

Dear Antidegradation Rulemaking Stakeholders:

One of the requirements for moving the antidegradation rulemaking along is preparation of a Fiscal Impact Analysis. When IDEM determines the cost of complying with a rule is greater than \$500,000, a fiscal impact analysis must be submitted to the Office of Management and Budget at least sixty-six days in advance of preliminary adoption hearing before the Water Pollution Control Board.

While the requirement to have antidegradation rules is placed on the states by federal law and economic impact created by federal requirements does not create additional state level economic impact, the decision has been made to develop a fiscal impact analysis for the antidegradation rule because the federal language is not prescriptive of the specific rule requirements that states must adopt to meet the federal requirements.

The fiscal impact requirement is found at IC 4-22-2-28.

<http://www.in.gov/legislative/ic/code/title4/ar22/ch2.html>

It asks for the total estimated economic impact defined as the annual economic impact on all persons regulated by a rule after the rule is fully implemented. A rule is fully implemented after the conclusion of any phase in period during which the rule is gradually made to apply to all persons affected by it. The annual impact is measured starting with the first 12-month period after the rule is fully implemented.

IDEM requests submission of estimates on the fiscal impact of compliance with the antidegradation rule requirements to aid IDEM in preparing an analysis of the estimated fiscal impact. IDEM also requests that whatever is submitted be supported with reason and explanation of the derivation of the submitted costs. Costs that would be necessary in order to submit an NPDES permit application regardless of antidegradation requirements should be separated.

If you have any fiscal impact information, you may mail it to:

MaryAnn Stevens
Indiana Department of Environmental Management
Office of Legal Counsel
Rules Development Branch
MC65-41
100 N. Senate Ave, IGCN 13th Flr., Rm 1315
Indianapolis, IN 46204-2251

You may also email your fiscal impact information to mstevens@idem.in.gov or fax it to (317) 232-5517, Attention: MaryAnn Stevens.