

ADEQ

ARKANSAS
Department of Environmental Quality

JUN 15 2015

Danny Hames
Cane Island Estates, LLC
39 Nottingham Lane
Rogers, AR 72758

RE: Financial Assurance 2015 Legislative Update
No-Discharge Permit No. 4899-WR-2, AFIN 45-00214

Dear Mr. Hames:

Prior to this last legislative session, Arkansas law required each permitted non-municipal domestic sewage treatment works to separately maintain Financial Assurance covering the facility's operating costs for a five year period. Act 575 of the 2015 Arkansas Legislature revised the Financial Assurance requirements for permitted non-municipal domestic sewage treatment works in Arkansas by establishing a trust fund to be funded jointly by these permittees through the payment of fees to be billed and paid in conjunction with permit fees. The law specifies that the fees will not exceed \$200 per year for no-discharge permits or \$1000 per year for discharge permits. As of July 22, 2015, the Department is prohibited from issuing, modifying, renewing, or transferring a permit for a non-municipal domestic sewage treatment works without the permit applicant first paying the trust fund contribution fees required under the new law.

We anticipate the initial and annual trust fund contribution fees for your facility to be \$200. As allowed under subdivision (b)(4)(C)(i) of Act 575, the initial trust fund contribution as well as subsequent annual contributions will be billed and collected with the required annual permit fee.

The first billing cycle following the above effective date will include the requirement to pay the initial contribution fee along with the annual permit fee.

As of July 22, 2015, permitted non-municipal domestic sewage treatment works will no longer be required to maintain financial assurance **unless specifically required by the terms of your permit**. Please be advised that if the requirement to maintain financial assurance is included as a permit condition, a permit modification can be requested to remove the condition, which will be handled as a minor modification.

Please find enclosed a copy of Arkansas Act 575 of 2015 for your review.

If you have any questions, please contact Mr. Mo Shafii, Assistant Chief, at (501) 682-0616 or via e-mail at shafii@adeq.state.ar.us.

Sincerely,

Ellen Carpenter

Ellen Carpenter
Chief, Water Division

Enclosure