

**ECONOMIC IMPACT STATEMENT
OF PROPOSED RULES OR REGULATIONS
EO 05-04 and Act 143 of 2007: Regulatory Flexibility**

Department Arkansas Department of Environmental Quality

Divisions Regulated Storage Tanks Division

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Title or Subject: Arkansas Pollution Control and Ecology Commission Regulation No. 12: Storage Tanks.

Benefits of the Proposed Rule or Regulation

1. Explain the need for the proposed change(s). Did any complaints motivate you to pursue regulatory action? If so, Please explain the nature of such complaints.
The proposed amendments incorporate changes in state law based on Act 809 of 2011 and Act 406 of 2013. No complaints were involved.
2. What are the top three benefits of the proposed rule or regulation?
The top benefits of the proposed changes allow for transfers of eligibility for Petroleum Storage Tank Trust Fund reimbursement from an owner or operator to a subsequent owner or operator, allow lenders and secured creditors to receive payments for corrective action in certain circumstances, and establish procedures for payment of corrective action equipment costs.
3. What, in your estimation, would be the consequence of taking no action, thereby maintaining the status quo?
Storage tank regulations would no longer conform to and would possibly conflict with state law, causing confusion among entities that may be affected by the new laws.
4. Describe market-based alternatives or voluntary standards that were considered in place of the proposed regulation and state the reason(s) for not selecting those alternatives.
N/A

Impact of Proposed Rule or Regulation

5. Estimate the cost to state government of collecting information, completing paperwork, filing recordkeeping, auditing and inspecting associated with this new rule or regulation.
ADEQ intends to use its existing staff and resources to implement the proposed changes.
6. What types of small businesses will be required to comply with the proposed rule or regulation? Please estimate the number of small businesses affected.
Only small businesses owning or operating regulated storage tanks will be affected. The estimated number of small businesses affected is 1,500.
7. Does the proposed regulation create barriers to entry? If so, please describe those barriers and why those barriers are necessary.
No.

8. Explain the additional requirements with which small business owners will have to comply and estimate the costs associated with compliance.

The proposed requirements are generally permissive, providing less restrictive options than current requirements. Small businesses are not required to take any additional actions to comply with these changes, but may elect to take advantage of the additional flexibility that is provided to them. There are no required costs for small businesses.

9. State whether the proposed regulation contains different requirements for different sized entities, and explain why this is, or is not, necessary.

The requirements are the same for entities of all sizes.

10. Describe your understanding of the ability of small business owners to implement changes required by the proposed regulation.

The proposed changes do not add any additional requirements to small business owners.

11. How does this rule or regulation compare to similar rules and regulations in other states or the federal government?

The proposed requirements are generally not addressed in federal regulations. Other states have similar rules and regulations.

12. Provide a summary of the input your agency has received from small business or small business advocates about the proposed rule or regulation.

The department requested and received input regarding the proposed changes from various environmental, financial, and industry organizations representing both large and small businesses. Based on the input from these groups, the department believes most business entities of all sizes will support the proposed changes to regulation.