



ENVIRONMENTAL QUALITY COUNCIL

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April 19, 2010

TO: Environmental Quality Council (EQC) Members

FR: EQC staff

RE: Proposed CECRA Administrative Rules and CECRA Economic Impact Statement

At the EQC's May meeting, members need to determine whether the attached economic impact statement related to proposed CECRA rules is sufficient. At both the January and March EQC meetings, council members received updates on proposed rules and rule amendments to the Comprehensive Environmental Cleanup and Responsibility Act, CECRA.

On May 7, members will receive an update from the DEQ on the rulemaking and the stakeholder group. The EQC's statutory duties are as follows:

- The EQC is statutorily required to make a determination on whether the economic impact statement is sufficient, 2-4-405(4), MCA.
- Legal sufficiency is based on the economic impact statement complying with the content requirements of 2-4-405(2), MCA.
- If the EQC determines that the economic impact statement is insufficient, the EQC may return the statement to the DEQ and request that corrections or amendments be made, 2-4-405(4), MCA.
- If the EQC determines that the economic impact statement is sufficient, the DEQ is required to submit a notice, including a summary of the statement and indicating where a copy may be obtained, 2-4-405(4), MCA.

An EQC sufficiency determination does not prevent the DEQ from adopting the CECRA rules. However, the DEQ has delayed adoption of the CECRA rules until after the May EQC meeting in order to accommodate the EQC's sufficiency determination. If the EQC wants to delay the adoption of the CECRA rules, the EQC must use its authority under 2-4-406, MCA to object to the rule.

The economic impact statement and formation of the stakeholder group was precipitated by CECRA rule changes proposed in October 2009. In November 2009, the DEQ extended the public comment period on the rules. Because of the interest in the economic effect of the proposed rules, the DEQ has provided a supplemental comment period to accept comments on the economic impacts of the proposed rules. That public comment period is open through May 14.