

HOUSE FINANCE COMMITTEE
April 03, 2002
2:00 PM

TAPE HFC 02 - 74, Side A

CALL TO ORDER

Co-Chair Williams called the House Finance Committee meeting to order at 2:00 PM.

MEMBERS PRESENT

Representative Bill Williams, Co-Chair
Representative Con Bunde, Vice-Chair
Representative Eric Croft
Representative John Davies
Representative Richard Foster
Representative John Harris
Representative Bill Hudson
Representative Ken Lancaster
Representative Carl Moses
Representative Jim Whitaker

MEMBERS ABSENT

Representative Eldon Mulder, Co-Chair

ALSO PRESENT

Zach Warwick, Staff, Senator Therriault

PRESENT VIA TELECONFERENCE

John Sund, NorQuest Seafoods, Seattle; Tom Tom Chapple, Director, Division of Air and Water Quality, Department of Environmental Conservation.

SUMMARY

HB 182 "An Act relating to motor vehicles; and providing for an effective date."

HB 182 was postponed.

HB 503 "An Act relating to evaluating state assumption of the wastewater discharge program under the federal Clean Water Act; and providing for an effective date."

HB 503 was heard and HELD in Committee for further consideration.

#hb503

HOUSE BILL NO. 503

"An Act relating to evaluating state assumption of the wastewater discharge program under the federal Clean Water Act; and providing for an effective date."

ZACH WARWICK, STAFF, SENATOR THERRIAULT, spoke in support of the legislation. He explained that the legislation would direct the Department of Environmental Conservation to evaluate the potential benefits and consequences of assuming primacy for the National Pollutant Discharge Elimination System program (NPDES). The Environmental Protection Agency (EPA) currently supervises the state's discharge. He noted that 44 states administer their programs in-state. State primacy would allow the state of Alaska to tailor the permitting process to specific environmental features and decide how timely permits would be issued. The legislation requires evaluation of the possibility of administering the program as well as a description of the cost and identification of funding sources.

Representative Lancaster observed that the fiscal note supports two temporary positions and questioned if permanent positions would result. Mr. Warwick explained that the legislation would only pertain to the evaluation. The next legislature would decide whether or not it would be implemented.

Representative John Davies spoke in support of the legislation and questioned if industry had been approached to supply a portion of the necessary funding. Mr. Warwick noted that industry has indicated that they could not support the funding.

Representative Lancaster questioned if the legislation would affect municipalities. Mr. Warwick noted that the legislation would allow municipalities to tailor restrictions to their desire.

Representative Foster questioned if state restrictions would be more stringent than federal restrictions. Mr. Warwick reiterated that they could be tailored to state needs and pointed out that some of the federal regulations would not be applicable to Alaska.

TOM CHAPPLE, DIRECTOR, DIVISION OF AIR AND WATER QUALITY, DEPARTMENT OF ENVIRONMENTAL CONSERVATION testified via teleconference in support of the legislation. He noted that residents in the state of Idaho had trouble deciding if state primacy would benefit them until details were revealed indicating that state primacy would provide greater flexibility and insure timeliness of permitting. He emphasized the need to "lay out the details" [in order to

allow Alaskans to decide if state primacy should be achieved].

JOHN SUND, VICE PRESIDENT, NORQUEST SEAFOODS, SEATTLE testified via teleconference in support of the legislation. He observed that their company has NPDES permits for each of their vessels and facilities. A statewide general permit is issued every five years. He noted that the issue has been before the legislature many times over the past years and that it is a complex issue. The question is: Does it make sense on the policy or permitting level? The legislation would help evaluate the benefits by laying out the process and indicating funding sources.

Mr. Sund discussed problems they have encountered in filing permits. Joint copies must be filed with EPA and the Department of Environmental Conservation. They are subject to both EPA and Department of Environmental Conservation inspectors. Federal EPA employees are sometimes unfamiliar with Alaskan processes. He stressed that there would be greater knowledge of the industry with Alaskan regulation. There are some conflicts between state and federal standards, which could be made easier with consolidation of authority. He noted that EPA must consider the whole region and cannot bring their full attention to the state of Alaska. The legislation is a nice first step.

Representative John Davies spoke in support of the legislation. He stressed that the legislation could help promote economic development and streamline the permitting process.

Representative Hudson observed that the state has had other opportunities to take primacy from the federal government in order to eliminate multiple agency oversight. He referred to problems with leaking underground storage tanks.

Co-Chair Williams indicated his desire to reduce the fiscal note.

HB 503 was heard and HELD in Committee for further consideration.

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ADJOURNMENT

The meeting was adjourned at 2:18 PM