

**HB**

**446**

THE WHITE HOUSE  
WASHINGTON

November 18, 1993

The Honorable Walter J. Hickel  
Governor of Alaska  
Juneau, Alaska 99811-0001

Dear Wally:

As part of our efforts to forge a more responsible and coordinated intergovernmental relationship, it gave me great pleasure to sign Executive Order No. 12875 on October 26, 1993. This directive marks the beginning of our efforts to relieve state and local governments from the imposition of unfunded mandates, to increase the flexibility of federal programs, and to create a meaningful consultation process.

Under this executive order, federal agencies and departments are required to provide state and local governments with adequate funding to cover the cost of compliance with federal regulations. Otherwise, agencies must justify to the Office of Management and Budget the imposition of the mandate, including an account of the affected governmental entities' concerns. In addition, this order directs agencies to look favorably upon requests for waivers of federal statutory or regulatory requirements and compels them to issue timely decisions on such requests.

In conjunction with my recently issued executive order on Regulatory Planning and Review, Executive Order No. 12875 is a significant step toward building a more effective intergovernmental partnership. With your continued support for these critical efforts, we will achieve this goal.

Sincerely,

*Bill Clinton*

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OFFICE OF  
CONSERVATION  
OFFICE



THE WHITE HOUSE  
Office of the Press Secretary

For Immediate Release

October 26, 1991

EXECUTIVE ORDER  
(#12875)

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ENHANCING THE INTERGOVERNMENTAL PARTNERSHIP

The Federal Government is charged with protecting the health and safety, as well as promoting other national interests, of the American people. However, the cumulative effect of unfunded Federal mandates has increasingly strained the budgets of State, local, and tribal governments. In addition, the cost, complexity, and delay in applying for and receiving waivers from Federal requirements in appropriate cases have hindered State, local, and tribal governments from tailoring Federal programs to meet the specific or unique needs of their communities. These governments should have more flexibility to design solutions to the problems faced by citizens in this country without excessive micromanagement and unnecessary regulation from the Federal Government.

THEREFORE, by the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to reduce the imposition of unfunded mandates upon State, local, and tribal governments; to streamline the application process for and increase the availability of waivers to State, local, and tribal governments; and to establish regular and meaningful consultation and collaboration with State, local, and tribal governments on Federal matters that significantly or uniquely affect their communities, it is hereby ordered as follows:

Section 1. Reduction of Unfunded Mandates. (a) To the extent feasible and permitted by law, no executive department or agency ("agency") shall promulgate any regulation that is not required by statute and that creates a mandate upon a State, local, or tribal government, unless:

(1) funds necessary to pay the direct costs incurred by the State, local, or tribal government in complying with the mandate are provided by the Federal Government; or

(2) the agency, prior to the formal promulgation of regulations containing the proposed mandate, provides to the Director of the Office of Management and Budget a description of the extent of the agency's prior consultation with representatives of affected State, local, and tribal governments, the nature of their concerns, any written communications submitted to the agency by such units of government, and the agency's position supporting the need to issue the regulation containing the mandate.

(b) Each agency shall develop an effective process to permit elected officials and other representatives of State, local, and tribal governments to provide meaningful and timely input in the development of regulatory proposals containing significant unfunded mandates.

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GOVERNOR'S OFFICE

Sec. 2. Increasing Flexibility for State and Local Waivers. (a) Each agency shall review its waiver application process and take appropriate steps to streamline that process.

(b) Each agency shall, to the extent practicable and permitted by law, consider any application by a State, local, or tribal government for a waiver of statutory or regulatory requirements in connection with any program administered by that agency with a general view toward increasing opportunities for utilizing flexible policy approaches at the State, local, and tribal level in cases in which the proposed waiver is consistent with the applicable Federal policy objectives and is otherwise appropriate.

(c) Each agency shall, to the fullest extent practicable and permitted by law, render a decision upon a complete application for a waiver within 120 days of receipt of such application by the agency. If the application for a waiver is not granted, the agency shall provide the applicant with timely written notice of the decision and the reasons therefor.

