

ECONOMIC IMPACT STATEMENT

Note: In completing the economic impact statement, an agency analyzes and evaluates the anticipated costs and benefits to be expected from adoption of the rule. Rules affecting or regulating public education and public schools must include cost implications to local school districts and taxpayers in the impact statement (see 3 V.S.A. § 832b for details). Where this form is insufficient for your purposes, please use additional sheets.

Please complete the following.

1. Title or subject of rule:
Control of Hazardous Air Contaminants

2. Agency:
Agency of Natural Resources

3. Please list categories of people, enterprises and government entities potentially affected by this rule and estimate for each the costs and benefits anticipated. If applicable, include small businesses, and complete items 4 and 5 of this sheet as well. Please be as specific as possible, giving full information on your assumptions, data base, and attempts to gather other information on the nature of the costs and benefits involved. Costs and benefits can include any tangible or intangible entities or forces which will make an impact on life without this rule.
Please see Attachment A.

4. Please compare the economic impact of the rule with the economic impact of other alternatives to the rule, including no rule on the subject or a rule having separate requirements for small business.
This rule will revise the toxicity category of many HACs. In those cases where the toxicity category is revised to be more stringent, the fee for emitting such HACs will increase. However, pursuant to 3 V.S.A. § 2822(k), only facilities that emit more than five tons of air contaminants per year are required to pay fees for HAC emissions. Thus, businesses that emit less than five tons of air contaminants per year will not be subject to fee increases resulting from the proposed rule. Moreover, to ease the economic hardship that may result from the proposed revisions, the Agency is proposing to wait until the calendar year immediately following the reauthorization of the fees set forth in 3 V.S.A. § 2822(k), which should be 2008, to calculate HAC emission fees based upon the revised toxicity categories. This will provide sources with additional time to install new control technology, incorporate the use of less toxic alternatives, and/or provide more refined emissions estimates to lessen the economic impact. Having no rule on the subject or having a rule with separate requirements for small businesses that emit more than five tons of air contaminants could lower the economic impact by eliminating or lowering the annual fees required for emissions of HACs. However, these alternatives would not adequately protect Vermont residents from the adverse effects of HAC emissions and/or would conflict with 3 V.S.A. § 2822(k).

5. Flexibility statement: Please compare the burden imposed on small business by compliance with the rule to the burden which would be imposed by alternatives considered in 3 V.S.A. § 832a.
Eliminating or lowering the fees paid by small businesses for emissions of hazardous air contaminants (HACs) would be inconsistent with 3 V.S.A. § 2822(k). This statutory provision requires "any person required to pay a fee to register an air contaminant source" to pay certain fees for emissions of HACs. Section 2822(k) does not distinguish between small business and

large businesses per se. However, this statutory provision does exempt a business that emits less than five tons of air contaminants from paying HAC emission fees. Moreover, alternatives to the rule, including having no rule or having separate requirements for small businesses, to mitigate the potential impact to small businesses would significantly increase the risk to public health, safety, and welfare from hazardous air contaminant emissions.

CERTIFICATION: AS THE ADOPTING AUTHORITY (see 3 V.S.A. § 801(b)(11) for a definition) OF THIS RULE, I CONCLUDE THAT THIS RULE IS THE MOST APPROPRIATE METHOD OF ACHIEVING THE REGULATORY PURPOSE. IN SUPPORT OF THIS CONCLUSION, I HAVE ATTACHED ALL FINDINGS REQUIRED BY 3 V.S.A. § 832a and § 832b

(Sign here)

Date: / /

Canute Dalamasse
Acting Secretary

Agency of Natural Resources

(Type name here please)