahoma Department of Mines' fiscal impact would be based on the number and type of mining permits issued. The agency anticipates the primary mining permit cost will relate to administrative review, filing, field staff inspections and the type of permit, required. Permit cost break down follows:

<u>Life Expectancy Permit</u>: Average cost based on the anticipated 8-10 hours of administrative costs and the 3-5 hours of field inspection.

Administrative Labor at approximately \$400-\$500 Field Inspection at approximately \$100-\$150

<u>Limited Use Permit</u>: Average cost based on the anticipated 2 hours of administrative costs and the 2 hours of field inspection.

Administrative Labor at approximately \$80 Field Inspection at approximately \$65

The Oklahoma Department of Mines advises that the above costs are for the issuance of the permit application and does not include the annual field inspections and the continual permit review and maintenance, once the permit has been issued.

Prepared By: Jenny Mobley

Other Considerations

GRDA already has existing rules in place regarding this issue. For the components of the measure to be enacted, rule changes would have to occur for GRDA and the Mining Commission.

Enacted laws concerning the subject rules effect at Title 82 O.S. § 896.2.D.:

- A. Effective January 1, 2017, the Grand River Dam Authority is authorized to set a daily, multiday or annual fee for the use of a commercially or privately owned flotation device to float upon designated scenic rivers. Landowners located immediately adjacent to the designated scenic river shall not be required to pay any fee for private use as authorized by this section or otherwise by law.
- B. The Grand River Dam Authority is authorized to promulgate rules establishing an online payment system or any other means by which the public may conveniently purchase permits for the operation of a flotation device upon designated scenic river areas as authorized by this section.
- C. In the interest of public safety, the Grand River Dam Authority is authorized to promulgate rules protecting the natural resources of the scenic rivers, regulating public use areas, establishing use permits for scenic rivers, establishing licensing requirements for commercial float operators and setting fees for the issuance of the licenses. The Authority shall be the sole grantor of licenses issued pursuant to the rules.
- D. With regard to all rights and authorities transferred to the Grand River Dam Authority pursuant to this section, <u>Section 896.1</u> of this title and Chapter 10- and 15- rules of the Oklahoma Administrative Code 630: Scenic Rivers Commission relating to licensing, use permits and protection of natural resources, are hereby transferred to the Grand River Dam Authority to the extent the rules are consistent with state law and rules of the Authority for the purpose of implementing and enforcing the provisions of the Scenic Rivers Act.

Oklahoma Administrative Code 630:15-1-13.

- (a) When used in this section, the following definitions apply:
- (1) The term "river bank" means the area lying directly adjacent to the river bed with a width of 100 feet on either side of the river bed.
- (2) The term "river bed" means any area of the river lying below the ordinary high water mark.
- (b) Gravel mining operations which remove gravel from the river beds of scenic rivers are prohibited and are declared a public nuisance.
- (c) Gravel mining operations are prohibited and declared a public nuisance where such operations remove gravel from the banks of scenic rivers if such removal negatively impacts the river by causing turbidity, erosion, pollution, or otherwise damages the scenic river environment.
- (d) This section shall apply to restrict state permits to mine gravel that are pending as of April 20, 1993 or new permit applications submitted after that date. The Administrator may authorize site-specific exemptions for good cause, such as to remove gravel that was deposited above the ordinary high water mark by floods.

[Source: Added at 12 Ok Reg 605, eff 1-13-95; Amended at 25 Ok Reg 2014, eff 7-1-08]

NOTE: The above referenced rule language was codified following Rulemaking/Administrative Procedures Act by the Oklahoma Scenic Rivers Commission years before its consolidation into the Grand River Dam Authority on July 1, 2016.

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