

FEE REPORT FORM

Agency: Bureau of Mining Programs
Department of Environmental Protection

Contact: Thomas Callaghan, P.G.
Director
Bureau of Mining Programs

Phone: 717-787-5015

Fee Collections:	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Current – Total	\$107,960	\$105,000	\$110,000	\$110,000	\$110,000
Proposed-Projected	NA	NA	\$300,000	\$300,000	\$300,000

FEE TITLE AND RATE

Explosives Program Fees

Current Fee Schedule

The current fee schedule is as follows:

CATEGORY	FEE
Blaster's License	\$50 for a new license, \$30 for three-year renewal
Explosives Storage Magazine License	\$50 per year

Proposed Fee Schedule:

The proposed fees would be in accordance with the following schedule:

Category	Current Fee	Proposed Fee
New Blaster's License	\$50	\$150
Blaster's License Three-year Renewal	\$30	\$180
New Explosives Storage Magazine License	\$100	\$100
Blasting Activity Permit-Paper	\$0	\$210
Blasting Activity Permit-Filed on-line	\$0	\$130
Blasting Activity Permit-by-rule	\$0	\$12
New Explosive Storage Magazine Security Plan	\$0	\$225
Explosive Storage Magazine Security Plan Revision	\$0	\$90
Explosive Storage Magazine Decommissioning	\$0	\$50
Explosive Storage Magazine Annual Renewal	\$50	\$135

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Fee Objective:

The fees have been calculated to cover the costs to DEP to review license applications, permit applications, and to administer permits and licenses for the non-mining uses of explosives. The non-mining Explosives Program implements the Explosives Manufacture, Storage and Possession Law (1937) and Explosives Use Regulation Law (1957) (“Laws”). The Laws provide for the safe storage, handling and use of explosives in the Commonwealth. The program is implemented by the Bureaus of Mining Programs and District Mining Operations. The explosives program is paid for from the general appropriation to the Department. The current fees are deposited in the General Fund. The increased revenue will be deposited in the General Fund.

Fee Related Activities and Costs:

The permit application fee amounts were calculated based on the staff time needed to review the various kinds of license and permit applications. The Bureau of District Mining Operations maintains a workload analysis system that tracks the permit applications and the review times. This workload analysis assigns a number of hours of staff time per application based on historical data recording staff review time. Similarly, costs are assigned to implement permit requirements in the workload analysis. The workload hours were multiplied by a typical hourly wage rate then supplemented to cover benefits and overhead.

Analysis:

The current permit fees for the explosives program are minimal. Under the new fee schedule, DEP will collect fees to support the program. The annual personnel costs for this program are about \$250,000, with a total program cost of about \$300,000. The existing program fees amount to about \$110,000 per year.

Over the last several years, the non-mining explosives program has been managed to improve efficiency and reduce costs. This has been accomplished by having larger blaster’s license classes, combining the permit-to-sell and permit-to-purchase for sellers of explosives, and implementing on-line permitting for blasting activity permits. It is not anticipated that the new regulatory requirements will increase workload.

The recommended fees are estimated to generate about \$300,000 annually. The intent is to cover the Department’s current costs to administer the program, including the personnel costs and administrative costs. These costs include, among other things, the cost of conducting the blaster’s training and examination program, performing inspections of explosives storage locations, compliance assistance, and permitting actions. The administrative costs include the cost of producing the instructional materials for training, travel costs and equipment.

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Comment:

The proposed regulations, including the fee schedule, have been reviewed by the Mining and Reclamation Advisory Board and the Aggregate Advisory Board. Both boards recommended that the rulemaking should proceed.