(d) This section applies only to statutory or regulatory requirements of the programs that are discretionary and subject to waiver by the agency.

Sec. 3. Responsibility for Agency Implementation. The Chief Operating Officer of each agency shall be responsible for ensuring the implementation of and compliance with this order.

Sec. 4. Executive Order No. 12866. This order shall supplement but not supersede the requirements contained in Executive Order No. 12866 ("Regulatory Planning and Review").

Sec. 5. Scope. (a) Executive agency means any authority of the United States that is an "agency" under 44 U.S.C. 3502(1), other than those considered to be independent regulatory agencies, as defined in 44 U.S.C. 3502(10).

(b) Independent agencies are requested to comply with the provisions of this order.

Sec. 6. Judicial Review. This order is intended only to improve the internal management of the executive branch and is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

Sec. 7. Effective Date. This order shall be effective 90 days after the date of this order.

WILLIAM J. CLINTON

THE WHITE HOUSE,  
October 26, 1993.

TO Theresa 3887  
FR Marsh

HB 446

WALTER J. HICKEL  
GOVERNOR



P. O. Box 110001  
Juneau, Alaska 99811-0001  
(907) 465-3500

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

February 4, 1994

The Honorable Ramona L. Barnes  
Speaker of the House  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182

Dear Speaker Barnes:

*Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to community agreements for environmental conservation purposes. The bill would provide the Department of Environmental Conservation with specific authority to enter into agreements with local governing bodies, Native regional corporations, Native village councils, other similar organizations, and, as appropriate, federal agencies, to jointly assess and prioritize local environmental needs and funding.*

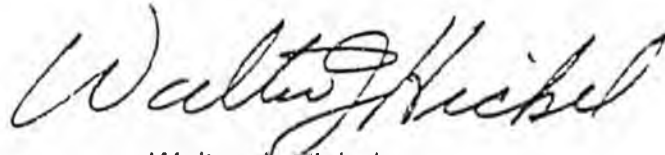
*The bill amends the powers of the Department of Environmental Conservation found in AS 46.03.020 to expressly authorize the department to enter into community agreements to best allocate environmental resources. These community agreements have three basic components. First, the community agreement would provide for the joint assessment of environmental needs within a local community or region and the establishment of indicators to track progress in meeting those needs. Second, the parties to the agreement would jointly assess and prioritize those needs by comparative risk to human health and the environment. Third, the parties would work cooperatively to resolve those needs through delegation and cooperative management, to the extent allowable under the law, using local, state, and federal authorities and funding available to meet those identified environmental needs. The bill would allow a federal agency, such as the Environmental Protection Agency (EPA), to join as a party to the community agreement. Federal government participation would be voluntary and would not prevent the community agreement process from going forward. However, recent policy announcements by the EPA suggest that it may be interested in joining with the state and local communities in fashioning cost-effective cooperative solutions to the local environmental problems envisioned by these agreements.*

The Honorable Ramona Barnes  
February 4, 1994  
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*Alaska communities face "unfunded mandates" from the federal government that often exceed a community's financial capabilities. Prioritization is necessary. The information exchange and other activities contemplated by the bill would be structured in law and regulations, to meet legal requirements that may not presently be met.*

*Given the serious unmet environmental needs of the villages, local communities, and rural areas throughout our state, I urge prompt passage of this bill.*

Sincerely,

A handwritten signature in cursive script that reads "Walter J. Hickel". The signature is written in dark ink and is positioned above the printed name and title.

Walter J. Hickel  
Governor

# GOVERNOR HICKEL'S LOCAL ENVIRONMENTAL PRIORITIES INITIATIVE (HB 446)

Governor Hickel's Local Environmental Priorities Initiative Bill provides communities, regions or organizations with a formal mechanism to identify and address environmental issues.

The legislation consolidates the Department of Environmental Conservation's (DEC) authorities in one place in order to provide legislative impetus to the department's efforts in addressing environmental needs at the local level.

