

Exhibit F

QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE

DEPARTMENT/AGENCY Arkansas Department of Environmental Quality
DIVISION Solid Waste
DIVISION DIRECTOR Benjamin Jones
CONTACT PERSON Lesley Morgan
ADDRESS 5301 Northshore Drive
PHONE NO. 501-682-0889 FAX NO. 501-682-0891 E-MAIL morganl@adeq.state.ar.us
NAME OF PRESENTER AT COMMITTEE MEETING Lesley Morgan
PRESENTER E-MAIL morganl@adeq.state.ar.us

INSTRUCTIONS

- A. Please make copies of this form for future use.
- B. Please answer each question completely using layman terms. You may use additional sheets, if necessary.
- C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
- D. Submit two (2) copies of this questionnaire and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Donna K. Davis
Administrative Rules Review Section
Arkansas Legislative Council
Bureau of Legislative Research
One Capitol Mall, 5th Floor
Little Rock, AR 72201

1. What is the short title of this rule? Regulation 11: Solid Waste Management Fees, Funds and Grants
 2. What is the subject of the proposed rule? Regulation 11 contains the regulations for solid waste disposal fees; Landfill Post-Closure Trust Fund; Recycling Fund distributions; and the Recycling Grants Programs
 3. Is this rule required to comply with a federal statute, rule, or regulation? Yes No
If yes, please provide the federal rule, regulation, and/or statute citation. N/A
 4. Was this rule filed under the emergency provisions of the Administrative Procedure Act? Yes No
If yes, what is the effective date of the emergency rule? N/A
- When does the emergency rule expire? N/A

Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act?

Yes No

5. Is this a new rule? Yes No

If yes, please provide a brief summary explaining the regulation. _____

Does this repeal an existing rule? Yes No

If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does. _____

Is this an amendment to an existing rule?

Yes No

If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes. **Note: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."**

6. Cite the state law that grants the authority for this proposed rule? If codified, please give the Arkansas Code citation. Ark. Code Ann. § 8-6-602(d); Act 1333 of 2013 (amends Ark. Code Ann. §§ 8-6-602(d), 8-6-605, 8-6-610; repeals Ark. Code Ann. § 8-6-609; adds Ark. Code Ann. § 8-6-615); Act 819 of 2011

7. What is the purpose of this proposed rule? Why is it necessary? The proposed changes are necessary to incorporate statutory changes passed by the General Assembly that amend various provisions of the Solid Waste Management and Recycling Fund Act, Ark. Code Ann. § 8-6-601 et seq., particularly Act 1333 of 2013 and Act 819 of 2011; establish the Recycling Fund and eliminate future disbursements from the Recycling Grants Program; clarify provisions concerning the management of Recycling Grant funds previously disbursed; clarify the Computer and Electronic Equipment Recycling Grants program; and make minor stylistic revisions.

8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code § 25-19-108(b). www.adeq.state.ar.us/reg/drafts/draft_regs.htm

9. Will a public hearing be held on this proposed rule? Yes No

If yes, please complete the following:

Date: 3/3/2014

Time: 2:00 PM

Place: 5301 Northshore Drive, North Little Rock, AR 72118

10. When does the public comment period expire for permanent promulgation? (Must provide a date.)

Ten business days from the date of the public hearing, which will be on or about March 17, 2014

11. What is the proposed effective date of this proposed rule? (Must provide a date.)

On or about April 25, 2014

12. Do you expect this rule to be controversial? Yes No

If yes, please explain. N/A

13. Please give the names of persons, groups, or organizations that you expect to comment on these rules?
Please provide their position (for or against) if known.

Unknown



**ECONOMIC IMPACT STATEMENT
OF PROPOSED RULES OR REGULATIONS
EO 05-04 and Act 143 of 2007: Regulatory Flexibility**

Department Arkansas Department of Environmental Quality

Divisions Solid Waste Division

Contact Person Benjamin Jones

Date November 21, 2013

Contact Phone 501.682.0600

Contact Email: jonesb@adeq.state.ar.us

Title or Subject: Arkansas Pollution Control and Ecology Commission Regulation No. 11: Regulations for Solid Waste Disposal Fees; Landfill Post-Closure Trust Fund; and Recycling Grant Programs

