

Exhibit E (Amended):

**Economic Impact/
Environmental Benefit Analysis**

**ECONOMIC IMPACT STATEMENT
OF PROPOSED RULES OR REGULATIONS EO
05-04: Regulatory Flexibility**

Department of Energy and Environment, Division of Environmental Quality - Office of Water Quality Contact

Person Joe Martin or Basil Hicks Date July 26, 2021

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Title or Subject: Arkansas Pollution Control and Ecology Commission Rule 2

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 federal Clean Water Act requires a triennial review of states water quality standards. EPA Region 6 Record of Decision for the 2013 triennial review of Rule 2 necessitated revisions of standards that were either disapproved or had “no action” taken. Grammar, punctuation, and formatting revisions will provide clarity and consistency within the Rule. Revisions were necessary to comply with Acts 910 and 315 of the 2019 Legislative Session.

2. What are the top three benefits of the proposed rule or regulation?

Continued protection of the historical, cultural, and recreational significance of waters of the state. Continued preservation of the water quality of waters of the state. Continued general protection of human health and the environment.

3. What, in your estimation, would be the consequence of taking no action, thereby maintaining the status quo?

Unclear sections and inconsistencies could lead to misinterpretation and thereby under-protection of waters of the state. Not correcting EPA necessitated revisions will lead to the state and EPA maintaining different versions of the state’s water quality standards.

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.

NA

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.

This rule will not result in any cost to state government.

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.

This proposed rule will not impact small business.

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.

This proposed rule will not impact small businesses.

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

This proposed rule does not contain different requirements for different sized entities.

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

This proposed rule will not impact small businesses.

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

The federal Clean Water Act requires states to develop water quality standards. All 50 states and multiple tribes have water quality standards in place.

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

This proposed rule will not impact small businesses.