

EXHIBIT C:

Financial Impact Statement

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Arkansas Department of Environmental Quality
DIVISION Hazardous Waste Division
PERSON COMPLETING THIS STATEMENT Tom Ezell
TELEPHONE No. (501) 682-0854 **FAX No.** (501) 682-0880 **EMAIL:** ezell@adeq.state.ar.us

To comply with Act 1104 of 1995, please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE

APC&EC Regulation No. 30, 2009 Annual Update

1. **Does this proposed, amended, or repealed rule have a financial impact?**
 Yes XX No _____
2. **Does this proposed, amended, or repealed rule affect small businesses?**
 Yes XX No _____

If yes, please attach a copy of the economic impact statement required to be filed with the Arkansas Economic Development Commission under Arkansas Code § 25-15-301 et seq.

Attached as Exhibit “E” to the rulemaking packet.

3. **If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.**

A detailed cost estimate for each of the four hazardous substance sites proposed for listing has not yet been prepared. This action provides authorization for the Department to initiate the investigative process to determine the scope of contamination at each site and the potential remedial actions necessary to address and abate the risks posed at each site. Development of site-specific costs estimates is a task performed during a remediation feasibility study, performed following the delineation of the scope and extent of contamination at the site.

4. **If the purpose of this rule is to implement a federal rule or regulation, please give the incremental cost for implementing the rule. Please indicate if the cost provided is the cost of the program.**

<u>Current Fiscal Year (2010)</u>		<u>Next Fiscal Year (2011)</u>	
General Revenue:	N/A	General Revenue:	N/A
Federal Funds:	N/A	Federal Funds:	N/A

Cash Funds:	N/A	Cash Funds:	N/A
Special Revenue:	N/A	Special Revenue:	N/A
Other (Identify):	N/A	Other (Identify):	N/A
Total:	N/A	Total:	N/A

(This revision is not associated with a federal rule or requirement. Federal funds will not be expended against these program requirements.)

5. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule? Identify the party subject to the proposed rule and explain how they are affected.

<u>Current Fiscal Year (2010)</u>		<u>Next Fiscal Year (2011)</u>	
	N/A		N/A

Responsible parties for contamination at previously listed sites and sites proposed for listing are liable for the costs of investigation and cleanup at their respective sites, and must reimburse the Fund for any investigation and cleanup costs paid from the Fund. Cost estimates for investigation and cleanup are not yet available for sites proposed for listing. Cleanup costs will be dependent on the result of the site investigations and the specific remedy selected based on the types and levels of contamination at these sites.

6. What is the total estimated cost by fiscal year to the agency to implement this rule? Is this the cost of the program or grant? Please explain.

<u>Current Fiscal Year (2010)</u>		<u>Next Fiscal Year (2011)</u>	
Federal Funds:	\$ 0.00	Federal Funds:	\$ 0.00
Special Revenue:	~ \$ 1.5 million	Special Revenue:	~ \$ 1.5 million
Total:	~ \$ 1.5 million	Total:	~ \$ 1.5 million

Estimate includes costs of annual operations & maintenance at completed sites, scheduled investigations & remedial actions to be paid from the Remedial Action Trust Fund. Estimate does not include investigation and cleanup costs funded by responsible parties, staffing costs, Department shared resources, and related operational expenses to implement and oversee the statutory program requirements.

4. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule or regulation? Identify the party subject to the proposed regulation, and explain how they are affected.

Costs of investigation and cleanup are undetermined at this time. Eventually, the site owners and responsible parties are liable for repaying these costs to the state, if they are viable, and costs are apportioned pursuant to A.C.A. § 8-7-512.

5. What is the total estimated cost by fiscal year to the agency to implement this regulation?

<u>Current Fiscal Year (2008)</u>		<u>Next Fiscal Year (2009)</u>	
Federal Funds:	\$ 0.00	Federal Funds:	\$ 0.00
Special Revenue:	~ \$ 1.5 million	Special Revenue:	~ \$ 1.5 million
Total:	~ \$ 1.5 million	Total:	~ \$ 1.5 million

Estimate includes costs of annual operations & maintenance at completed sites, scheduled investigations & remedial actions to be paid from the Remedial Action Trust Fund. Estimate does not include investigation and cleanup costs funded by responsible parties, staffing costs, Department shared resources, and related operational expenses to implement and oversee the statutory program requirements.