

HB

503

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 503
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affect: Environmental Conservation
 Title Wastewater Discharge Program BRU Air and Water Quality
 Component Water Quality
 Sponsor House Resources
 Requester House Resources Component No. 2062

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	95.7	47.8				
Travel	12.0	6.0				
Contractual	101.6	41.0				
Supplies	2.0	1.0				
Equipment	6.9	1.0				
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	218.2	96.8	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	218.2	96.8				
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	218.2	96.8	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time					
Part-time					
Temporary	2	2	(see explanation attached - nonpermanent)		

ANALYSIS: (Attach a separate page if necessary)
 See Attached.

Prepared by: Lynn J. Tomich Kent Phone (907) 465-5312
 Division Air and Water Quality Date/Time 3/11/02 3:32 PM
 Approved by: Kurt Fredriksson - Deputy Commissioner Date 3/11/2002
 Agency Department of Environmental Conservation

Bill No. HB 503 Fiscal Note, page 2 of 2

Permitting decisions for wastewater discharges covered under the National Pollutant Discharge Elimination System (NPDES) are currently made by the Environmental Protection Agency in Seattle. Alaska is one of only six states in the nation that does not make NPDES permit decisions at the state level. Alaska stakeholders have expressed a desire for local decision making but are guarded about endorsing Alaska primacy unless a state program provides more benefits than one executed by EPA. This bill requires the department to develop a plan for assuming NPDES primacy by the state to be provided to the legislature in January 2004. The plan will enable the Legislature to make a decision on whether or not Alaska will seek NPDES primacy.

During FY2003 and for the first half of FY2004, one full time temporary, non-permanent Environmental Specialist IV and one part time temporary, non-permanent Environmental Specialist III, with assistance by private contractors and the Department of Law, will prepare an implementation plan for state assumption of the federal wastewater discharge permitting program in Alaska.

Other line item funding will provide travel for staff to meet with stakeholders and interested citizens, technical assistance from environmental contractor(s) with experience in NPDES program implementation, basic support costs, and equipment.

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Resource Development Council for Alaska, Inc.

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March 15, 2002

Representative Beverly Masek
Chair, House Resources Committee
Alaska State Legislature
State Capitol
Juneau, Alaska 99801

RE: HB 503 — Wastewater Discharge Program

Dear Representative Masek:

On behalf of the Resource Development Council for Alaska, Inc. (RDC), I am writing to express our support for HB 503 — Wastewater Discharge Program. This legislation directs the Department of Environmental Conservation (DEC) to assess the costs and benefits of assuming primacy over the National Pollutant Discharge Elimination System (NPDES) program and to develop a plan for implementation. At present Alaska is one of only six states which does not administer its own NPDES program.

As you know, RDC is a private, membership-funded, non-profit trade association. Our members include companies from the mining, timber, oil and gas, tourism and fishing industries. Also within our ranks are local communities, Native corporations, organized labor and industry support firms. Our mission is to expand Alaska's economic base through the responsible development of the state's natural resources.

As a matter of philosophy, RDC's members support opportunities for state primacy over federal regulatory programs. Local control allows broad federal guidelines to be tailored to the unique circumstances and characteristics of Alaska. The regulated community would prefer to deal with government officials based in Fairbanks, Anchorage or Juneau, as opposed to Seattle or Washington, D.C.

DEC has demonstrated a willingness to engage a variety of stakeholders in developing creative solutions to complicated regulatory issues. In this case, the Wastewater Permit Work Group will play an active role in evaluating the program. The review will also be subject to public comment prior to being submitted to the Legislature for final action.

Thank you for your consideration of this matter. Please feel free to contact me with any questions, or if I may be of further assistance.

Sincerely,

Tadd Owens



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Sincerely,

Tadd Owens



Council of Alaska Producers

P.O. Box 22653 Juneau, Alaska 99802

January 31, 2002

Honorable Senator Therriault:

The Council of Alaska Producers has a strong interest in the State of Alaska assuming the NPDES permit program. We believe there is significant potential to benefit from having the program administered by people familiar with the unique conditions of Alaska, as well as the potential for expediting the permitting process through more accessible permitting staff. Resource development in Alaska may become more economic and attractive to mining and other industries, and the protection of the State waters may be improved as locally knowledgeable persons make water use determinations.

However, we also have some reservations. We are concerned whether or not the State will have permitting flexibility equal to that provided through the State permit certification process. We are also concerned whether the State can best resolve water permitting conflicts with the EPA, if and when they should arise, as program administrator or if they have greater power as a separate entity.

It is our hope that with further evaluation of the NPDES assumption, and with an implementation plan that would provide us with a preview of the State NPDES program, that it will be evident that State assumption of the program will benefit Alaska citizens and Alaskan waters.

State assumption of the NPDES program will be costly. It would be unwise to request appropriation of funds for this program without first providing an implementation plan and an evaluation of the consequences. The legislation proposed in the attached document requests the funds and authority to take this first step.

The Council of Alaska Producers respectfully requests your assistance in drafting and sponsoring this bill.

If you have any questions, please contact Charlotte MacCay at (907) 272-2117, or (907) 266-4552, or on my cell phone at (907) 529-4332. My fax number is (907) 266-4568 and my email is cmaccay@aol.com. Kent Dawson is also available to assist you and can be reached at (907) 463-2533.

With sincere appreciation,

A handwritten signature in cursive script that reads "Charlotte L. MacCay".

Charlotte L. MacCay
Vice President, Council of Alaska Producers



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