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FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: SB 356
 Bill Version: _____
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Environmental Conservation
 Title "An Act relating to the authority of the Dept. of BRU Multiple
Env. Conservation to issue general and individual permits. . ." Component Multiple
 Sponsor Senate State affairs Committee
 Requester Resources Component No. 633

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	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
TOTAL OPERATING	0.0	0.0	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						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (f 2002) 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						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Mary Siroky Phone 465-5312
 Division Statewide Public Services Date/Time 3/29/02 12:00 AM
 Approved by: Kurt Fredriksson, Deputy Commissioner Date 3/29/2002
 Agency Department of Environmental Conservation

Alaska State Legislature

SENATOR
GENE THERRIAULT

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Senate

While in session
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Senate District Q

WHAT ARE GENERAL PERMITS?

- General permits (GPs) apply to a class or group of operations that are similar—from an operational and waste discharge perspective. GPs contain specific performance or operational requirements, and can be applied statewide or limited to a specific geographic or environmental setting. Some GPs incorporate site-specific requirements relevant to a location or receiving environment.
- GPs go through public review at the time they are proposed. In most cases, operators who wish to discharge or dispose of waste under the terms of a GP are required to receive written authorization from DEC in order to proceed.
- GPs are widely used by both federal and state agencies. DEC, like most other states, has used GPs for years, however state law regarding discharges of wastewater and solid waste does not specify procedures for general permits.

WHAT TYPE OF OPERATION USES A GENERAL PERMIT?

- Remote camps and lodges
- Fish hatcheries
- Sewage treatment for communities with fewer than 1,000 people
- Oil well drilling operations

WHY ARE GENERAL PERMITS VALUABLE?

- GPs allow DEC to avoid duplication by creating one permit instead of multiple identical permits for activities where the risk and impact to the environment is either low or can be easily mitigated with common treatment practices.
- GPs save DEC and the regulated community time and money while accomplishing the goal of environmental protection. GPs go hand in hand with the permit fees structure created by the Legislature in 1999 with HB361 by allowing the resource agencies to establish fixed fees for GPs.
- GPs allow DEC to allocate more resources to field site visits and inspections — the agency's best opportunity to make sure the permits are working as designed and that the public health and environment are being protected.

WHAT DOES SB 356 ACCOMPLISH?

- The bill establishes procedures for developing and issuing GPs in DEC's water and solid waste divisions.
- The bill requires clear public access to information about which facilities and activities are operating under the terms of a GP.



Resource Development Council for Alaska, Inc.

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Founded 1975

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April 2, 2002

Senator John Torgerson
Chair, Senate Resources Committee
Alaska State Legislature
State Capitol
Juneau, Alaska 99801

Re: SB356 — General Permit for Water/Waste Disposal

Dear Senator Torgerson:

On behalf of the Resource Development Council for Alaska, Inc. (RDC), I am writing to express our strong support for SB356 — General Permit for Water/Waste Disposal. This legislation affirms the Department of Environmental Conservation's (DEC) authority to issue general permits for water and solid waste disposal. Essentially a housekeeping measure, this bill demonstrates the Legislature's commitment to permit streamlining and strikes a balance between environmental protection and economic and community development.

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.

General permits (GPs) are widely used by both federal and state agencies. DEC currently issues GPs for fish hatcheries, remote camps and lodges, sewage treatment facilities in small communities and oil and gas drilling operations among other activities. GPs allow DEC to avoid duplication by creating one permit, instead of multiple identical permits, for activities where the risk and impact to the environment is either low or can be easily mitigated with common treatment practices. GPs save DEC and the regulated community time and money while accomplishing the goal of environmental protection.

In addition, GPs go hand in hand with the extremely successful permit fees structure created by the Legislature in 1999 with HB361— Fees for State Services. An important aspect of HB361 was the support it provided the state's resource agencies in establishing fixed fees for GPs. Both the resources agencies and the regulated community have fared well under the new permit fees structure and SB356 is an important step toward ensuring its continued success.

RDC appreciates your consideration of this issue and we urge the Senate Resources Committee to move SB356 forward. Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in cursive script that reads "Tadd Owens".

