

# **ECONOMIC IMPACT STATEMENT OF PROPOSED RULES OR REGULATIONS**

## **Act 143: Regulatory Flexibility**

Department Arkansas Department of Environmental Quality  
Division Air Division  
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Title or Subject: Amendment to the Arkansas Pollution Control and Ecology Regulation 26, Regulations of the Arkansas Operating Air Permit Program

### **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.  
*These changes will allow more flexibility for the regulated community so they can better respond to market changes. Additionally, regulatory burden will be reduced on affected businesses. The changes will allow the Department to focus our resources on sources which have a greater potential to impact the environment. The changes are consistent with and allowable under federal programs. The proposed changes are protective of air quality in the state and will not affect attainment goals. The changes also clarify existing regulatory language, correct and update formatting and remove duplicative language from other Arkansas Pollution Control and Ecology Commission regulations.*
2. What are the top three benefits of the proposed rule or regulation?
  - *The proposed changes will allow more flexibility to the regulated community so they can better respond to market changes.*
  - *The proposed changes are protective of the state's air quality.*
  - *The proposed rule will reduce the regulatory burden on affected sources including small businesses.*
3. What, in your estimation, would be the consequence of taking no action, thereby maintaining the status quo?  
*Inflexibility would remain in the air permitting program and current levels of regulatory burden would continue to affect businesses in Arkansas. In addition, industry would be expected to propose similar rule changes should these changes not proceed.*
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. There are no market-based alternatives.*

### **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 are anticipated as a result of these changes.*
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.  
*All businesses that meet permitting thresholds that require they apply for, receive and comply with terms in an air permit under Regulation 26. The estimated number of small businesses is zero.*
7. Does the proposed regulation create barriers to entry? If so, please describe those barriers and why those barriers are necessary.  
*The proposed regulation will create no barriers to entry.*

8. Explain the additional requirements with which small business owners will have to comply and estimate the costs associated with compliance.  
*There are 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.  
*There are not different requirements for different sized entities. The proposed changes are based on air emissions, not the size of the affected business.*
10. Describe your understanding of the ability of small business owners to implement changes required by the proposed regulation.  
*Small businesses are not required to implement any changes.*
11. How does this rule or regulation compare to similar rules and regulations in other states or the federal government?  
*Other states have similar regulations and some of the proposed changes are being made to comply with federal rules and regulations. Federal rules and regulations allow and/or require the proposed changes.*

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

*The Arkansas Environmental Federation whose members include businesses of various sizes provided input and suggestions on the proposed changes. They support the suggested changes.*