Benefits of the Proposed Rule or Regulation

1. Explain the need for the proposed change(s). Did any complaints motivate you to pursue regulatory action? If so, Please explain the nature of such complaints. The proposed changes incorporate changes in state law based on Act 819 of 2011 and Act 1333 of 2013. No complaints were involved.
2. What are the top three benefits of the proposed rule or regulation? The proposed changes will update the regulation to comply with state law. These changes should allow more funds for recycling, which in turn should keep waste out of landfills.
3. What, in your estimation, would be the consequence of taking no action, thereby maintaining the status quo? The regulation would remain out of compliance with state law. An additional consequence of not taking action would be potential confusion and other issues with the Regional Solid Waste Management Districts that are now entitled to a larger percentage of the disposal fees under the state law.
4. Describe market-based alternatives or voluntary standards that were considered in place of the proposed regulation and state the reason(s) for not selecting those alternatives. N/A

Impact of Proposed Rule or Regulation

5. Estimate the cost to state government of *collecting information, completing paperwork, filing recordkeeping, auditing and inspecting* associated with this new rule or regulation. No additional costs will occur to state government with this proposed regulation.
6. What types of small businesses will be required to comply with the proposed rule or regulation? Please estimate the number of small businesses affected. This regulation will not affect small businesses.
7. Does the proposed regulation create barriers to entry? If so, please describe those barriers and why those barriers are necessary. No.
8. Explain the additional requirements with which small business owners will have to comply and estimate the costs associated with compliance. No additional requirements on small business owners.
9. State whether the proposed regulation contains different requirements for different sized entities, and explain why this is, or is not, necessary. No different requirements for different sized entities.
10. Describe your understanding of the ability of small business owners to implement changes required by the proposed regulation. Proposed changes do not add any additional requirements to small business owners.
11. How does this rule or regulation compare to similar rules and regulations in other states or the federal government? There are not any federal regulations analogous to this regulation. Other states have similar regulations to this regulation.
12. Provide a summary of the input your agency has received from small business or small business advocates about the proposed rule or regulation. N/A

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Arkansas Department of Environmental Quality
DIVISION Solid Waste
PERSON COMPLETING THIS STATEMENT Lesley Morgan
TELEPHONE NO. 501-682-0889 **FAX NO.** 501-682-0891 **EMAIL:** morganl@adeq.state.ar.us

To comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE Regulation 11: Solid Waste Management Fees, Funds and Grants

1. Does this proposed, amended, or repealed rule have a financial impact? Yes No
2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule? Yes No
3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes No

If an agency is proposing a more costly rule, please state the following:

- (a) How the additional benefits of the more costly rule justify its additional cost;
N/A
- (b) The reason for adoption of the more costly rule;
N/A
- (c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and;
N/A
- (d) Whether the reason is within the scope of the agency's statutory authority; and if so, please explain.
N/A

4. If the purpose of this rule is to implement a federal rule or regulation, please state the following:

(a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

General Revenue N/A
Federal Funds N/A
Cash Funds N/A
Special Revenue N/A
Other (Identify) N/A

Next Fiscal Year

General Revenue N/A
Federal Funds N/A
Cash Funds N/A
Special Revenue N/A
Other (Identify) N/A

Total N/A

Total N/A

(b) What is the additional cost of the state rule?

Current Fiscal Year

Next Fiscal Year

General Revenue	<u>N/A</u>
Federal Funds	<u>N/A</u>
Cash Funds	<u>N/A</u>
Special Revenue	<u>N/A</u>
Other (Identify)	<u>N/A</u>
Total	<u>N/A</u>

General Revenue	<u>N/A</u>
Federal Funds	<u>N/A</u>
Cash Funds	<u>N/A</u>
Special Revenue	<u>N/A</u>
Other (Identify)	<u>N/A</u>
Total	<u>N/A</u>

5. What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.

Current Fiscal Year

Next Fiscal Year

\$ N/A

\$ N/A

6. What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

Next Fiscal Year

\$ Unknown

\$ Unknown

The amount to implement changes enacted by Act 1333 of 2013 into this rulemaking are unknown. ADEQ does not anticipate significant costs for the state, county, or municipal governments to implement this rule.

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes No

If YES, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

(1) a statement of the rule's basis and purpose;

(2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;

- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.



ECONOMIC IMPACT/ENVIRONMENTAL BENEFIT ANALYSIS

Answer to best of the proponent's ability, as required by APC&EC Regulation 8, Chapter 3.5

STEP 1: DETERMINATION OF ANALYSIS REQUIREMENT (to be included in petition to initiate rulemaking)

APC&EC REGULATION NO. 11 REGULATIONS FOR SOLID WASTE DISPOSAL FEES; LANDFILL POST-CLOSURE TRUST FUND; AND RECYCLING GRANT PROGRAMS NOVEMBER 2013 UPDATE

1A. Is the proposal expressly addressed by a Federal requirement? No.

If yes, see 1B.

If no, an Economic Impact/Environmental Benefit Analysis is not required.

1B. If 1A is YES, is proposed regulation equivalent, or more stringent, or less stringent than federal requirement? N/A

- If equivalent – Economic Impact/Environmental Benefit Analysis is not required
- If more stringent - Economic Impact/Environmental Benefit Analysis is required
- If less stringent - Economic Impact/Environmental Benefit Analysis is not required, but does require federal agency approval prior to adoption if the proposal is part of an authorized state program.

STEP 2: THE ANALYSIS (to be included in petition to initiate rulemaking, if required)

2A. ECONOMIC IMPACT

1. Who will be affected economically by this proposed rule?

State: a) the specific public and/or private entities affected by this rulemaking, indicating for each category if it is a positive or negative economic effect; and b) provide the estimated number of entities affected by this proposed rule.

(a) Ark. Code Ann. § 25-15-302(a)(2)(C) exempts from the required analysis rules that "substantially codify existing state or federal law." Because most of the changes proposed in this rulemaking codify into the regulation new and existing state laws as outlined above, this rulemaking should be exempt from the analysis. Those changes that do not codify new and existing laws are minor administrative and stylistic changes that should not affect small businesses. The repeal of the Solid Waste Recycling Grant Program and addition of the Recycling Fund Distributions will change the way ADEQ

distributes funds, but should not have an economic impact on small businesses.

(b) There are approximately 18 regional solid waste management districts and their respective counties and municipalities within their jurisdictional boundaries.

2. What are the economic effects of the proposed rule? State: 1) the estimated increased or decreased cost for an average facility to implement the proposed rule; and 2) the estimated total cost to implement the rule.

1) The proposed changes do not affect amounts distributed and should not have an economic impact.

2) There is no anticipated cost to implement this rule on small businesses or the Department.

3. List any fee changes imposed by this proposal and justification for each.

None.

4. What is the probable cost to ADEQ in manpower and associated resources to implement and enforce this proposed change, and what is the source of revenue supporting this proposed rule?

None.

5. Is there a known beneficial or adverse impact to any other relevant state agency to implement or enforce this proposed rule? Is there any other relevant state agency's rule that could adequately address this issue, or is this proposed rulemaking in conflict with or have any nexus to any other relevant state agency's rule? Identify state agency and/or rule.

There is no known impact to another state agency nor is there another state agency's rule that could address any of the proposed changes. This rulemaking is not in conflict with, nor has any nexus to, any other relevant state agency's rule.

6. Are there any less costly, non-regulatory, or less intrusive methods that would achieve the same purpose of this proposed rule?

No.

2B. ENVIRONMENTAL BENEFIT

1. What issues affecting the environment are addressed by this proposal?

While the rule is mostly administrative, it is expected to provide indirect long-term positive effects on the environment. The regulation pertains to solid waste disposal fees, the Landfill-Post-Closure Trust Fund, the Solid Waste Management and Recycling Fund Distributions, and the Recycling Grants Program.

2. How does this proposed rule protect, enhance, or restore the natural environment for the well-being of all Arkansans?

The regulation pertains to solid waste disposal fees, the Landfill-Post-Closure Trust Fund, and the Recycling Grants Program. Minimizing waste placed in landfills is crucial through the recycling program, and providing mechanisms for proper landfill maintenance is crucial to the environment and human health.

3. What detrimental effect will there be to the environment or to the public health and safety if this proposed rule is not implemented?

None.

4. What risks are addressed by the proposal and to what extent are the risks anticipated to be reduced?

None.



APC&EC Regulation No. 11

Proposed Amendments – Executive Summary

The Arkansas Department of Environmental Quality proposes this rulemaking before the Arkansas Pollution Control and Ecology Commission to incorporate statutory changes passed by the General Assembly that amend various provisions of the Solid Waste Management and Recycling Fund Act, Ark. Code Ann. § 8-6-601 *et seq.*, particularly Act 1333 of 2013 and Act 819 of 2011. This rulemaking establishes the Recycling Fund and eliminates future disbursements from the repealed Recycling Grants Program.

Further, the proposed rulemaking will clarify provisions concerning the management of Recycling Grant funds previously distributed. It will also clarify the Computer and Electronic Equipment Recycling Grants program. The remaining changes include minor stylistic revisions and formatting changes that will make the regulation consistent with the formatting guidelines of the Commission.