Tadd Owens
Executive Director

STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION

DIVISION OF AIR AND WATER QUALITY DIRECTOR'S OFFICE

TONY KNOWLES, GOVERNOR

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<http://www.state.ak.us/dec/>

April 2, 2002

The Honorable John Torgerson
Chairman, Senate Resources Committee
State Capitol
Room 427
Juneau, AK 99801-1182

Re: Senate Bill 356

Dear Senator Torgerson:

At the request of the Senate State Affairs Committee, Department of Environmental Conservation is providing the following information to the Senate Resources Committee regarding SB 356, an act clarifying DEC's authority to issue general permits for certain solid waste disposal and wastewater discharges.

General permits are widely used by the Environmental Protection Agency and U.S. Army Corp of Engineers in implementing the federal Clean Water Act and other federal laws. They are also commonly used by most, if not all, states, including Alaska. However, existing state law does not specify the procedures for issuing general permits. Our understanding is that SB 356 seeks to clarify that issue, following on the passage of HB 361 two years ago which sets permit fees for individual and general permits.

General permits are used for similar operations where the discharge effluent or solid waste can and should be managed in the same way at each location. They avoid duplication of work by creating one permit instead of multiple identical permits. This allows the department to use the time saved in permit review to enhance our field presence. Field site visits and inspections are the best opportunity to make sure permits are working as designed. In short, general permits save money and time while still accomplishing the environmental and public health protection goals.

In 1999, the department sponsored a work group to provide recommendations on how to rebuild DEC's wastewater permitting functions following budget cuts. A majority of the work group members recommended that general permits should be used where feasible and practical. A few members expressed reservations, preferring individual permits.

If the legislature is interested in clarifying the procedures for the issuance of general permits, it is important that two key points be addressed. First, general permits, in our view, are appropriate only when the risk and impact to the environment is either low or can be readily and fully mitigated with common treatment practices. General permit use should not be expanded to activities that pose a potential for serious impact or require rigorous treatment.

Clean Air, Clean Water

The Honorable John Torgerson

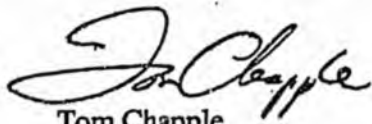
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April 2, 2002

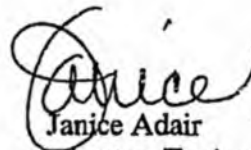
Second, the procedures for developing and issuing general permits set out in statute, must describe how the public can comment on a proposed general permit and must provide for a reasonable dissemination of information on which facilities or activities are operating under a general permit.

We thank you for considering our comments and would be pleased to answer any questions from the Committee.

Sincerely,



Tom Chapple
Director, Air & Water Quality



Janice Adair
Director, Environmental Health



ALASKA MINERS ASSOCIATION, INC.

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April 2, 2002

Honorable Gene Therriault
Alaska State Senate
State Capitol
Juneau, AK 99801

RE: Senate Bill 356, General Permits

Dear Senator Therriault,

Thank you for the opportunity to comment on Senate Bill 356 regarding General Permits issued by the Department of Environmental Conservation. We support this bill and urge its passage at the earliest possible date.

SB-356 will establish authority in statute regarding the promulgation of General Permits for solid and water discharges. This bill will ensure that there is no question that DEC has the proper legal basis for issuing General Permits.

General Permits are important for both the mining industry and the DEC. GPs allow industry, the public and the agency to establish a permit that can be used by many different operations without the time and cost of individual permits. If the miner or explorationist can accept the terms of the GP, he can obtain the permit in short order. GPs reduce uncertainty because the miner knows from the start exactly what the terms will be and can utilize these during planning and mine design. GPs also ensure equal treatment for all operators.

GPs are also important for controlling costs while the DEC works to meet its regulatory requirements. It is much more cost effective to establish a GP that can then be used for several years, versus issuing individual permits to each operator.

Thank you again for the opportunity to comment on this bill and we urge its passage at the earliest possible date.

Sincerely,

Steven C. Borell, P.E.
Executive Director

cc: Commissioner Michelle Brown

STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION

DIVISION OF AIR AND WATER QUALITY DIRECTOR'S OFFICE

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The Honorable John Torgerson

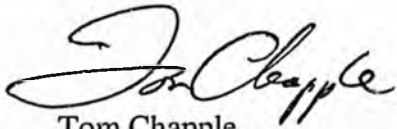
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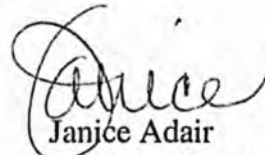
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Sincerely,



Tom Chapple
Director, Air & Water Quality



Janice Adair
Director, Environmental Health