

**ARKANSAS POLLUTION CONTROL & ECOLOGY
COMMISSION
ECONOMIC IMPACT/ENVIRONMENTAL BENEFIT
ANALYSIS**

Rule Number & Title: Regulation No. 15 – Arkansas Surface Open-Cut Mining and Reclamation Code

Petitioner: Arkansas Department of Environmental Quality, Mining Division

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2A. ECONOMIC IMPACT

1. Who will be affected economically by this proposed rule? State: a) the specific public and/or private entities affected by this rulemaking, indicating for each category if it is a positive or negative economic effect; and b) provide the estimated number of entities affected by this proposed rule.

Only unpermitted mining operations and operations that mine outside of the approved permit boundaries might be affected economically if ADEQ chooses to pursue pecuniary gain penalties.

Sources and Assumptions: Act 609 of 2011

2. What are the economic effects of the proposed rule? State: 1) the estimated increased or decreased cost for an average facility to implement the proposed rule; and 2) the estimated total cost to implement the rule.

None

Sources and Assumptions:

3. List any fee changes imposed by this proposal and justification for each. None

4. What is the probable cost to ADEQ in manpower and associated resources to implement and enforce this proposed change, and what is the source of revenue supporting this proposed rule?

No additional costs to ADEQ.

Sources and Assumptions:

5. Is there a known beneficial or adverse impact to any other relevant state agency to implement or enforce this proposed rule? Is there any other relevant state agency's rule that could adequately address this issue, or is this proposed rulemaking in conflict with or have any nexus to any other relevant state agency's rule? Identify state agency and/or rule.

None

Sources and Assumptions:

6. Are there any less costly, non-regulatory, or less intrusive methods that would achieve the same purpose of this proposed rule?

No

Sources and Assumptions:

2B. ENVIRONMENTAL BENEFIT

1. What issues affecting the environment are addressed by this proposal?

Reclamation of land affected by open-cut mining operations reduces erosion and returns the land to a beneficial use.

2. How does this proposed rule protect, enhance, or restore the natural environment for the well being of all Arkansans?

The proposed changes based on Act 609 of 2011 may provide a deterrent for starting unpermitted mining operations.

Sources and Assumptions: We are assuming that the pecuniary gain penalties will be significantly higher than the current initial maximum penalty of \$1,000.00 for a first offense. Therefore, an open-cut mining operation that starts mining without a permit could see a much higher penalty such that the illegal activity would no longer be acceptable risk for the operator.

3. What detrimental effect will there be to the environment or to the public health and safety if this proposed rule is not implemented?

There is the potential for mining operations to continue to conduct business without a permit and then possibly declare bankruptcy and leave the site in an unreclaimed condition.

Sources and Assumptions:

4. What risks are addressed by the proposal and to what extent are the risks anticipated to be reduced?

ADEQ is hoping that the number of unpermitted open-cut mining operations will be reduced.

Sources and assumptions: