

# EXHIBIT D

## Analysis of Small Business Impact

**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 Water Division

Contact Person Ellen Carpenter Date May 6, 2014

Contact Phone 501.682.0655 Contact Email: carpenter@adeq.state.ar.us

Title or Subject: Regulation No. 6: Regulations for State Administration of the National Pollutant Discharge Elimination System (NPDES).

**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.  
Act 1511 of 2013 formed a committee that made recommendations to the Arkansas Legislative Council for updating the public notice requirements for proposed Concentrated Animal Feeding Operations (CAFO) seeking coverage under the NPDES general permit for CAFOs (ARG590000). Those changes are incorporated into this regulation. As APC&EC Regulation No. 6 is the regulation governing the development and issuance of NPDES permits by ADEQ, this regulation should be amended to incorporate and fully implement the recommendations developed pursuant to Act 1511 of 2013.
2. What are the top three benefits of the proposed rule or regulation? The benefit of the proposed changes allows for additional public notice requirements of Concentrated Animal Feeding Operations (CAFO) before issuance of authority to operate under the general permit.
3. What, in your estimation, would be the consequence of taking no action, thereby maintaining the status quo? Many commenters within the public would continue to oppose the existing public notice requirements and would request the additional notice to the public when a CAFO seeks coverage under the general permit.
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.  
No additional costs will occur to state government with this proposed regulation.
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 regulation is for coverage under a general permit for CAFOs. There may be some small businesses that are CAFOs affected by the proposed changes. However, the additional public notice requirements proposed in the regulation is a nominal cost.
7. Does the proposed regulation create barriers to entry? If so, please describe those barriers and why those barriers are necessary. No.

## Exhibit D

8. Explain the additional requirements with which small business owners will have to comply and estimate the costs associated with compliance. The additional requirements pertain to public notice and to interested parties that will be served with public notice. Any additional cost incurred is nominal.
9. State whether the proposed regulation contains different requirements for different sized entities, and explain why this is, or is not, necessary. No 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. The additional requirements pertain to public notice and to interested parties that will be served with public notice. Any additional cost incurred is nominal.
11. How does this rule or regulation compare to similar rules and regulations in other states or the federal government? It is comparable to other states' requirements.
12. Provide a summary of the input your agency has received from small business or small business advocates about the proposed rule or regulation. N/A