Through a formal "Community Agreement" communities and the Department of Environmental Conservation jointly prioritized environmental needs on the basis of comparative risk. All environmental issues do not present the same risks to humans, ecosystems or the quality of life. Therefore, it is important that environmental risks be prioritized according to the risk they present to communities.

Additionally, through this legislation, communities and DEC would jointly assess the availability of funds to address federal and state environmental mandates. There are over 40 environmental programs dealing with environmental protection. A rural community located in the interior may have the administrative and financial capacity to deal with only three of these programs. Therefore, it makes sense for DEC and local communities to cooperatively prioritize environmental needs at the community or regional level in order to focus our limited resources on the most important issues.

Large communities are faced with the same environmental protection responsibilities as small rural communities. Communities in rural Alaska may have very different environmental needs than urban communities. Some communities have far fewer financial and technical resources to meet state and federal environmental mandates.

Through Community Agreements, DEC and local communities or regions of the state can focus their combined resources on issues that make the most sense in terms of highest risk and cost-effectiveness. A common ground can be developed between DEC and local communities in addressing environmental needs of a community.

# STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

## DEPT. OF ENVIRONMENTAL CONSERVATION

OFFICE OF THE COMMISSIONER  
410 WILLOUGHBY AVENUE, SUITE 105  
JUNEAU, AK 99801-1795

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April 7, 1994 Senate Community and Regional Affairs Committee Hearing  
On House Bill 446 -- Environmental Conservation Agreements  
Statement by John A. Sandor, Commissioner, Dept. of Environmental Conservation

Mr. Chairman, I appreciate this opportunity to testify before your committee. House Bill 446 was proposed by the Governor to provide firm authority to the Alaska Department of Environmental Conservation to enter into agreements with communities, organizations such as the Southeast Conference, and native corporations to address environmental problems.

We heard this bill in House Resources and in Community and Regional Affairs. It is an attractive piece of legislation because it offers communities and the state a way to sit down regularly, exchange information, set priorities and common goals before violations occur or enforcement action needs to be taken.

In recent months Alaska's communities have spoken out against unfunded mandates from the state and the federal government. I can think of no other arena where the requirements on Alaska's communities are as complex and burdensome as in over 40 programs for environmental protection: drinking water, sanitary landfills, wastewater, contaminated sites clean-up, underground storage tanks, clean air act requirements, stormwater requirements, and so forth. Sometimes it is too much for even our larger communities -- who can afford a large professional staff -- to handle all at once.

In every community the environmental problems are different. In every community, we need to set priorities. We don't need exemptions to environmental laws as much as we need a willing attitude on the part of the state and local governments to sit down, schedule priorities, and make sure we do "first things first" in a partnership approach.

I should stress that the agreements authorized by this legislation are voluntary. There is not a fiscal note attached, because this is intended to help organize the funds we spend, the work we do, the information we collect and distribute now to be done on a community based approach.

I urge each member of the committee to give this bill the consideration it deserves.

G:\COMM\COMM.JAS

# FISCAL NOTE

No. 1  
 Bill Version: HB 446  
 (H) Publish Date: 2/4/94

STATE OF ALASKA  
 1993 LEGISLATIVE SESSION

BILL NO. \_\_\_\_\_

Revision Date: 23-Dec-93  
 Title: Community Agreements for  
Environmental Conservation Purposes  
 Sponsor: Rules Committee  
 Requestor: Governor

Department Affected: Environmental  
Conservation  
 BRU: Division of Environmental Quality  
 Component: EQ Progr. m Development

COMPONENT SERIAL NO.    

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL						
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REVENUE						
FUND SOURCE:						

FUNDING:

1002 FEDERAL RECEIPTS	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF MATCH	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/PROGRAM RECPT	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) impact: \$ NONE

ANALYSIS: (Attach a separate page if necessary.)  
 Amends the powers of the Department to expressly authorize the department to enter into community agreements to best allocate environmental resources.

Prepared by: Robert Poe, Director   
 Division: Division of Administrative Services

Phone: 465-5010  
 Date: 12/23/93

Approved by Commissioner: John Sandor   
 Agency: Department of Environmental Conservation

Date: 12/23/93

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

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