

MEMORANDUM

To: Arkansas Pollution Control and Ecology Commission

From: Jamie Ewing, Attorney, Arkansas Department of Environmental Quality

Date: October 12, 2007

RE: Compliance with Act 143 of 2007

Please see the attached Economic Impact Statement and email from myself to Ms. Pat Brown of the Arkansas Economic Development Commission. On October 11, 2007, I properly submitted the proposed rule changes to AEDC for review pursuant to Act 143 of 2007. At such time as AEDC provides documentation of its review of the rule, ADEQ will supplement this memorandum by filing the response from AEDC with the Commission's Administrative Hearing Officer and placing the a scanned copy of the response on the Commission's website.

Ewing, Jamie

From: Ewing, Jamie

Sent: Thursday, October 11, 2007 2:55 PM

To: 'pbrown@1800arkansas.com'

Subject: ADEQ - Regulation No. 3, Licensing of Wastewater Treatment Plant Operators

Dear Ms. Brown,

Please find attached a marked-up copy of Regulation No. 3 and the Economic Impact Statement required by Act 143 of 2007. Please let me know if you have any problems opening the attachments or if you have any questions regarding the proposed changes to the regulation.

Thank you,
Jamie Ewing

Jamie L. Ewing, J.D., LL.M.
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Arkansas Department of Environmental Quality

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

Department Arkansas Department of Environmental Quality

Division Water

Contact Person Steve Drown Date October 11, 2007

Contact Phone 501.682.0655 Contact Email drown@adeq.state.ar.us

Title or Subject: Arkansas Pollution Control and Ecology Commission Regulation No. 3, Licensing of Wastewater Treatment Plant Operators

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 Arkansas General Assembly passed Act 544 of 2007 which amended the statutes which authorize the licensing of wastewater treatment plant operators. The Arkansas Department of Environmental Quality (“ADEQ” or “Department”) proposes this rulemaking to comply with Act 544. Act 544 creates a two (2) year renewal period for wastewater licenses issued by the Department. The licenses were previously renewed on a yearly basis.

In addition, the Department convened a stakeholder workgroup to review the entire regulation and propose revisions and amendments. Based on this review, the Department proposes to create reclassify the single Industrial Wastewater Operator License into two classifications: a Basic Industrial Wastewater Operator License and an Advanced Industrial Wastewater Operator License. The proposed amendments set forth how current holders of municipal and industrial wastewater operator licenses can convert to the either of the new industrial licenses. The proposed amendments clarify the necessary training courses required for license renewal. The Department also proposes to amend portions of the classification system for municipal wastewater treatment plants and to set up a classification for industrial wastewater treatment plants that will correspond to the new classification system for industrial wastewater operator licenses. The proposed revisions will also update and clarify the initial licensing and examination requirements, including eliminating the three month waiting period between passed examinations.
2. What are the top three benefits of the proposed rule or regulation?
 - a. The proposed amendments will revise the renewal period for wastewater operator licenses from one year to two years and the testing and continuing education requirements are clarified.
 - b. The Industrial Wastewater Operator License will be reclassified into a Basic and an Advanced Industrial Wastewater Operator License.
 - c. The classification system for municipal wastewater treatment plants is clarified and the classification of industrial plants is revised to correspond with the new classification of industrial operator licenses.
3. What, in your estimation, would be the consequence of taking no action, thereby maintaining the status quo?

The regulation must be updated to implement the changes found in Act 544 of 2007. The other changes simplify the licensing process for both Department staff and stakeholders.

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.
None, this proposed rulemaking contains revisions to an established licensing program and was undertaken with input from industry stakeholders.

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.
The license renewal process would be reduced from four (4) months every year to four (4) months every other year, thereby cutting the cost of processing renewals in half.
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.
Small businesses that are required to employ a wastewater treatment plant operators. The number of those entities is estimated at less than 120.
7. Does the proposed regulation create barriers to entry? If so, please describe those barriers and why those barriers are necessary.
The proposed regulation does not create any barriers to entry.
8. Explain the additional requirements with which small business owners will have to comply and estimate the costs associated with compliance.
No additional requirements for small business owners.
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 all size entities.
10. Describe your understanding of the ability of small business owners to implement changes required by the proposed regulation.
Small business owners should be able to implement changes as easily as other size entities.
11. How does this rule or regulation compare to similar rules and regulations in other states or the federal government?
These changes are very comparable to similar rules and regulations in other states and the federal government.
12. Provide a summary of the input your agency has received from small business or small business advocates about the proposed rule or regulation.
Comments received from wastewater operators indicate that they approve the implementation of Act 544 of 2007 that will adopt a two (2) year renewal period. This implementation will be in alignment with the Arkansas Department of Health's Drinking Water Operator Licensing renewals. The majority of comments received from Industrial Wastewater Operators indicate that they approve the decision of splitting the Industrial License into Basic and Advanced Industrial Licenses.