

## **Small Business Compliance Advisory Panel—Notes**

April 3, 2012

In attendance:

Paul Glauser, Staker Parson  
Brad Overmoe, Red Hanger Cleaners  
John Wise, Cabinetry by Karman  
Rusty Ruby, DAQ  
Paul Harding, DEQ  
Stacey Adams, DEQ  
Brad Johnson, DEQ

### **Legislative Update: Brad Johnson**

Brad expressed appreciation to the CAP for their time and effort as well the way the forum can be used to provide feedback to the department. The 2012 legislative session was a lite one for DEQ. The agency had about half the number of bills impacting it than in previous years. Some of them were more controversial, others came out of left field, but all-in-all the agency fared well in the session. The bills that DEQ followed are listed below, grouped by those that passed and those that did not. Text of the bills can be found at [www.le.utah.gov](http://www.le.utah.gov)

#### **Passed:**

HB72: Requires tire resellers to register with the State the same way tire recyclers have to. Equity bill.

HB189: No longer requires asbestos testing for residential properties with four units or less that were built after 1981.

HB143: Initially designed to “green tag” petroleum tanks that were in compliance. It was amended to shift the administrative burden from tank operators to DEQ staff by instead “red tagging” out of compliance tanks.

HB348: Due to the instability and volatility of revenue generation from hazardous waste disposal fees, the bill created a flat fee regardless of the amount of waste disposed of to cover operating costs for the Solid & Hazardous Waste program. Industry is not supportive of the fee, which will take place in July 2013. The bill was modeled after the flat fee enacted by the Division of Radiation Control in 2010.

HB407: Changes emission and inspection tests from a biennial requirement to four years after the purchase of a new vehicle. This bill will require DAQ to amend its SIP.

SB11: This bill was supported by DEQ and streamlines the adjudicative procedures for the agency’s environmental boards. The bill requires all issues with an agency action to be raised during a public comment period.

SB21: This bill streamlines and standardizes board membership for DEQ’s seven boards. This provides a consistent model of representation and gives each board nine members. Due to the special nature of its

work, the Division of Drinking Water board is not affected by this change. One of the main components of the bill is that appeals will not go before an Administrative Law Judge and not the board, which focuses the board's work on policy and prevents a conflict of interest. Takes effect in May.

Changes to the board will not come solely through attrition. There will be a transition process in which the board members will reapply to meet the new criteria for membership. The Division of Oil, Gas, and Mining is not affected by this change.

SB132: Reauthorized the Radiation Control Act and removed it from the sunset list so it will not have to undergo periodic sunset revision.

SB133: Reauthorized the Mercury Switch Removal Act for five years. At some point this act will sunset because it has been so successful in removing mercury switches and there are few left.

Failed:

HB50: Bill geared towards sunsetting the Petroleum Storage Tank (PST) Fund for DEQ's underground storage tank program. The sponsor felt the fund was operating similarly to an insurance fund and did not believe it was appropriate for a state program to function this way. The bill was amended to study, but failed in the final minutes of the session. DEQ will continue working with the sponsor to resolve issues and determine the best way to move forward.

- The fund balance is staying stable at around 12 million dollars

HB152:

**Budget:**

Brad provided background for a 2011 Legislative Session budget cut of \$228,000. The legislature did not like the way DEQ made the cut and took that amount plus an additional \$228,000 out of the 2012 budget as a result. The agency worked with the legislature on misinformation that led them to believe their request had been ignored which resulted in the restoration of both amounts. The \$228,000 restored the 2012 budget is one time money that the agency will have to find next year.

The agency also had to absorb the cost for an administrative law judge (ALJ) and a clerk. The ALJ will help DEQ avoid the issue of its assistant attorney generals not being able to speak with one another while they are assigned to appeals that may present a conflict of interest. With 10 active appeals happening right now the ALJ will help the agency avoid bureaucratic delays.

**PM2.5 SIP Development:**

Both Paul and John attended the workgroup meeting in March. Paul felt it was a good meeting, informative and also highlighted the challenges of meeting the standard. He also thought the Data Explorer tool was helpful. (<http://www.airquality.utah.gov/Public-Interest/Current-Issues/pm2.5/presentations/index.html>) John was surprised about how big the gap is to meet the standard.

Joel Karmazyn from UDAQ explained that the modeling is continuous; it's only a snapshot of where we are at the time and does/will change as a result of new information. Workgroup members should be checking the Data Explorer to see if anything is incorrect or missing. The important of this was highlighted by the example of dry cleaning industry. Joel and Brad worked to get updated numbers from the dry cleaning industry into the model. As a result, that industry's emissions numbers are down significantly and there will no longer be specific rulemaking for their inventory. A similar situation happened with the printing industry.

Other inventory updates will take place with the wood burning and surface coating industries. These rules will be considered by EPA and their contractors. The MOVES model will update the mobile emissions inventory. All other sources will continue to use existing EPA factors to determine emissions.

Paul had additional concern that the sand and gravel numbers listed in the inventory are overstated and about the offsets going away, he would prefer to keep them if possible. John had a further concern about the "little guys" in the wood coating industry who are unregulated. Joel's rule for wood coating will reach these smaller shops in all nonattainment counties except Tooele, where it wouldn't make a difference. Surface coating in general will be getting a major overhaul in the rules. The current rule has not been updated since 1983. Joel mentioned that EPA was surprised that there is still a gap to attainment and they are working closely with us on addressing and may have some additional recommendations on how to get there.

#### **Q&A:**

1. If we can't make attainment will it mean a cut in production? UDAQ is not sure yet, but Joel is working on the numbers.
2. Will transportation funding be taken away if we don't meet the standard? Technically it could be, but this is unlikely and no one remembers it happening in the near past.
3. Do new emissions factors just give us a more narrow area to focus on? No, we have to focus on everything that is feasible.
4. If an industry finds their inventory was lower than estimated after the SIP is written, can changes be made to reflect this? No. Joel doesn't think any parts of the inventory will be blatantly out of line at this point. He isn't expecting any problems like those with the dry cleaning and printing industries.
5. Can we extend the attainment window? No, we don't have the luxury of doing that.
6. From an economic growth/development standpoint, what are the consequences to the permitting process if we don't meet the standard? Permitting may become harder and new permits would require greater pollution controls.
  - a. We do have a growth factor build into the model and it's the reason we are not meeting attainment.

#### **Joel's Presentation:**

UDAQ will no longer be referring to specific county boundaries and will instead refer to the official nonattainment areas. Joel's focus for the new few months will be on rulemaking updates. It is easier

and faster to expand old rules into the entire nonattainment area than writing new rules. It's important to remember that area source emissions are modeled/predictive and not actually measured. The message he'd like the group to take away is that inventories and modeling do change over time.

**Paul's Updates:**

Some ([http://www.deq.utah.gov/Business\\_Assistance/envirouupdate.htm](http://www.deq.utah.gov/Business_Assistance/envirouupdate.htm)) website will be updated with RSS feed with regulatory information. Paul talked about UCAIR's new business arm, Clean Air Champion, and encouraged the group to check out the websites ([www.ucair.utah.gov](http://www.ucair.utah.gov) and [www.cleanairchampion.com](http://www.cleanairchampion.com)). Some companies participating have listed metrics, others have not, even though UCAIR is a metrics based program. Both programs have the opportunity for promotion and Paul will send details to the group.

**Next Meeting:**

August 14<sup>th</sup> at 2:00 pm.